

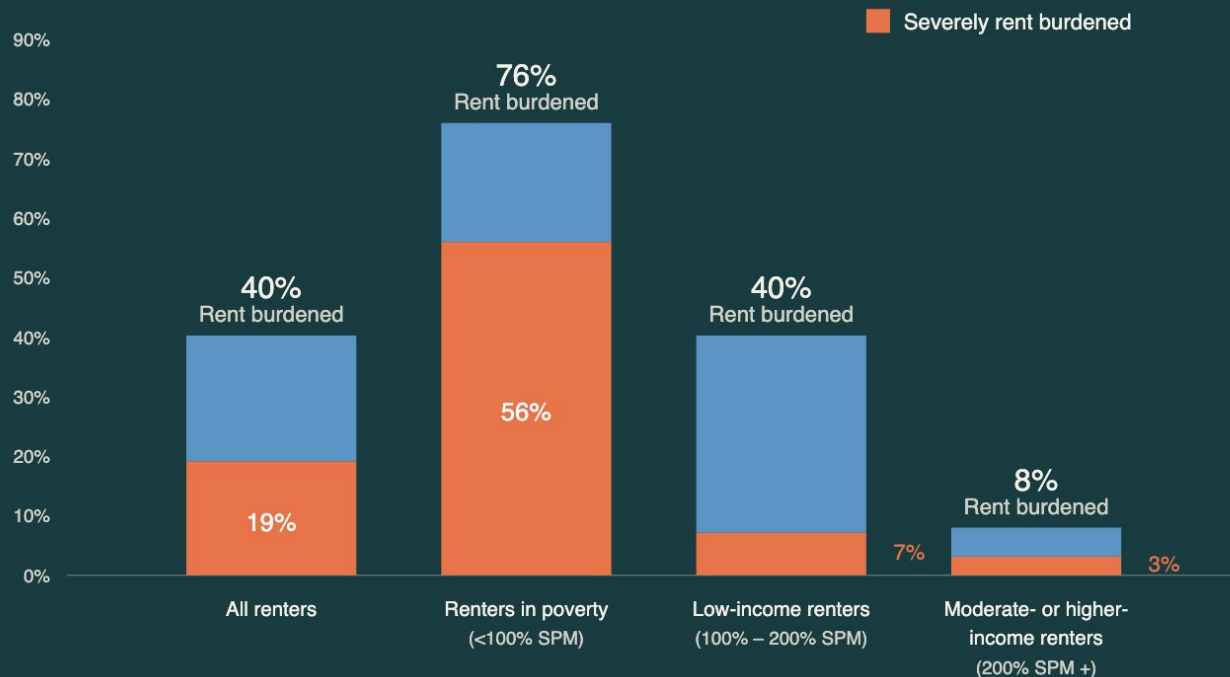
# NYHC Project: Addressing Affordable Housing Legislation and Associated Costs

