



Testimony Before the New York City Council Subcommittee on Zoning and Franchises on City of Yes, Zoning for Housing Opportunity, ULURP no. N 240290 ZRY

October 22, 2024

Thank you Chair Riley and Committee members for the opportunity to submit written comments on the City of Yes Zoning for Housing Opportunity Text Amendments. The Association for Neighborhood & Housing Development (ANHD) is a membership organization of NYC neighborhood-based housing and economic development groups, including CDCs, affordable housing developers, supportive housing providers, community organizers, and economic development advocates and service providers. Our mission is to build community power to win affordable housing and thriving, equitable neighborhoods for all New Yorkers. We believe housing justice is economic justice is racial justice.

ANHD has long supported the need for a more equitable distribution of new housing development across the city, to ensure that every neighborhood is doing its part and that unfair burdens do not continue to fall on our most marginalized communities. In that vein we support the stated intention of these text amendments to introduce more opportunity for housing development in neighborhoods across the city, particularly those that have not done their fair share and remain exclusionary for too many New Yorkers.

But it is crucial to stress that this goal cannot be achieved through focusing zoning reform solely on a supply-side approach that seeks to primarily increase unregulated, market-rate housing production. ***The reforms through the City of Yes Zoning for Housing Opportunity (ZHO) text amendments must take an affordable housing-first approach that seeks to increase not just housing production in general, but specifically rent-regulated affordable housing production, at a higher percentage of total development than today, across all neighborhoods in the city.***

This is where the greatest housing need in our city lies. Over half of NYC renter households earn under 50% Area Median Income (AMI), or around \$70,000 for a family of three. Those same renters represent over 75% of all rent-burdened households. Close to a third of renter households earn even less - under 30% AMI, or around \$42,000 for a family of 3, while making up over half of all rent-burdened households. We must ensure that changes to our residential zoning regulations are focused on serving this vital need for affordable housing, both in higher-density, historically low-income neighborhoods of color that have borne the brunt of

50 Broad Street, Suite 1402, New York, NY 10004 | Phone: 212.747.1117

www.anhd.org

development in our city for decades, and in lower-density neighborhoods that have not done their part to accept new affordable housing.

This is a racial equity issue as much as it is an economic one; the vast majority of lower-income, rent-burdened New Yorkers are households of color. When we don't prioritize affordability, these are the people who are left behind - forever told to wait for the benefits of more market-rate housing to "trickle down" to them. In order to advance fair housing goals, we must ensure that new zoning measures aren't reinforcing existing disparities by exempting exclusionary neighborhoods from any requirements to incorporate affordable housing into local development.

To better achieve the goal of increasing opportunity for rent-regulated affordable housing production, ANHD recommends the following modifications to the Zoning for Housing Opportunity text amendments:

Universal Affordability Preference (UAP)

- ***Add a mandated deep affordability band serving households at 40% AMI to ensure a dedicated portion of affordable housing for Very Low Income (VLI) households***, while keeping the maximum 60% AMI average to ensure financial viability. At least 40% of the affordable units should be set aside at 40% AMI, similar to the requirements for Mandatory Inclusionary Housing Option 1. This will help ensure units for those VLI households who are most deeply impacted by the affordability crisis, and who make up many of the current residents in neighborhoods where UAP would apply.
- As currently written, the UAP program would not be uniform in the amount of density bonus it provides for affordable housing - ranging from a 20% to 77% bonus in certain districts. ***To remedy this disparity we recommend extending the higher 77% UAP density bonus to all the districts where UAP would apply, creating a more uniform opportunity and incentive for larger affordable housing buildings across medium and high density neighborhoods.***
 - If it is considered out of scope to achieve this higher bonus by raising the maximum FAR for qualifying affordable housing (per ZR 23-222) in different districts, this could instead be achieved by lowering the maximum FAR in ZR 23-221 while keeping the maximum FAR for qualifying affordable housing the same, so as to achieve the same desired density bonus. We would note that City Council employed a similar approach with the Zoning for Economic Opportunity text amendment, where City Council modifications decreased the FAR for Other

Permitted Uses in the proposed M2-A districts to increase the size of the bonus for industrial (“Qualifying Uses”) FAR, and this reduction was deemed in scope.

