

NEWBURGH HOUSING REPORT
OUTLINE OF DRAFT POLICY THEMES, GOALS AND ACTIONS
[April 8th, 2021]

This document outlines preliminary suggestions for policy themes, goals, and actions that could potentially shape the City of Newburgh’s long-term strategy for meeting local housing needs. The City of Newburgh’s residents are invited to offer their reactions to this outline and offer their own suggestions for housing policies and other interventions that will improve the overall quality of life in Newburgh’s neighborhoods.

These draft suggestions were prepared as one element of the *Newburgh Housing Report*, a year-long policy initiative sponsored by the Leviticus Fund with funding from the JPMorgan Chase Foundation. The final report, prepared by Kevin Dwarka LLC and Pace Land Use Land Center, will include a data-driven policy framework enriched by extensive community feedback, best practice research, and funding recommendations.

This outline follows the performance of an extensive housing needs analysis consisting of community listening sessions, administration of a community survey, broad stakeholder engagement, and robust quantitative analysis. The housing needs analysis revealed high housing cost burdens for both renters and owners; severe racial disparities in the city’s homeownership levels; enduring habitability issues related to the age, quality, and occupancy of the city’s housing stock; as well concerns about rising residential property taxes, the city’s fiscal standing, and economic development imperatives.

POLICY THEME I: EQUITY

GOAL 1A: PREVENT HOUSING DISCRIMINATION AND DISPLACEMENT

ACTION 1A1: Document the City’s Experience with Urban Renewal, Displacement, and Segregation

Like many American cities subject to state and federal urban renewal policies, the City of Newburgh experienced the demolition of its waterfront district during the 1960s. The erasure of this part of Newburgh also resulted in the displacement of a significant number of African American households and businesses. Meanwhile, the process of suburbanization accelerated racial segregation in Orange County, leading to the contemporary bifurcation of the region by race and class. The full effects of urban renewal and its long-term effect on land use patterns, demographic composition, and racial disparities has been documented by media stories as well as a few academic papers. However, the lived experience of Newburgh’s residents most adversely affected by urban renewal and systemic racism has not yet been fully told. The records of urban renewal are archived and available for

analysis. The information should be packaged in a multi-media format that highlights the stories and experiences of displaced Newburgh residents in their own words.

ACTION 1A2: Update the City’s Fair Housing Laws & Enforcement Mechanisms

The City of Newburgh does not have an updated fair housing law or a system for enforcing local, state, or federal fair housing laws. Adopted in 1983, Section 38 of the Newburgh City Code establishes a City policy for providing fair housing. The code renders unlawful discriminatory practices on the basis of race, color, religion, sex, or national origin. However, the code does not reflect the evolution of federal and state fair housing laws to include a wide spectrum of protections that render illegal discrimination based upon the above factors but also other ones including family status (children under 18 in a household); disability (mental or physical); creed; age; sexual orientation; marital status; military status; gender identity or expression; and source of income. Revising the City Code and Local Laws to ensure alignment with current fair housing policies is not an onerous undertaking whereas developing a local enforcement mechanism would constitute an ongoing administrative and financial burden for the City. However, the appointment of a multi-lingual local point of contact, perhaps through a non-profit organization, would significantly help residents access legal support in instances of housing discrimination.

ACTION 1A3: Partner with Orange County on Regional Affordable Housing Plan

Relative to other localities within Orange County, the City of Newburgh carries a significantly greater share of multi-family and income restricted housing. Part of this disparity is attributable to the higher building densities within the City of Newburgh. However, these densities are also the product of single-family zoning that prevails throughout much of Orange County, hinders the development of lower-priced rental apartments, and perpetuates racial segregation. Currently, the City and County coordinate on affordable housing needs through the Continuum of Care programs and community development initiatives. In order to ensure that the region’s affordable housing needs are met through a variety of localities and undo racial segregation, the City of Newburgh should also work collaboratively with Orange County Planning Department on a regional affordable housing plan.