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and Jordan Sucher

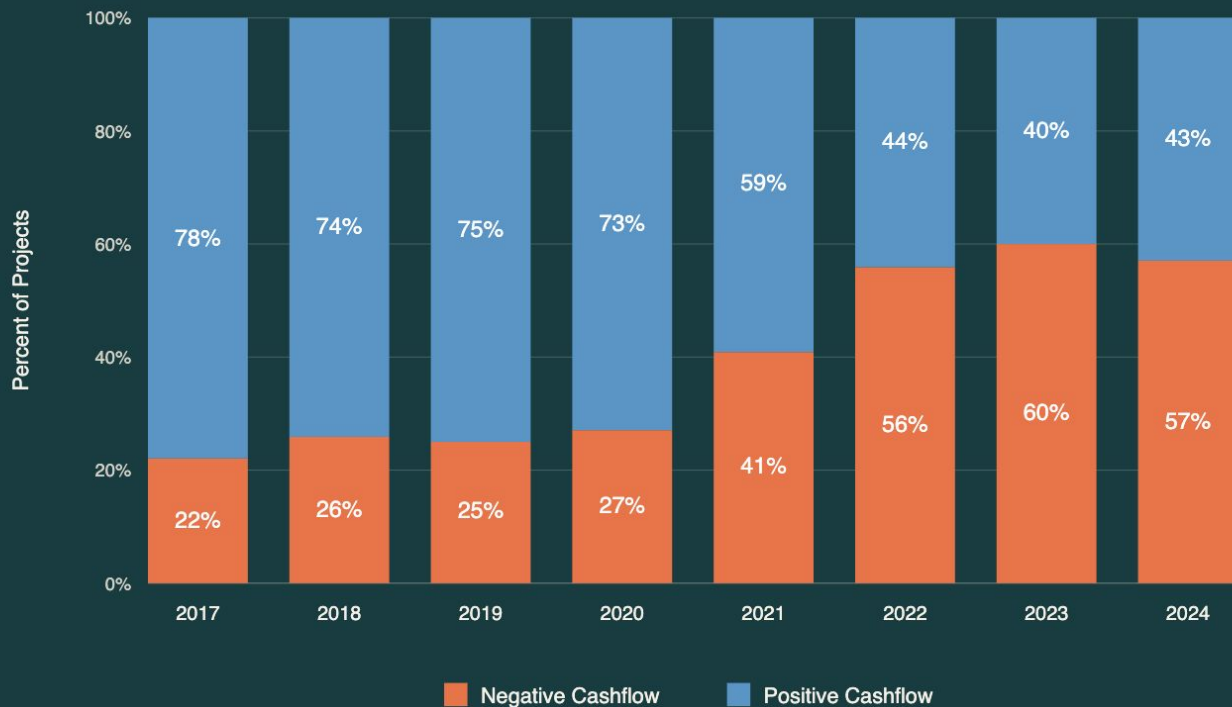


# NYC residents are severely rent-burdened

Share of New York City renters who are rent burdened by income level



As of 2024, 50%+ of affordable housing operates at a loss



University Neighborhood Housing Program (UNHP), Bronx

# How has 30 years of local legislation impacted affordable housing?

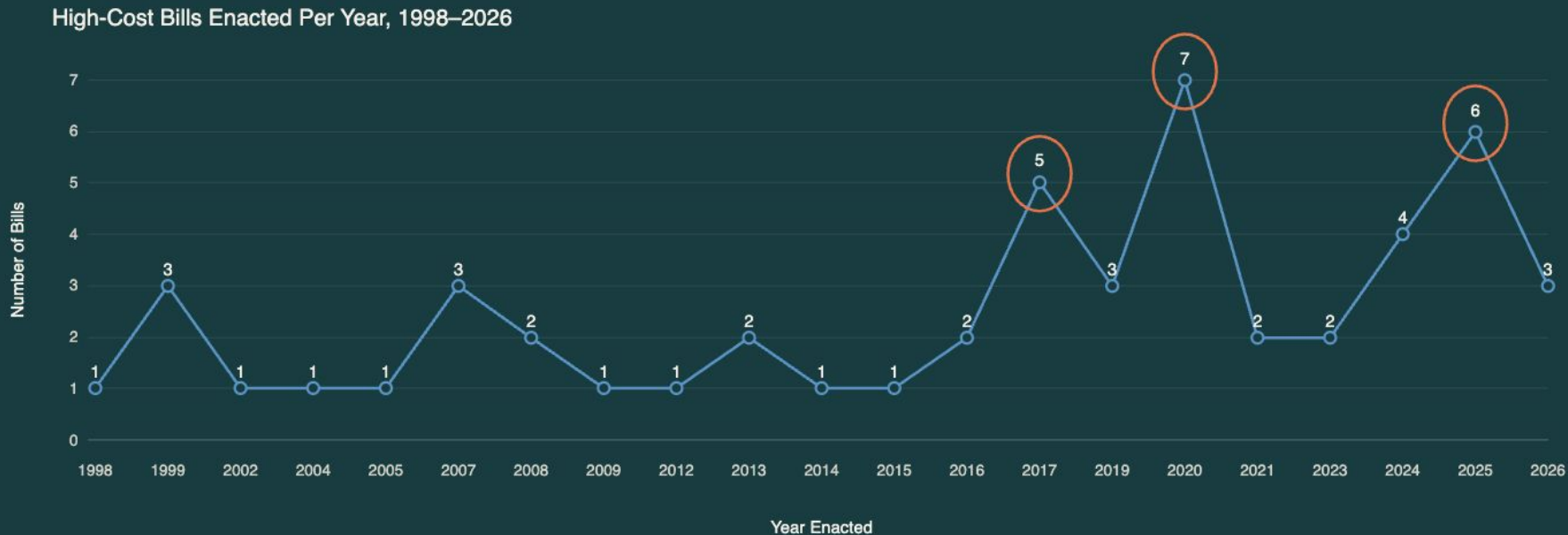
## NYHC Request

- 1) Identify, categorize, and quantify the **cost** impact of 30 years of NYC Council legislation
- 2) Develop a reform agenda

## Why Now?

- Rising costs for builders and residents
- Mamdani & SPEED Task Force

# Annual legislative volume accelerated sharply after 2012 – and kept climbing



# Project Overview

## Research Questions

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1. Which specific city council laws have most impacted the cost of affordable housing?
2. What actions could the City Council take to mitigate these rising costs?

## Methods

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- Analyzed the last 30 years of city council legislation
- Interviewed city agencies, nonprofits, and developers
- Reviewed literature
- Cost Model

## What we learned

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- Recommendations to reduce cost
  - From interviews
  - From research

# Agenda

1

Methodology

2

Interview  
Findings

3

Legislation  
Analysis

4

Recommendations

# A triangulation of multiple methods:

## **Expert Interviews**

Individually interviewed eight housing experts across advocacy and government.

## **Listening Session**

A semi-structured conversation with developers in affordable and market rate housing

## **Direct Legislation Analysis**

We built a database of local laws passed over the past thirty years, rating each by cost impact and category

## **Cost Modeling**

We modeled how many units of affordable housing might be unlocked via various reforms, based off Brendan's (NYHC) model



## 2 – Interview Methodology + Findings

# Interview Participants

| Name                          | Title                                             | Organization                                   |
