MANDATORY INCLUSIONARY ZONING

GUARANTEEING AFFORDABILITY FOR NEW YORK CITY'S FUTURE

HOW MUCH DID THE REAL ESTATE INDUSTRY BENEFIT IN THE BLOOMBERG YEARS?

Moderate to large scale residential developments built in NYC since 2002 value $7.8 billion dollars, a staggering windfall for the real estate industry. Yet this activity produced a mere 2,800 units of affordable housing through voluntary inclusionary zoning for local communities.

ANHD used NYC's Primary Land Use Tax Lot Output (PLUTO) 2013 data set provided by the Department of City Planning. PLUTO data provides extensive land-use, geographic, and tax information collected from a variety of NYC agencies on every tax lot (land parcel) in the City.

ANHD's analyzed all City tax lots with zoning codes R6 and greater, but excluded those lots zoned as R6B which is a lower building density typically found in one to ten unit walk up buildings. This allowed us to examine the more than 135,200 moderate to large sized residential land parcel. Of these moderate to large sized residential land parcels, an estimated 16,200 parcels have undergone new construction since 2002.

These 16,200 land parcels are the tax lots zoned for moderate to high density development and new construction since the start of former Mayor Bloomberg's administration in 2002. The combined total assessed value in 2013 of these tax lots is over $11.12 billion dollars, as recorded in the PLUTO data from the City's Department of Finance.

However both the 16,200 land parcels and the $11.12 billion in assessed value includes the new construction affordable housing units produced under the former Mayor Bloomberg's New Housing Marketplace Plan (NHMP). The NHMP totaled 165,000 affordable housing units, two-thirds of which were preservation units and the approximately 55,000 units of new construction affordable housing units. The 55,000 units of new-construction affordable housing accounts for just under 30 percent of the total new-construction city-wide. (Some of the NHMP affordable units were built in building zoned below R6, so this number is an overestimation of the number of affordable units from the NHMP.) Therefore we discounted the assessed value of tax lots with new-construction after 2002 by 30 percent in order to 'remove' the value of the affordable housing units created by the NHMP.

The result is an assessed value of $7.89 billion dollars in tax lots with new construction after 2002 and discounted to approximately exclude affordable housing new-construction units created by the NHMP.

The analysis of the number of affordable housing units created under the voluntary Inclusionary Housing Program, 2,800 units, was conducted by the Office of Councilmember Brad Lander in their *Inclusionary Zoning in New York City: The performance of New York City's Designated Areas Inclusionary Housing Program since its launch in 2005.*

*These are preliminary findings from a forthcoming ANHD analysis and report.

ASSOCIATION FOR NEIGHBORHOOD AND HOUSING DEVELOPMENT, INC.

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