GOAL 1B: PREVENT HOMELESSNESS

ACTION 1B1: Improve Coordination and Information Sharing Between the City, County, and Social Service Providers for Programs Targeting Newburgh’s Most Vulnerable Populations

The City of Newburgh does not provide direct social services to its most vulnerable population. Instead, services are provided largely from non-profit organizations, sometimes in coordination with Orange County Social Services Department. These entities collaborate through the Newburgh Housing Coalition and the Orange County Continuum of Care / Housing Consortium. In spite of these coordinating bodies, the various entities involved with social service delivery do not all share the same information regarding community needs, client housing arrangements, service availability, and funding programs. One way of improving coordination would be to generate regularized reporting

on social service needs through a monthly data dashboard similar to the one that was created under the New York State’s Community, Opportunity, Reinvestment (CORe) initiative.

ACTION 1B2: Strengthen and Expand Eviction Prevention Programs

The anticipated suspension of COVID-related moratoriums on eviction claims is widely expected to introduce a new set of vulnerabilities for low-income residents unable to pay their rent. Widening the scope of the financial counseling in tandem with increased access to rental assistance and legal representation could help reduce incidents of eviction leading to homelessness.

ACTION 1B3: Expand Shelter Facilities and Permanent Housing for Newburgh’s Homeless and Most Vulnerable Populations

The City of Newburgh’s homeless population can access housing through Orange County’s Department of Social Services and a network of several non-profit organizations. Newburgh’s homeless facilities have reached capacity. When there is not room at an available shelter, Orange County will opt to place a homeless individual in a motel. Due to the limited supply of affordable rental housing within the City of Newburgh, finding permanent housing for homeless individuals is also challenging. The City should build more housing including shelter beds as well as permanent housing for vulnerable populations.

GOAL 1C: REDUCE HOUSING COSTS

ACTION 1C1: Reduce Property Taxes for Homeowners

Newburgh homeowners have experienced rising taxes, which increased sharply during the recent reassessment process. One way of reducing the homeowner tax burden is to diversify the tax base with more commercial development. The City should also analyze the potential for a broader range of administrative and fiscal changes to reduce residential property taxes including consolidated services, income taxes, tax break programs for homeowners, and vacant property taxes.

ACTION 1C2: Evaluate City’s Eligibility for Adopting Rent Stabilization

The City of Newburgh has not yet invoked rent stabilization as possible under the 1974 New York State Emergency Tenant Protection Act that was amended under the Housing Stability and Tenant Protection Act of 2019. Although Newburgh has a sizeable inventory of older housing units, only a limited number of units would likely be eligible for the program. Based on 2018 American Community Survey census data, at least 82% of Newburgh’s total housing units would be completely ineligible for rent stabilization due to their location in buildings with a small number of units. Of the units potentially eligible for rent stabilization, the pool of qualifying buildings could be even smaller if the building was not built before 1974 or if it is already covered by another governmental housing program. Nonetheless, a vacancy analysis and building inventory should be undertaken in order to ascertain the City’s eligibility for rent stabilization given the measure’s potential to preserve rental affordability, avert unfair evictions, and ensure code compliance for selected buildings.

ACTION 1C3: Evaluate Procedures for Existing Rental Assistance Programs

Newburgh Housing Authority and Pathstone manage the Housing Choice Voucher Program. This program provides housing assistance to eligible low- and moderate-income families. This program enables families to obtain decent, safe and sanitary housing by subsidizing a portion of each tenant’s monthly rent. Under federal COVID-19 relief monies, a greater pool of Newburgh residents will be able to receive rental assistance. The exact procedures for determining eligibility for rental assistance and approach to finding suitable housing for recipients merit further evaluation.

GOAL 1D: PRESERVE AND EXPAND AFFORDABLE HOUSING SUPPLY

ACTION 1D1: Undertake Affordable Housing Re-Education Program

Newburgh residents hold divergent views on the need for affordable housing in the City. Some residents see the provision of increased affordable housing as a public policy imperative given the high housing cost burden levels experienced by many residents. Other residents charge that there already is too much affordable housing within Newburgh and that the increased supply of affordable housing will only intensify concentrated poverty; exasperate community impacts like traffic; impose greater fiscal costs than benefits; and elevate the tax burdens of homeowners. This debate has led to heated controversies around at least two housing development proposals, the Mid-Broadway project and the Alembic proposal. One source of the intractability of these controversies is a lack of community agreement on housing needs, the definition of affordable housing, the wide range of housing typologies that fall under the umbrella term of “affordable housing”, and the impacts of various approaches to building, designing, and financing affordable housing. To help Newburgh residents reach a shared vision on housing policy, the City should broadly distribute information on housing needs, various typologies of housing, and clear information on the fiscal impacts of affordable housing developments built in other parts of the surrounding region.