|-------------------------------|---------------------------------------------------|------------------------------------------------|
| Thomas Abbott                 | Executive Director, Credit & Special Underwriting | Housing Preservation & Development (HPD)       |
| Ahmed Tigani                  | Commissioner                                      | Department of Buildings (DOB)                  |
| Seth Bynum                    | Senior Advisor for Housing Policy and Development | Office of the Mayor                            |
| Emily Kurtz                   | Chief Housing and Development Officer             | RiseBoro Community Partnership                 |
| Brendan Mitchell              | Director of Real Estate and Finance               | University Neighborhood Housing Program (UNHP) |
| Brad Greenburg & Hayley Raetz | Executive Director & Policy Director              | NYU Furman Center                              |
| Carlo Casa                    | Senior Director of Policy and Research            | NYC Building Congress                          |
| Mark Ginsberg                 | Architect, Partner                                | Curtis + Ginsberg Architects                   |

# Listening Session Participants

| Name              | Title                                                | Organization           |
|-------------------|------------------------------------------------------|------------------------|
| Kirk Goodrich     | Partner                                              | Monadnock Development  |
| Hercules Argyriou | Vice President                                       | Mega Contracting       |
| Liz Oakley        | Chief Development Officer                            | Douglaston Development |
| Stephen Strateman | Senior Vice President,<br>Acquisitions & Development | Gotham Organization    |

# Anchor questions: Expert Interviews

“Where in the affordable housing development & management timeline are most of the expenses incurred?”

“How has this changed over time?”

What are the primary factors that contribute to rising affordable housing construction and operations costs?”

“Which local laws specifically contribute to increased construction costs and operating costs?”

To what extent does city / state / federal law impact construction costs?