- Example - (see Appendices for more details on the size of the UAP bonus by zoning district)
 - As currently written, in an R6 district: Max FAR is 2.20 (per ZR 23-221) and Max affordable FAR is 3.90 (per ZR 23-222) meaning an affordability bonus of 77%
 - $3.9 - 2.2 = 1.7$; $1.7 / 2.2 = 77\%$
 - As currently written, in an R7D district: Max FAR is 4.66 (per ZR 23-221) and Max affordable FAR is 5.60 (per ZR 23-222) meaning an affordability bonus of 20%
 - $5.60 - 4.66 = 0.94$; $0.94 / 4.66 = 20\%$
 - To achieve a 77% affordability bonus in an R7D district: Max FAR (per ZR 23-221) could be lowered to 3.16 and Max affordable FAR (per ZR 23-222) would remain at 5.60, meaning an affordability bonus of 77%
 - $5.60 - 3.16 = 2.44$; $2.44/3.16 = 77\%$
- In addition to our suggested recommendations above, ***we strongly support the proposal to allow MIH Option 3 to be mapped as a stand alone option.*** This is an important step to bring deeper affordability to more neighborhoods throughout the city, especially when paired with our recommendations for deeper and broader affordability through UAP.

Town Center Zoning and Transit Oriented Development

- ***Both the Town Center Zoning and Transit Oriented Development proposals should be modified to require affordable units for developments of over 10 units,*** the same threshold at which both the 485-x tax abatement program and Mandatory Inclusionary Housing apply. These affordability requirements should match the minimum of what is being proposed for UAP, with 20% of units set aside at an average of 60% AMI.
- As currently written, neither of these proposals for increasing housing opportunity in low-density districts include any mandated affordability requirements. While we understand mandated affordable units for smaller developments can be difficult financially, the City must recognize that these proposals would increase max FAR by a higher ratio than that where MIH is typically applied, and would help facilitate larger developments on certain sites where mandated affordable units would be possible.

Accessory Dwelling Units (ADUs)

- ANHD fully supports the proposed measures to allow for the creation of new ADUs as well as the legalization of existing informal living spaces. ***Our priority here is to ensure safety and affordability for residents of existing basement units, while giving low and moderate income homeowners a viable path to legalization of these existing informal units.*** Therefore, it is crucial that the ZHO text amendment:
 - Allow the residential conversion of a subgrade space in small (1-3 family) homes
 - Eliminate the requirement for an additional parking space when a subgrade unit is created
 - Allow for more flexibility to modify or extend non-compliances, including permitting the residential conversion of cellar units in cases where it causes a property to exceed the FAR limit.

Residential Conversions

- While we support the intention of making it easier to convert existing non-residential to residential uses this must be done with certain guardrails to ensure against the displacement of existing commercial tenants, particularly non-profit organizations and small businesses. ***As such, approval of this proposal should be contingent on the inclusion of anti-harassment & retention protections for existing commercial tenants.***
- In addition, CPC should consider ***piloting this proposal in a smaller area*** to better assess its impacts before applying them citywide. We recommend limiting the expanded eligibility geography (eg. extending the applicability to buildings finished before 1991) to the current area where conversions are already allowed as-of-right.