ACTION 1D2: Assess Potential for Increasing Allowable Densities Throughout the Broadway Corridor

The City of Newburgh updated its zoning code in 2015. The new code retained traditional zoning classifications but also adopted a form-based code for certain sections of the City including the Broadway corridor and the waterfront. The code was designed to allow flexibility of land uses in the City’s downtown core while also allowing for the possibility of significant building heights along Broadway (up to six stories) and the waterfront (eight stories). However, the “Broadway corridor” could be more expanded to include all of the areas in the City that are located within a ¼ mile either north and south of Broadway and extending from the downtown all the way to the western boundary of the City. The City could analyze the potential for further upzoning this entire area in order to encourage the development of more multi-family rental housing, limited equity coops, small units, and live-work spaces for artists and home businesses. All of these units will be more affordable than purchasing a single-family home and allow for the redevelopment of Newburgh’s primary commercial corridor that expands housing access and reduces the threat of displacement. Higher

densities do not necessarily need to be made available as-of-right under the zoning code. Developers could be granted generous density bonuses within the Broadway corridor provided that they build a certain amount of affordable housing or meet other public policy objectives.

ACTION 1D3: Promote and Enable a Wider Variety of Affordable Housing Units

The City’s housing stock largely consists of single-family homes, 2-family homes, and 3-4-unit row-houses. The City should work with non-profit housing associations to design the regulatory system, administrative process, developer outreach, and marketing strategies that would enable production of a wider variety of units including:

- Efficiency studios and 1-bedroom apartments (rentals and condominiums)
- Live-work spaces
- Limited equity coops (through conversions of existing buildings or newly constructed buildings)
- Permanently affordable rental and sales units of all kinds through a community land trust

ACTION 1D4: Adopt Mandatory Inclusionary Housing Options for Multifamily Development on Both Privately Owned and City Owned Land

The City of Newburgh adopted a new zoning code in 2015. This new code combines traditional zoning with a form-based code in order to provide greater flexibility of land uses in key parts of the City including the Broadway corridor and the waterfront. However, the new zoning code did not include any affordability housing requirements even in areas where higher density housing was permitted. In order to ensure that new development includes a wide mix of price points, the City should adopt an inclusionary housing ordinance that mandates developers of new multi-family housing to comply with one of several options for providing a certain amount and type of on-site affordable housing for households at all income levels including low-income and very low-income residents.

POLICY THEME II: LIVABILITY

GOAL 2A: REFORM CODE ENFORCEMENT PROCESS

ACTION 2A1: Increase the Capacity, Knowledge Base, and Skill Levels of the City’s Code Compliance Department

Training opportunities for employees in the City of Newburgh’s Building Department are limited. The New York State Department of State Division of Building Standards and Codes offers a sequence of courses. However, Newburgh’s Code Enforcement Officers do not receive on-site practical training that is focused on specific aspects of the City’s unique challenges, enforcement procedures and regulations. As a result, there is not consistency across code enforcement officers in terms of the level, depth, or accuracy of their code knowledge. One positive step toward redressing the training gap is the provision under the City RISE grant for additional staff training. Expanding opportunities for on-site training performed by a building code consultant could help create a more effective code enforcement process. Another opportunity for delivering training opportunities is the City’s Code

Enforcement Coordination Committee, an internal group that can exchange information on building regulations and also organize customized training sessions.

ACTION 2A2: Improve the Use of Technology as a Tool for Tracking and Publishing Violations, Enforcement Steps, Owner Response, and Judicial Status

The Department currently uses Integrated Property System (IPS) and Building Blocks to track code enforcement cases. The IPS software has limited capabilities, and cannot accurately capture, aggregate and export information. The City of Newburgh is in the process of transitioning from IPS to a new platform, MuniCity, a cloud-based program with more robust reporting functions. The use of these portals will help make information on building conditions more accurate while also making information more publicly available, thereby improving accountability by all parties.

ACTION 2A3: Increase Compliance with the Existing Rental Registry Program and Make it More Robust.