# Expert Interviews - Code Groups

Timeline

Equity

Reform

Local Law

Market Factors

Financing

Zoning

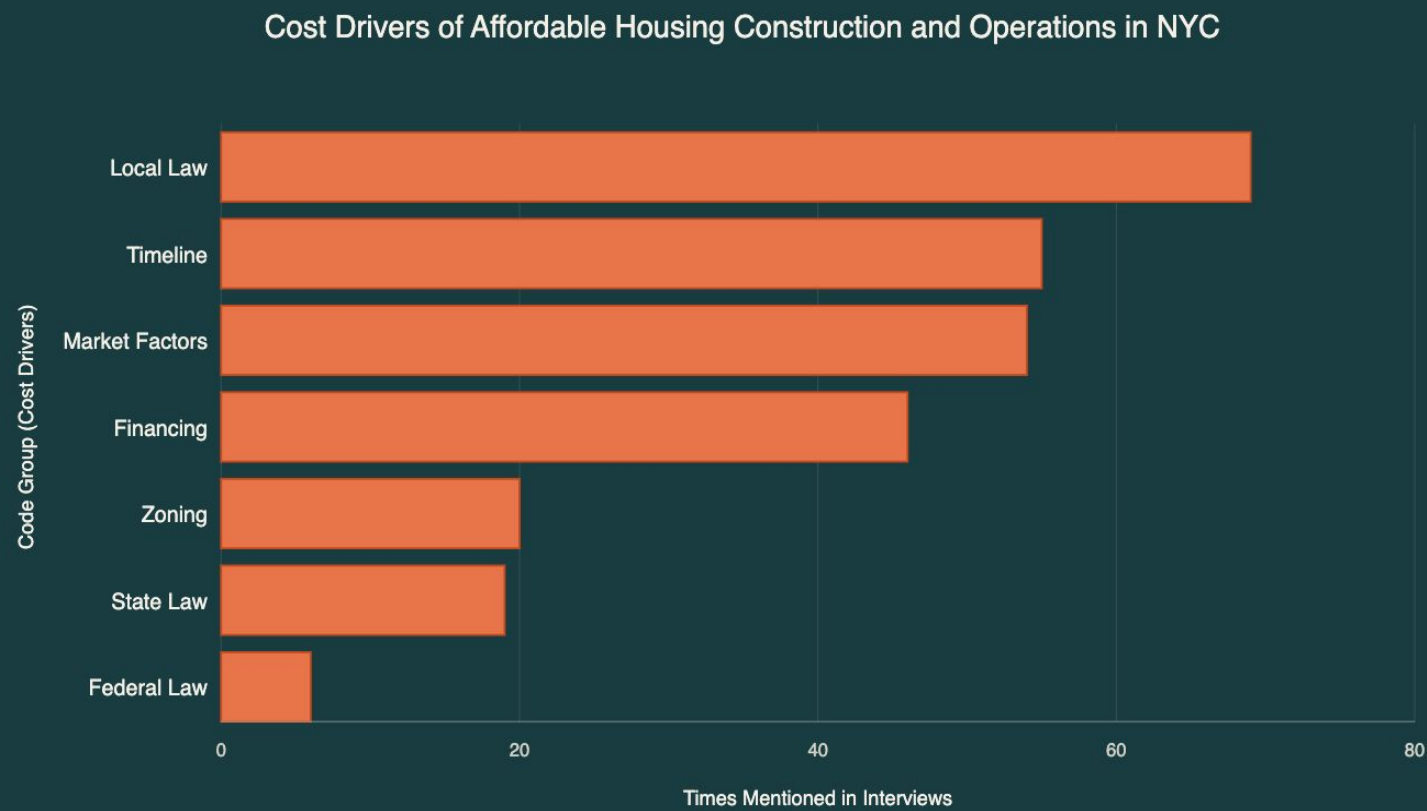
State Law

Federal Law

# Expert Interviews - Sample Code Group - Local Law

| Term mentioned in interview                  | Code Group Sorting                   |
|----------------------------------------------|--------------------------------------|
| <input type="checkbox"/> Local Law 97        | <input type="radio"/> Local Law      |
| <input type="checkbox"/> Local Law 152       | <input type="radio"/> Local Law      |
| <input type="checkbox"/> Local Law 196       | <input type="radio"/> Local Law      |
| <input type="checkbox"/> Local Laws          | <input type="radio"/> Local Law      |
| <input type="checkbox"/> Materials cost      | <input type="radio"/> Market Factors |
| <input type="checkbox"/> MWBE                | <input type="radio"/> Equity         |
| <input type="checkbox"/> Permit requirements | <input type="radio"/> Timeline       |