Other

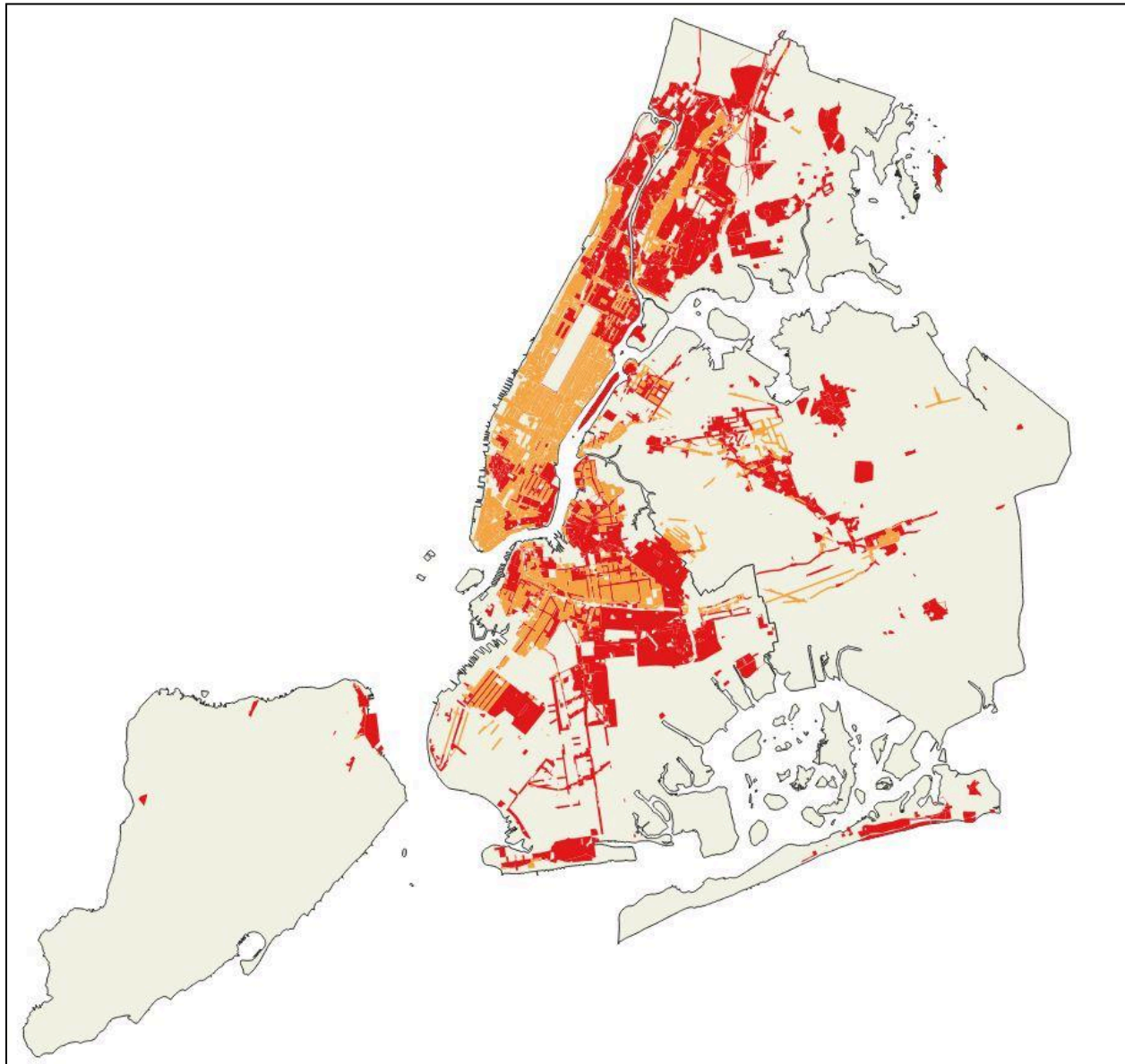
- In addition to our suggested modifications to the zoning text amendments, the City must agree to accompanying commitments to ensure against any negative effects and that our communities are best equipped to utilize and benefit from these changes. These commitments should include:
 - An expansion of CityFHEPS funding and availability to provide at-risk households the support they need to find and keep housing.
 - Increased funding for organizing to counteract possible increases in harassment and displacement due to lucrative development opportunities being opened up by these proposals.



- Increased funding for outreach and technical assistance to ensure that low income homeowners can take advantage of the opportunity to legalize existing informal living spaces or create new ADUs.
- A commitment to adequate staffing and planning within city agencies, including HPD, Human Rights Commission, DOB, and SBS for enforcement of existing laws to prevent tenant harassment, deed theft, source of income discrimination, commercial tenant harassment, and other behaviors that prevent too many New Yorkers from accessing or staying in safe, healthy and affordable housing, or maintaining economic stability.

Thank you for your time and consideration. We urge the Council to amend the City of Yes Zoning for Housing Opportunity Text Amendment with the modifications we have laid out above. We welcome any questions or follow-up to support the Council's consideration in implementing these modifications.

