

Testimony of Brendan Cheney, New York Housing Conference

New York City Council Committee on Housing and Buildings and Committee on Land Use Oversight Hearing – Fair Housing and Affordable Housing Development

September 26, 2023

Good afternoon. My name is Brendan Cheney. I am Director of Policy and Operations at the New York Housing Conference (NYHC). I would like to thank Committee Chairs Salamanca and Sanchez as well as the other members of the Committees on Land Use and Housing and Buildings for the opportunity to testify today.

NYHC is a nonprofit affordable housing policy and advocacy organization. As a broad-based coalition, our mission is to advance City, State and Federal policies and funding to support the development and preservation of decent and affordable housing for all New Yorkers.

Today's hearing focuses on fair housing and affordable housing in New York City. We applaud Council Speaker Adrienne Adams, and Committee Chairs Salamanca and Sanchez for their leadership on this issue. And we support the aim of Intro. 1031 in increasing production of affordable housing in each community district and holding the administration accountable to achieving this goal.

We are in an affordable housing crisis and we need more housing and more affordable housing to fight the crisis. The city can do a better job of planning for housing and affordable housing development across the city so that every neighborhood is doing their part to solve the housing crisis.

Our New York City Housing Tracker shows that housing production and affordable housing production is not shared equally across the city. Between 2014 – 2022, 16 City Council districts produced more than 2,000 units of new affordable housing – mostly in neighborhoods in the South Bronx, Central Brooklyn, East River waterfront in Brooklyn and Queens, and Southeast Queens. Meanwhile, 17 districts produced fewer than 400 units over that time, with nine districts producing less than 200 units over the nine years. This disparity needs to change.

The proposed fair housing legislation would require the city to produce a plan that shows housing needs and planned housing production by community district across the city. Setting neighborhood targets will encourage more production and push all neighborhoods to do their part. This level of planning, however, should also include strategies for achieving higher production in some neighborhoods, including upzonings to allow for multifamily housing – duplexes and row houses for example – in more neighborhoods.

However, we want to suggest that housing targets include <u>minimum targets only</u>. No neighborhood should be let off the hook to build more housing. Even the neighborhoods that are building the most should want more housing to tackle our crisis. It is important to remember that housing is being built where there are siting opportunities and where development is financially feasible. Both zoning and tax policy are important to incentivize housing production.

We also suggest that the fair housing reporting include barriers to achieving the necessary housing production. As part of the discussion, it will be necessary to understand not only what housing is necessary, but what stands in the way to achieving that level of production.

Requiring this report will hold the administration accountable to build more housing and build it more equitably throughout the city. But we also encourage the Council to be held accountable. The Council must support adding housing supply in every neighborhood.

The Council, under the leadership of Speaker Adams, has fought for housing with notable successes, including in Throggs Neck, Halletts North, and Innovation Queens. However, there is still often a fight for every project. If we are truly fighting for fair housing, for housing and affordable housing in every neighborhood, the Council must approach rezonings with a citywide lens and stand united to adding housing supply everywhere. Individual Council members should advocate for the best deal possible, but the Council should always be united to support housing and add housing supply.

Finally, the Council should support the forthcoming zoning text amendments for housing, which will eliminate parking minimums, provide a zoning bonus for affordable housing, support transit-oriented development and accessory dwelling units, convert empty offices into housing, and support higher density in town centers. Without zoning changes to allow for more housing and the easing of costly restrictions and zoning barriers, we will see the same patterns of development. We strongly urge the adoption of zoning reforms.

The Council should also support a tax incentive that would require affordable housing in market rate rental housing developments. Without a tax incentive, important tools like Mandatory Inclusionary Housing, will not be effective in producing housing outside of low-income neighborhoods. Many neighborhoods, especially higher income neighborhoods, will be off the hook for producing any affordable housing absent a real estate tax incentive. It is likely that only luxury condos will be built in these neighborhoods.

When considering affordable housing production, it is helpful to think of the tools we have in NYC to create affordable housing opportunities: 1) our capital financing programs delivered through HPD are investments in low-income neighborhoods and on publicly-owned land to build and preserve affordable housing; 2) our zoning code can be reformed to encourage growth citywide or to rezone specific neighborhoods or specific sites through private applications (the latter two trigger Mandatory Inclusionary Housing and generate affordable housing); and 3) our tax code can incentivize developers to build rental housing and require affordable housing through tax benefits. This last tool is critical in leveraging development in strong markets to include affordable housing through mandates.

We thank the Council for this important hearing and the opportunity to testify today.