# Expert Interviews - Summary Snapshot



# Council legislation is only one cited cost factor

OF 72 PRACTITIONER-RAISED COST & TIMELINE DRIVERS



NYC Council legislation

State / federal law, federal labor rules, agency practice (ULURP, CEQR, BSA)



## 3 – Legislation Analysis

# Understanding 28 years of NYC legislation.

How we did it: We analyzed every Local Law since 1998 – 2026: 3,364 bills

- 1) Is this bill related to housing costs
- 2) How much of a cost impact does it likely have

## STEP 1

### **Housing relevance**

Keyword lists for terms related to construction and operating housing.

844 PASSED STEP 1: 25%

## STEP 2

### **Category assignment**

Match each relevant bill text against a more specific set of legislative sub-themes

22 SUB-THEMES

## STEP 3

### **Cost impact estimate**

Each matched bill receives a tier for both construction and operation

2 COST-TIERS PER BILL

STEP 1: HOW WE EVALUATED HOUSING RELEVANCE

# We cast a wide net to capture every bill related to housing

Each bill's combined text is scanned against keyword lists produced from our research.

## Construction

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### CODE AMENDMENTS

*building / construction / electrical / plumbing / mechanical / fire / energy / fuel-gas code  
existing building code · energy conservation code*

### SAFETY, SHEDS, FAÇADE

*sidewalk shed · scaffold · hoist · façade · exterior wall · parapet · temporary protective structure*

### BUILDING SYSTEMS

### HAZMAT & HEALTH

### TENANT & HOUSING POLICY

### PROCESS & OTHER

## Operating

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### RECURRING INSPECTION

*cooling tower + inspection · water tank + cleaning · gas piping + inspection · façade / FISP  
parapet · elevator · boiler · sprinkler / fire-alarm + test*

### ENERGY & CLIMATE (ONGOING)

*energy benchmarking · greenhouse gas · emissions + reduc · LL97 · electrification / gas ban ·  
fuel oil phase-out · No. 4/6 oil*

### TENANT-SIDE ONGOING

### HEALTH & SAFETY ONGOING

### TAX, FEES, WASTE

### LICENSE, REGISTRATION, FISP

# We classified each relevant bill into themes

Bill text is matched against a keyword library generated from our research.

## CONSTRUCTION CODES & SAFETY STANDARDS

|                                      |                                                                                                                                                                                           |
|--------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Building & Construction Code Updates | electrical / plumbing / mechanical / fuel gas / fire code · building code · construction code · energy conservation code · demolition · noise control / mitigation / barrier · soundproof |
| Fire & Life Safety                   | sprinkler · smoke detector · carbon monoxide / CO detector · self-closing door                                                                                                            |
| Flood Resilience                     | flood · flood-prone · base flood elevation · stormwater · combined sewer overflow / CSO                                                                                                   |
| Accessibility                        | accessibility · ADA / ADAAG · visitability                                                                                                                                                |

## ENERGY & CLIMATE

## ENVIRONMENTAL HEALTH & HAZARDOUS MATERIALS

## LABOR, EQUITY & WORKFORCE

|                        |                                                                                     |
|------------------------|-------------------------------------------------------------------------------------|
| Wage Mandates          | prevailing wage · living wage                                                       |
| Site Safety & Training | site safety · SST · site safety training · construction site safety · lift director |
| Equity & Hiring        | community hiring · MWBE · project labor agreement / PLA                             |

## LAND USE & ZONING

|                     |                                                                       |
|---------------------|-----------------------------------------------------------------------|
| Inclusionary Zoning | inclusionary zoning · inclusionary housing · voluntary inclusionary   |
| Zoning Amendments   | zoning text amendment · zoning resolution · special permit · city map |