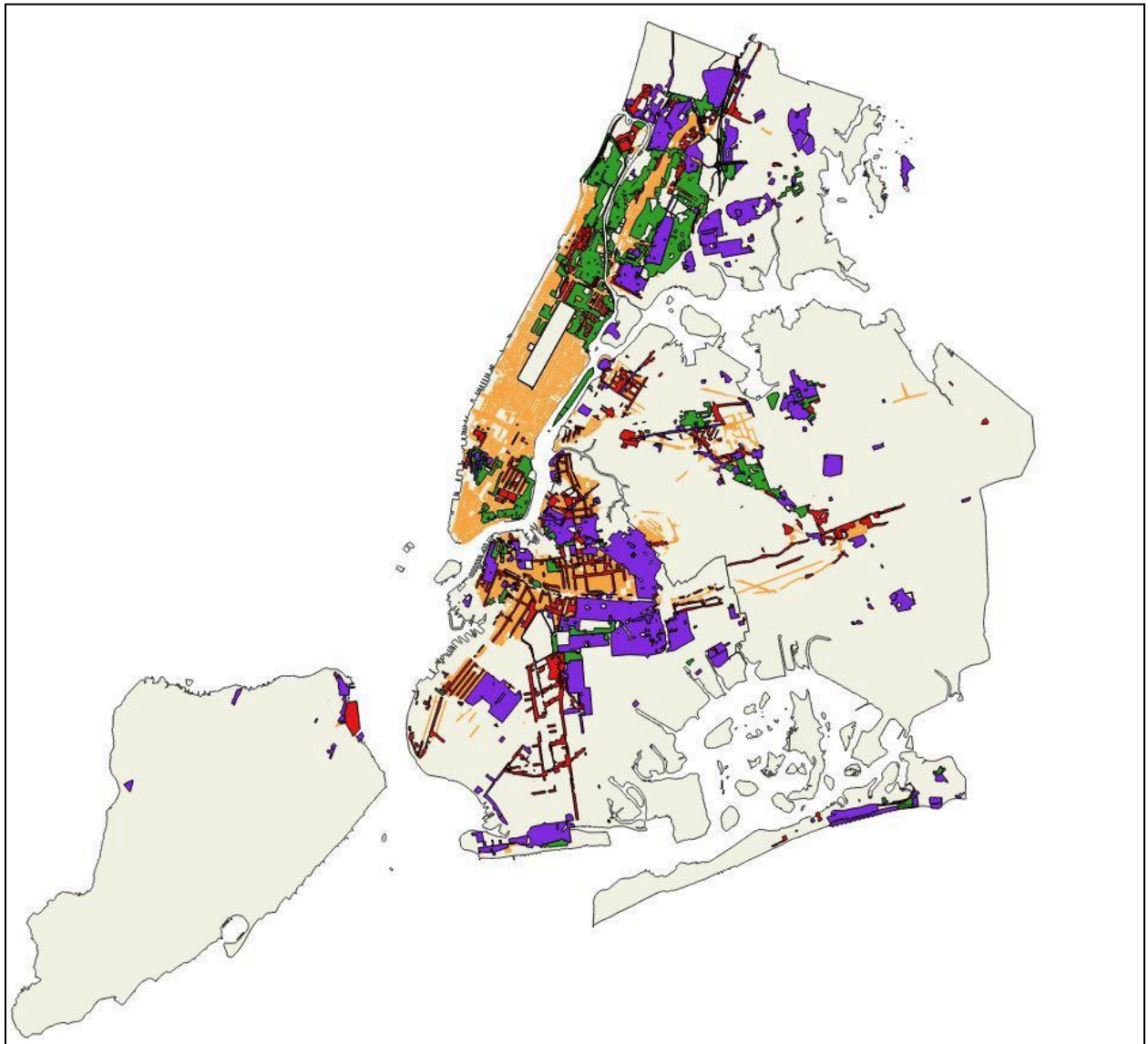
Appendix

Where the Universal Affordability Preference (UAP) would apply



-  Districts with 20% bonus for affordable/senior housing
-  Districts with greater than 20% bonus for affordable/senior housing

Universal Affordability Preference (UAP) size of affordability bonus



- Districts with 20% bonus for affordable/senior housing
- Districts with 25-30% bonus for affordable/senior housing
- Districts with up to 46% bonus for affordable/senior housing
- Districts with up to 77% bonus for affordable/senior housing *

*The 46% and 77% bonus apply for lots on narrow streets (less than 75' in width) in the districts shown; for lots on wide streets in these districts the bonus is 25-30%

UAP Bonus size by districts

District	Base FAR	UAP FAR	Difference	% Increase	Geography
R6B	2	2.4	0.4	20%	North, Central/South BK
R6	2.2	3.9	1.7	77%	BK, BX
R6-2	2.5	3	0.5	20%	NA - New district
R6D	2.5	3	0.5	20%	NA - New district
R6 (wide)	3	3.9	0.9	30%	BK, BX
R6-1	3	3.9	0.9	30%	NA
R6A	3	3.9	0.9	30%	BK
R7B	3	3.9	0.9	30%	All boros (but SI)
R7-1	3.44	5.01	1.57	46%	South BX
R7-2	3.44	5.01	1.57	46%	Northern MN, LES
R7-1 (wide)	4	5.01	1.01	25%	South BX
R7-2 (wide)	4	5.01	1.01	25%	Northern MN, LES
R7A	4	5.01	1.01	25%	All boros (but SI)
R7D	4.66	5.6	0.94	20%	All boros (but SI)
R7X	5	6	1	20%	All boros (but SI)
R7-3	5	6	1	20%	QN, BK (Waterfront)
R8	6.02	7.2	1.18	20%	MN, South BX
R8B	4	4.8	0.8	20%	MN (UES, UWS)
R8A	6.02	7.2	1.18	20%	All boros (but SI)
R8X	6.02	7.2	1.18	20%	All boros (but SI)
R8 (wide)	7.2	8.64	1.44	20%	MN, South BX
R9	7.52	9.02	1.5	20%	NA
R9A	7.52	9.02	1.5	20%	MN, BX
R9-1	9	10.8	1.8	20%	MN
R9D	9	10.8	1.8	20%	NA
R9X	9	10.8	1.8	20%	MN
R10	10	12	2	20%	UES
R10A	10	12	2	20%	UES, UWS
R10X	10	12	2	20%	NA
R11	12	15	3	25%	NA - New district
R12	15	18	3	20%	NA - New district