The City of Newburgh maintains a Rental Registry, which requires owners of a rental property to submit a rental license application with the Newburgh Code Department or authorized official. The City has recently not been as aggressive in using this program though it has been perceived as being effective. The system can be improved by hiring staff to manage the registry, provide various tiers for compliance depending on building conditions, and public release of the registry.

ACTION 2A4: Provide Education and Training to Landlords on Code Compliance, Building Management Best Practices, and Rehabilitation Techniques

The City does not currently provide landlords with any formal training in code compliance, building management, or rehabilitation techniques. The City could establish a training program in partnership with other housing providers, non-profit organizations, lenders, and educational institutions. The training could be made optional for all landlords but mandated for landlords deemed non-compliant as part of the rental registry inspection process.

ACTION 2A5: Mandate Minimum Penalties for Building Code Violations to Ensure Compliance

Localities have the legal authority and broad discretion to determine the financial and criminal penalties for building code violations. Violations of the building code can result in fines not exceeding \$250 for each day of the violation and a maximum of 15 days of imprisonment. The code only establishes a maximum fine while providing for no minimum fine. Instead of this process, the City could mandate minimum financial penalties for building code violations as well as failures to reply with court orders in accordance with the code enforcement recommendations prepared by the New York State Senate Committee on Investigations and Government Operations. Previously assessed minimum per diem fines could be discounted based on the speed of corrections after fines are assessed.

ACTION 2A6: Improve Compliance with Vacant Property Registry

The City of Newburgh requires the owner of any vacant property to file a registration statement with the Newburgh Code Department, along with any applicable fee. The owner of the property is

required to renew the registration and pay a fee annually for the period the building remains vacant. The City could standardize the procedure for maintaining the registry so that the functions can be shared between multiple staff persons within the Department of Building. Reports on the Vacant Property Registry through Building Blocks could be made widely available to the public. A Vacant Property Working Group, housed within the Code Enforcement Coordination Committee, could be charged with supervising compliance with the registry by landowners. The City should develop best practice guides for rehabilitation and redevelopment of vacant properties along with clear directions for property owners to navigate the building permit and land use approval process.

GOAL 2B: HELP BUILDING OWNERS REHAB THEIR BUILDINGS

ACTION 2B1: Provide More Financial Assistance to Homeowners to Improve the Physical Condition of their Homes

The City has limited funds available to help homeowners offset the costs of repairs. These monies are made available through Community Development Block Grant and Cities Rise monies to households meeting a certain income level and available only for interventions deemed as emergencies by a City Agency. The program is not publicized since it is emergency driven and not application based. This program should be expanded so that a wider pool of households may receive support for interventions that are not necessarily “emergency” but still improve the condition and public safety of the home.

ACTION 2B2: Help Multi-Family Developers and Property Owners Better Access Financial Assistance to Rehabilitate Their Properties

There are two programs in Newburgh that help property owners rehabilitate multi-family housing units. Community Capital New York and Key Bank partnered in 2015 to launch the Newburgh Housing Remediation Fund, a program providing financial incentives for redressing lead and asbestos issues in Newburgh’s Housing Stock. Meanwhile, RUPCO currently manages the Landlord Ambassador Program (“LAP”) which is funded by the New York State Attorney General and assists landlords of distressed properties obtain financing for repairs or find new, responsible developers to take over the buildings. Both programs should be expanded in scale, perhaps by using monies made available under COVID-19 relief or other federal funding programs.

ACTION 2B3: Evaluate Potential Adoption of Green Building Codes, Stretch Codes, and Healthy Homes Guidelines

The environmental conditions within a home have profound implications on public health, natural resource preservation, and climate change. Beyond the building code, the City of Newburgh does not currently have policy measures that advance green building and healthy homes concepts. These concepts could be promoted and incentivized through modification of the building code, changes in the development approval process, public education and outreach campaigns, and the establishment of special loan fund or grant programs. As part of the City’s update of environmental policies within

the Comprehensive Plan, the effectiveness of mandatory sustainability requirements for buildings could be evaluated alongside the costs and benefits of other municipal commitments to environmental protection.

