

TO: HONORABLE BOARD OF LEGISLATORS
COUNTY OF WESTCHESTER

Your Committee is in receipt of “AN ACT relating to the reporting of Area Median Income and Local Area Median Income in relation to affordable housing.”

Your Committee is informed that the proposed Act would first memorialize the current practice where the Westchester County Department of Planning (“Planning Department.”) provides the Area Median Income (“AMI”) for capital projects involving affordable housing units, as defined by the U.S. Department of Housing and Urban Development’s (“HUD”) income limits, when they are presented to the Westchester County Planning Board (“Planning Board”).

Your Committee is advised that, according to HUD’s Office of Policy Development and Research, HUD sets income limits that determine eligibility for a variety of housing programs. HUD develops income limits based on median family income estimates and fair market rent area definitions for each metropolitan area, parts of some metropolitan areas, and each non-metropolitan county. AMI is a key metric in affordable housing and represents the median family income for a specific area, adjusted for family size. AMI is calculated on an annual basis by HUD.

Your Committee is further informed by the Planning Department that HUD’s income limits are required to be used for any program involving federal funding and is used for County housing programs. These limits are also used by New York State and other financiers of housing, such as charitable organizations and banks, when providing funds for housing developments in Westchester. Moreover, the County uses the AMI standard to set eligibility requirements for its funding programs for both rental and ownership housing. Affordability is broadly defined as a household paying no

more than 30% of their monthly gross income towards their housing costs. These income limits are a widely accepted national standard for professionals working with fair and affordable housing issues.

Your Committee recognizes, however, that Westchester County's cities, towns, and villages are socioeconomically diverse, which makes it difficult to assess true affordability using the countywide income limits set by HUD. For example, in 2023 a homeownership unit which was set at 80% AMI would have been available to a four-person household whose income was no more than \$117,450. If the unit was located in an affluent municipality, then its designation as affordable makes sense; but if the same unit was built in a low-income area, then it is anything but affordable.

As such, this Act also requires the Planning Department to annually calculate the Local Area Median Income ("LAMI") for all applicable municipalities where the U.S. Census Bureau provides the data necessary to complete the local estimate. Your Committee notes the Planning Department has advised that, currently the Census Bureau does not provide median income for municipalities where the income estimate is above \$250,000. To date, municipalities within the County with median incomes above \$250,000 are Ardsley, Briarcliff Manor, Bronxville, Larchmont, New Castle, Pelham Manor, Pound Ridge, Rye City, and Scarsdale. This list of municipalities may change in the coming years' estimates or the Census Bureau may revise the \$250,000 threshold at some point. However, currently, because of the lack of data from the Census Bureau, the Planning Department would not be able to provide the Local AMI relating to affordable housing for the municipalities listed above.

In addition, this Act would require the Planning Department to: (1) make these annual LAMI calculations publicly available; (2) post these annual LAMI calculations on the Planning Department's website; (3) submit the yearly LAMI calculations for all applicable municipalities within the County to

the Clerk of the Board of Legislators; and (4) send a copy of the yearly LAMI calculation to the Planning Board, Planning Department, Clerk, and Executive of each municipality for whom a LAMI is calculated.

Lastly, this Act would require the Planning Department to provide to the Planning Board the LAMI of the municipality in which a capital project that includes affordable housing units is to be located. This section shall only apply where there is a LAMI calculation for the subject municipality. Currently the Planning Department only provides the AMI for Westchester County.

Enacting this proposal will allow policymakers to better contextualize new affordable housing development in different areas of the County. In addition, the Act promotes transparency and accessibility of the Local AMI information, not only to the public at large, but also to prospective developers and government entities within the applicable local municipalities. The yearly LAMI calculations will allow policymakers and developers within local municipalities to better determine the thresholds for affordable housing development within their respective localities and work to ensure the needs of that local community are met.

Additionally, and as you know, your Honorable Board must comply with the requirements of the State Environmental Quality Review Act (“SEQRA”). Your Committee is informed that the proposed project does not meet the definition of an action under New York State Environmental Quality Review Act (“SEQRA”) and its implementing regulations 6 NYCRR Part 617. Please refer to the memorandum from the Department of Planning, dated January 8, 2024, which is on file with the Clerk of the Board of Legislators. Your Committee concurs in this conclusion.

The Committee, after careful consideration, recommends the adoption of this Act.

Dated: October ____, 2024
White Plains, New York

COMMITTEE ON

ACT NO. ____ - 2024

AN ACT relating to the reporting of Area Median Income and Local Area Median Income in relation to affordable housing.

Be it enacted by the Board of Legislators of the County of Westchester, as follows:

§ 1. The Westchester County Department of Planning shall calculate the Local Area Median Income (LAMI) for all municipalities where the U.S. Census Bureau provides the data necessary to complete the local estimate. The LAMI of such municipalities shall be calculated on an annual basis by the Westchester County Department of Planning. These annual LAMI calculations shall be made publicly available.

§ 2. On an annual basis, the Westchester County Planning Department shall ensure both the Area Median Income (AMI) and the LAMI calculations made pursuant to Section 1 of this Act are:

- (a) posted on the Westchester County Department of Planning's website;
- (b) submitted to the Clerk of the Board of Legislators; and
- (c) sent to the Planning Board, Planning Department, Clerk, and Executive of each municipality for which a LAMI is calculated.

Each transmission identified in this section shall include a statement indicating that the LAMI calculation is provided for informational purposes.

§ 3. The annual requirements set forth in Sections 1 and 2 of this Act shall be performed by the Westchester County Planning Department each year within 60 days of the release of the U.S. Department of Housing and Urban Development's (HUD) annual area median income estimates for Westchester County.

§ 4. When presenting a capital project to the Westchester County Planning Board that includes affordable housing units subject to income limits calculated off of AMI, the Westchester County Department of Planning shall provide the AMI information.

§ 5. When presenting information required by Section 4 of this Act, the Westchester County Department of Planning shall also be required to provide to the Westchester County Planning Board, the LAMI of the municipality in which the capital project shall be located. This section shall only apply where there is a LAMI calculation for the subject municipality.

§ 6. Effective date. This Act shall take effect upon the provision of the County AMI data from HUD in 2025, which allows for the calculation of the LAMI.