

COMMENTS TO THE SUBCOMMITTEE ON ZONING & FRANCHISES ON THE PROPOSED BAY STREET CORRIDOR REZONING

May 14, 2019

Good morning and thank you for the opportunity to testify. My name is Chris Walters and I am the Rezoning Technical Assistance Coordinator for the Association for Neighborhood and Housing Development (ANHD). ANHD is a coalition of community groups across the city working to build community power to win affordable housing and thriving, equitable neighborhoods for all New Yorkers.

In offering my testimony today I want to echo the vital concerns raised by community members asking who this rezoning will actually serve. This is a concern that is borne out by looking at the numbers. The EIS acknowledges that the Bay Street rezoning will bring in a higher income population than exists in the study area today. The EIS further identifies a low-income population of 1,700 renters in unprotected units who are vulnerable to the increase in rents the rezoning could bring. But the EIS errs in assuming that the projected affordable housing this rezoning will bring will be enough to offset that displacement risk.

First and foremost, this assumption is wrong because DCP is currently proposing to map the highest income MIH options as part of this rezoning. This includes the Workforce Housing Option – which sets affordable rents at an average of 115% AMI, or over \$100,000 a year for a family of three. It also includes Option 2, which sets affordable rents at an average of 80% AMI, or over \$75,000 for a family of 3.

Yet currently 58% of households on the North Shore earn less than \$75,000 a year, while 43% earn under \$50,000 a year. Once an MIH option is mapped it's the developer's discretion as to which option to choose, and our analysis for the Bay Street corridor has shown that they are more likely to choose the higher income options. Mapping Option 2 and the Workforce Option would mean there's no guarantee that almost any housing below 80% AMI would be built; in this scenario over half the households in the district won't be served by this plan, with both the affordable and unregulated units out of their reach. These numbers are even more alarming when you consider race – 66% of Latinx households and 68% of Black households on the North Shore



earn less than \$75,000. These are the very same households facing the highest rent burdens in the district – 70% of families earning less than \$75,000 pay more than a third of their income towards rent, as opposed to just 3% of families earning more than \$75,000 a year. These are the households that stand to gain the least, and lose the most, from this rezoning and these are the households that must be served.

This is especially true for an area like the North Shore where the vast majority of renters live in unregulated units without tenant protections. At the end of their current lease – if they even have a lease - most of these tenants can be displaced without cause. Unregulated tenants such as these are especially vulnerable to the changing rental markets that the rezoning might bring.

There are several steps that can and must be taken to remedy these problems. First is to ensure that only the deepest affordability options for MIH are made available as part of this rezoning. This means mapping only MIH Option 1 and the Deep Affordability Option – which would set aside 20-25% of new units as affordable for families earning \$37,000 to \$56,000 on average – with rents for a two-bedroom ranging from \$810 - \$1,280.

Second is to ensure that public land is used for maximum public good. As part of this rezoning, the City is taking steps to eventually transfer four public disposition sites to private developers, including the large Stapleton Phase 3 site along the waterfront. Only two of the four city disposition sites listed are currently committed to providing affordable units, and only one of those will be 100% affordable. We commend the City for using the AIRS program to bring affordable senior housing to Jersey Street but more must be done here to achieve the deepest and broadest affordability possible. If the Jersey Street, Central Street and – most importantly - Stapleton Phase III sites were all developed as 100% affordable housing, it could mean over 900 units of affordable housing for the North Shore, on top of MIH.

Taken together, these changes could help create a rezoning that would ensure close to 50% of new units are affordable, at levels that serve those households most in need. The City must not pass up this opportunity. We urge the Council to heed the voices of the community and make this a rezoning that works for the majority of residents on the North Shore.