GOAL 2C: INVOLVE TENANTS IN IMPROVING HOUSING CONDITIONS

ACTION 2C1: Educate Tenants About the Building Code and Involve Them in Code Enforcement Process

The City’s website includes information on the building code in both English and Spanish. Another way of conveying this information would be through live community meetings or webinars that help residents better understand their rights and responsibilities as tenants. The City could also issue regular reports from MuniCity and Building Blocks so that residents understand the location and status of building code violations. Residents could also be enlisted to participate in neighborhood inspections in which potential building code issues are identified based upon exterior appearance.

ACTION 2C2: Convene Landlord Tenant Mediation Forum

Landlords and tenants do not have a neutral forum in which to address broader building condition concerns and develop collaborative strategies for improving the quality of residential life. If a tenant has a complaint, they can address the landlord directly or they can file a complaint with the City of Newburgh by calling the Code Compliance Department, thereby triggering a potentially protracted and contentious adjudication process. The City could help establish a Landlord-Tenant Forum that would provide building code education and training programs for both tenants and landlords, enable mediation services for landlord-tenant disputes, distribute materials on landlord and tenant rights of responsibilities under the rental registry, and provide periodic updates on rental and vacant property registries.

POLICY THEME III: VITALITY

GOAL 3A: LINK HOUSING POLICY TO ECONOMIC DEVELOPMENT

ACTION 3A1: Update Newburgh’s Comprehensive Plan with an Economic Development Strategy

The City of Newburgh has not updated its comprehensive plan since 2008. The Newburgh Housing Policy Framework has been designed to update the housing chapter of the City’s comprehensive plan. Newburgh’s housing policies related to redevelopment, homeownership, and community building can all contribute to the revitalization of the city’s neighborhoods, waterfront, and the Broadway corridor. However, these policies will have only limited economic impact in the absence of a parallel economic development strategy defined with a clear statement of values, concrete goals, and implementation steps. As such, the City should draft an economic development strategy that is fully integrated with the housing policy framework. All other parts of the City’s comprehensive plan

including the transportation, environmental, land use, and community development elements should also be updated and linked to each other.

ACTION 3A2: Draft a Coordinated Development Strategy for Underutilized or Vacant Sites

The City of Newburgh has two options for disposing of the properties that it has acquired. The first option is for the City to sell the property to a private buyer. A second option is for the City to give the property for an insignificant sum to a non-profit housing provider such as the Newburgh Land Bank or Habitat for Humanity. The City of Newburgh is currently developing new guidelines outlining its approach to the acquisition, disposition, and rehabilitation of distressed properties. These new guidelines provide an opportunity for prioritizing the disposition of City-owned land to non-profit housing providers in order to meet the unmet need for affordable housing.

However, the guidelines do not constitute a strategic plan for redeveloping vacant or underutilized properties in accordance with optimal reuse strategies. A Strategic Development Strategy would entail inventory of key opportunity sites and the production of clear strategies for redeveloping those sites in accordance with community benefits, fiscal optimization, and environmental protection. The properties inventoried in this strategy would include all of the vacant, tax delinquent, or physically distressed buildings in the City. However, the strategy would emphasize properties whose redevelopment would have the greatest impact on achieving the City's housing and economic development goals. As such, the plan would focus largely on crafting redevelopment scenarios for properties along the full length of the Broadway corridor (including Broadway itself and all properties within a ¼ mile radius of it) as well as the waterfront. The Coordinated Development Strategy would include approaches for property acquisition, land assembly, land use mix, developer outreach, and redevelopment financing. The strategy would also identify the public infrastructure investments required to advance the proposed redevelopment scenarios and analyze the overall fiscal impact of these scenarios.

ACTION 3A3: Publish Clear Development Guidelines on Housing Approvals, Incentives, and Disposition of City-owned Land

A relatively small number of new housing units have been built in Newburgh over the past ten years. Besides market impediments, developers do not have a clear understanding of the best way for navigating the development process. One way that the City could help provide greater predictability in the development process and attract a wider pool of housing developers would be to prepare a step-by-step guide to building in the City of Newburgh.

Previous proposals for affordable housing have been impeded by complex approval processes and community disagreements over the appropriate level of tax abatement that should be granted to projects fulfilling a demonstrated housing need. Engaging the community in a participatory effort to define approval and funding guidelines for proposed housing developments could help preclude future conflicts, reduce the risks and costs of prospective developers, and inspire a greater pool of developers to build within the City of Newburgh.

