

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 Department of Planning (“Planning”) 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 Planning 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 Planning 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 that Planning 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, Planning would not be able to provide the Local AMI relating to affordable housing for the municipalities listed above.

In addition, this Act would require Planning to: (1) make these annual LAMI calculations publicly available; (2) post these annual LAMI calculations on Planning’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 Planning to provide to the Planning Board any and all income limits calculated based off the relevant municipality's LAMI when a capital project that includes affordable housing units is presented to it. This section shall only apply where there is a LAMI calculation for the subject municipality. Currently Planning only provides the AMI for Westchester County.

Enacting this Act requiring Planning to provide LAMI information 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 applicable municipalities where the U.S. Census Bureau provides the data necessary to complete the local estimate. The LAMI of all applicable municipalities shall be calculated on a yearly basis by the Westchester County Department of Planning. These annual LAMI calculations shall be made publically available. The annual LAMI calculations shall also be posted on the Westchester County Department of Planning's website each year.

§ 2. At the same time they are posted to the Department of Planning's website under Section 1, the Westchester County Department of Planning shall submit the yearly LAMI calculations for all applicable municipalities to the Clerk of the Board of Legislators.

§ 3. After performing the calculations in Section 1, the Westchester County Department of Planning shall send to the Planning Board, Planning Department, Clerk, and Executive of each municipality for whom a LAMI is calculated, a copy of that calculation.

§ 4. When presenting a capital project that includes affordable housing units as defined by the U.S. Department of Housing and Urban Development's income limits to the Westchester County Planning Board, the Westchester County Department of Planning shall provide the Area Median Income (AMI) information.

§ 5. Along with the information provided in Section 4, the Westchester County Department of Planning shall also be required to provide any and all income limits calculated based off of the relevant municipality's LAMI when a capital project that includes affordable housing units is presented to the Westchester County Planning Board. 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 release of data by the U.S. Census Bureau in 2025 allowing for calculation of the LAMI.