

TO: MV City Councilmember André Wallace

FROM: Chris McDonough, 17 Vernon Place, Mount Vernon, NY

DATE: May 11, 2026

RE: Feedback on CMV Local Law to Establish Affordable and Workforce Housing Program

The revised draft represents a modest procedural improvement over the February version but introduces several substantive changes that weaken the ordinance's core purpose. Six issues require attention before passage.

1. The AMI Ceiling Has Been Raised Significantly — Without Explanation

The ordinance retains the label “affordable housing” while quietly reorienting its primary beneficiaries. The original draft targeted households earning 60–80% AMI. The revised draft extends eligibility to 130% AMI and redefines “Affordable Housing Unit” to include households earning up to 120% AMI. In Westchester County, 120% AMI for a family of four is \$197,050 in annual household income per the 2026 Westchester County AMI guidelines. If the Council's intent is workforce housing at higher income levels, that choice should be stated explicitly and debated on its merits.

2. The “Moderate Income” Definition Conflicts With HUD Terminology

The revised draft creates a defined term “Moderate Income” meaning $\leq 80\%$ AMI. HUD uses “low income” for households at $\leq 80\%$ AMI. Defining the same threshold as “moderate” inside a local ordinance creates direct terminological conflict with federal housing standards, which will complicate any future applications for HUD financing or county-administered programs that rely on HUD income classifications. The ordinance should adopt HUD's established terminology, not invent parallel categories.

3. The AHTF Board Composition Is Unjustifiable

The Affordable Housing Trust Fund Board consists entirely of elected officials or their designees, with no required expertise in housing finance, real estate development, or nonprofit housing management, and no conflict-of-interest provisions. This board will exercise broad discretionary control over a fund that could accumulate millions of dollars in developer fee-in-lieu payments. The following minimum safeguards should be required:

- At least two independent members with demonstrated housing finance or community development expertise
- Mandatory recusal procedures for members with financial relationships with applicant developers
- Public disclosure of all fund allocations with written findings
- Annual independent audit of AHTF expenditures

4. The Fee-In-Lieu Process Lacks Adequate Constraints

The revised draft improves on the original by requiring City Council approval for any fee-in-lieu application and defining the fee as 1.5x the four-person household AMI (roughly \$246,300 per unit, based on the 2026 Westchester County AMI of \$164,200 for a four-person household). These are genuine improvements. However, the ordinance provides *no criteria the Council must apply in deciding whether to grant a fee-in-lieu request*. Developers will apply to avoid building on-site units; there is no standard against which to evaluate those applications. The ordinance should specify factors the Council must weigh — site feasibility, community need, fund balance, and prior fee-in-lieu approvals — and require written findings for each approval.

5. The 5–9 Unit Requirement Was Dropped

The February draft required at least one affordable unit in developments of 5–9 units. That provision has been removed entirely. In a city where significant residential construction occurs at smaller scales, this exemption is not a minor technical adjustment — it removes a meaningful share of potential affordable units from coverage. The rationale for this change should be stated in the record.

6. The Local Residency Marketing Preference Carries Legal Risk

§267-104(D) requires developers to market affordable units to current Mount Vernon residents before advertising beyond city limits. HUD's Affirmative Fair Housing Marketing requirements, which this ordinance explicitly references, are designed to counteract exactly this kind of *geographically restricted preference* when it has the effect of perpetuating racial or socioeconomic segregation. Given Mount Vernon's demographic composition, this provision should be reviewed by counsel before enactment for compatibility with AFFH obligations and Fair Housing Act requirements.

Items 1 and 3 are the most consequential. Expanding the AMI ceiling without public debate and vesting fund control in an unqualified political board undermines the core policy goals the ordinance states. The remaining items are addressable through targeted amendments.