GOAL 3B: IMPROVE HOMEOWNERSHIP OPPORTUNITIES

ACTION 3B1: Help Newburgh Residents Finance Homes in Newburgh

Newburgh residents face myriad challenges to buying their own homes in Newburgh. Homeownership rates are especially low for individuals identifying as Hispanic or Black. Barriers to homeownership include high housing prices; limited access to information; and challenges to secure financing based upon income levels, credit ratings, and the cost for building acquisition and rehabilitation. To help make it easier for Newburgh residents to buy homes and remove racial disparities, more information could be provided by the City and local banks on the pathways to homeownership. More money could be allocated from federal finance programs such as Community Development Block Grant or CARES Act allocations to homeownership. A local bank – or a consortium of banks – could be enlisted to serve residents of Newburgh. The City and its housing stakeholders should also closely monitor and advocate for federal and state policy initiatives as well as new funding programs that may make it easier for Newburgh residents to purchase homes.

ACTION 3B2: Provide more Diverse Pathways to Homeownership

Besides the financial barriers to homeownership that Newburgh residents experience on account of their economic position, the composition of the City's older housing stock presents further obstacles. For a low-income household, acquiring a single-family home can be daunting given the ongoing maintenance costs required and real property taxes to be paid, which can never be amortized or retired over time like a mortgage. The city's inventory lacks a rich supply of studios or 1-bedroom apartments that could be purchased as condominiums.

Although Newburgh does have a sizeable supply of multi-family housing, most of these units are in smaller 3-4-unit rowhomes rather than apartment houses. Significant city-wide renovations in the last five years have made these multi-family rowhouses unaffordable to the average first-time homebuyer. Many of the more affordable multi-family buildings are severely distressed, requiring extensive remediation to bring them into alignment with the building code, environmental regulations, and historic preservation requirements. Banks do not provide mortgages that can cover the full costs of the remediation of these buildings as well as their acquisition price, and first-time homebuyers cannot compete with investors to purchase renovated multi-family buildings.

With regard to new construction, there have been only limited additions of new sale units. Most of the new homeownership units provided by Habitat for Humanity and the Land Bank have been single-family or 2-unit homes. RUPCO's new units have been entirely rental.

If the City of Newburgh had a greater variety of smaller housing units located within multi-family buildings, it would be easier for lower income residents to become homeowners by virtue of the lower sale costs, absence of rehabilitation costs, and shared maintenance costs. Examples of housing types that would be easier for low-income residents to finance include smaller units (include micro-units, studios, 1-bedroom apartments, and live-work spaces in condominiums); limited equity coops; and housing units made available for sale through the community land trust concept.

GOAL 3C: IMPROVE COMMUNITY CONNECTIONS

ACTION 3C1: Expand Services, Programs, and Resources at Community Centers

The City of Newburgh is blessed with several community spaces including the Armory, Newburgh Free Library, the Boys and Girls Club of Newburgh, Safe Harbors of the Hudson, and the Newburgh Jewish Community Center. These institutions along with houses of worship help to foster community connections while also providing valuable spaces for recreation, social service delivery, information sharing, and cultural activity. More resources should be directed to these institutions to ensure not only their ability to expand their on-site programming but also to work collaboratively with each other and build stronger linkages between the City's diverse communities.

ACTION 3C2: Enhance the Safety and Aesthetic Beauty of City Streets, Parks, and Playgrounds

The quality and condition of the public spaces in Newburgh's neighborhoods have profound impacts on the way that residents are able to feel "at home" both inside and outside their spaces of dwelling. To that end, the City should attempt to secure more funding for improvements to the public realm including traffic calming, trees and landscaping, street furniture, creation of new pocket parks, and enhancement of recreation areas.

ACTION 3C3: Expand Support for Neighborhood Serving Businesses

Many of Newburgh's neighborhoods are underserved by retail establishments, food stores, dining establishments and personal services. Meanwhile a number of commercial spaces along Broadway remain vacant. Creating a more vibrant mix of neighborhood serving businesses along the downtown stretch of Broadway would help revitalize the neighborhoods north and south of the City's main commercial corridor by creating more foot traffic and eyes on the street. Meanwhile, adding pockets of small businesses to Newburgh's residential neighborhoods would provide residents with greater access to goods and services while also helping to create more points for social interaction.