## OPERATING-PHASE MANDATES

## TAX POLICY & DEVELOPMENT INCENTIVES

# We assigned cost impact tiers for every theme

CONSTRUCTION CODES & SAFETY STANDARDS

|                                      | Construction | Operating | Sample Bill |
|--------------------------------------|--------------|-----------|-------------|
| Building & Construction Code Updates | Med          | —         | LL33/2026   |
| Fire & Life Safety                   | Low          | Low       | LL71/2022   |
| Flood Resilience                     | Med          | Low       | LL124/2024  |
| Accessibility                        | Med          | —         | LL161/2025  |

ENERGY & CLIMATE

ENVIRONMENTAL HEALTH & HAZARDOUS MATERIALS

LABOR, EQUITY & WORKFORCE

|                        | Construction | Operating | Sample Bill |
|------------------------|--------------|-----------|-------------|
| Wage Mandates          | Med          | —         | LL212/2019  |
| Site Safety & Training | Med          | —         | LL196/2017  |
| Equity & Hiring        | —            | Low       | LL21/2026   |

LAND USE & ZONING

|                     |     |   |            |
|---------------------|-----|---|------------|
| Inclusionary Zoning | Low | — | LL212/2017 |
| Zoning Amendments   | Low | — | LL162/2021 |

OPERATING-PHASE MANDATES

TAX POLICY & DEVELOPMENT INCENTIVES

## STEP 3: HOW WE ASSIGNED COST IMPACT TIERS

# Three sub-themes needed multiple cost tiers

For 19 of 22 sub-themes, sub-theme directly determines tier. For three, the bills inside seem to vary in cost.

### Split 1 – Fire & Life Safety

| REGIME                                | CON        | OP         | BILLS    |
|---------------------------------------|------------|------------|----------|
| Sprinkler retrofit                    | <b>Med</b> | –          | <b>4</b> |
| Detectors – smoke / CO / self-closing | <b>Low</b> | <b>Low</b> | <b>9</b> |

### Split 2 – Building Code Updates

| REGIME                 | CON        | OP | BILLS     |
|------------------------|------------|----|-----------|
| Demolition             | <b>Med</b> | –  | <b>9</b>  |
| Generic code amendment | <b>Med</b> | –  | <b>82</b> |
| Noise / sound control  | <b>Low</b> | –  | <b>8</b>  |

### Split 3 – Energy & Climate

| REGIME                    | CON         | OP          | BILLS    |
|---------------------------|-------------|-------------|----------|
| LL97 / emissions cap      | <b>High</b> | <b>High</b> | <b>8</b> |
| Electrification / gas ban | <b>High</b> | <b>Med</b>  | <b>2</b> |
| Green / solar roof        | <b>Med</b>  | <b>Low</b>  | <b>7</b> |

# What the database looks like:

TIER DISTRIBUTION – CONSTRUCTION



TIER DISTRIBUTION – OPERATIONS



TIER × THEME

| THEME GROUP                 | HIGH | MED | LOW | TOTAL |
|-----------------------------|------|-----|-----|-------|
| Construction Codes & Safety | 10   | 112 | 36  | 158   |
| Operating-Phase Mandates    | 8    | 24  | 42  | 78    |
| Tax Policy & Incentives     | 1    | 30  | 45  | 76    |
| Energy & Climate            | 10   | 26  | 14  | 51    |
| Env. Health & Hazmat        | 6    | 18  | 8   | 32    |
| Labor, Equity & Workforce   | 3    | 21  | 8   | 32    |
| Land Use & Zoning           | 0    | 1   | 12  | 13    |

# Construction-Phase Laws

## Site Safety

LL 147/2021: "Major building" includes those 7+ stories, down from 10-story minimum

LL 196/ 2017: 40 hours of Site Safety Training

| Project Scale        | Units           | 2 Year Build                                       |
|----------------------|-----------------|----------------------------------------------------|
| Large project        | 600 units       | $\$600,000 \div 600 = \$1,000$                     |
| Mid-size project     | 150 units       | $\$600,000 \div 150 = \$4,000$                     |
| <b>Small project</b> | <b>60 units</b> | <b><math>\\$600,000 \div 60 = \\$10,000</math></b> |
| Very small project   | 30 units        | <b><math>\\$600,000 \div 30 = \\$20,000</math></b> |

A 600-unit building and a 60-unit building face identical Site Safety Manager costs. The median HPD-financed affordable housing project in New York City has 87 units (Office of the New York City Comptroller, 2024).

\*A 7-story building on a typical NYC lot can accommodate 59 apartments depending on zoning district and lot dimensions (Fontan, J., 2023).

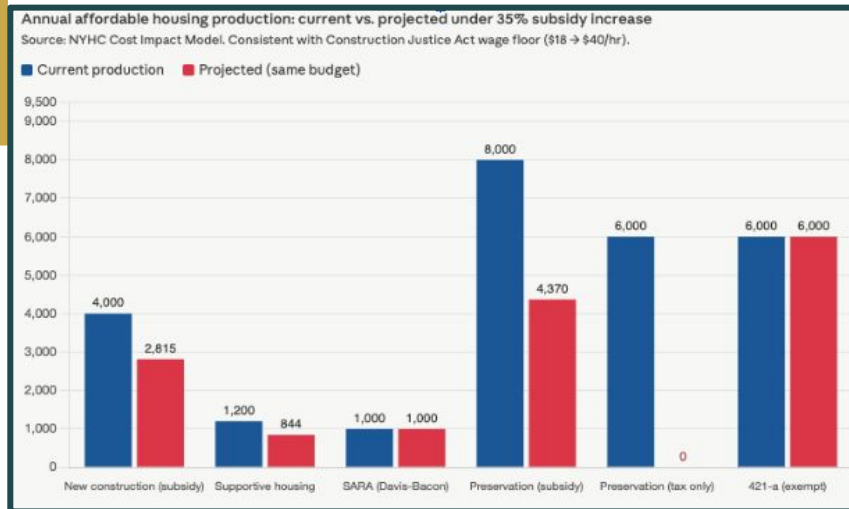
Site Safety Manager: \$300K–\$350K/year per developer interview

Median HPD project: 87 units.

Site Safety Managers are required from day one of excavation.

## Prevailing Wage Impact on Affordable Housing (Intro. 1156)

Source: NYHC Cost Impact Model





# Does this need to be a Local Law?

| REQUIRED                                                                                                                  | LIKELY_ADMINISTRATIVE                                                          | LIKELY_INDUSTRY                                       | UNCLEAR |
|---------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|-------------------------------------------------------|---------|
| Tax measures, zoning, private rights of action, criminal offenses, HMC amendments, housing-court-enforceable obligations. | DOB, FDNY, DOHMH, DEP, DSNY, HPD; inspection cycles; reporting / registration. | OSHA, NFPA, ASTM, ICC; BTEA / NYBC training programs. |         |

| SUB-THEME                                             | NECESSITY |
|-------------------------------------------------------|-----------|
| <u>CONSTRUCTION CODES &amp; SAFETY STANDARDS</u>      |           |
| Building Code Updates <sup>†</sup>                    | unclear   |
| Fire & Life Safety <sup>†</sup>                       | required  |
| Flood Resilience <sup>†</sup>                         | unclear   |
| Accessibility                                         | required  |
| <u>ENERGY &amp; CLIMATE</u>                           |           |
| <u>ENVIRONMENTAL HEALTH &amp; HAZARDOUS MATERIALS</u> |           |

| SUB-THEME                                      | NECESSITY       |
|------------------------------------------------|-----------------|
| <u>LABOR, EQUITY &amp; WORKFORCE</u>           |                 |
| Wage Mandates                                  | required        |
| Site Safety & Training                         | likely_industry |
| Equity & Hiring                                | unclear         |
| <u>LAND USE &amp; ZONING</u>                   |                 |
| <u>OPERATING-PHASE MANDATES</u>                |                 |
| <u>TAX POLICY &amp; DEVELOPMENT INCENTIVES</u> |                 |

# Do highly cost-impacting bills need to be laws?

|          |                       |                 |         |
|----------|-----------------------|-----------------|---------|
| REQUIRED | LIKELY_ADMINISTRATIVE | LIKELY_INDUSTRY | UNCLEAR |
| 25%      | 31%                   | 2%              | 42%     |

## CONSTRUCTION COSTS

| TIER   | REQUIRED |
|--------|----------|
| High   | 24 62%   |
| Medium | 70 26%   |
| Low    | 92 33%   |

## OPERATION COSTS

| TIER   | REQUIRED |
|--------|----------|
| High   | 11 65%   |
| Medium | 80 48%   |
| Low    | 26 17%   |

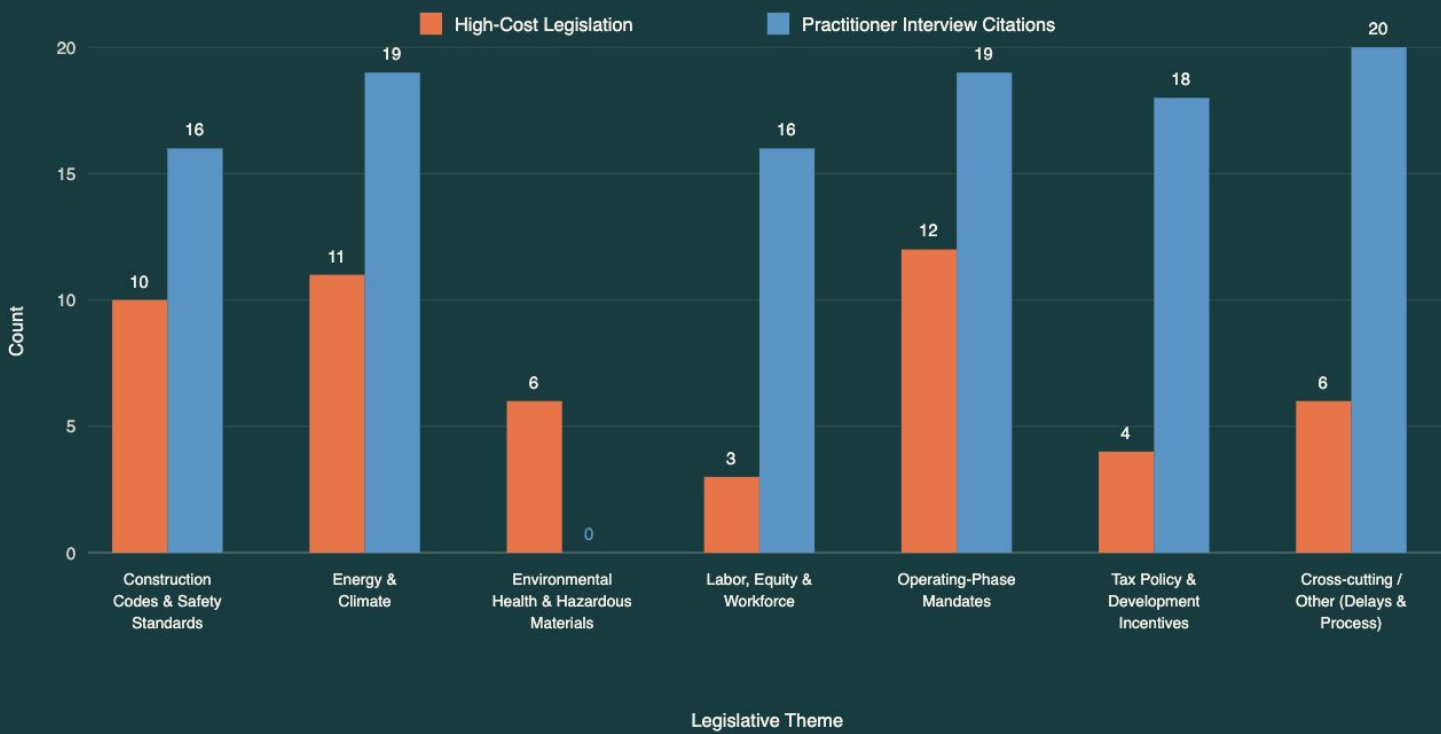
## THEME GROUPS

| THEME                               | REQUIRED |
|-------------------------------------|----------|
| Tax Policy & Development Incentives | 76 100%  |
| Land Use & Zoning                   | 13 100%  |
| Environmental Health & Hazmat       | 23 70%   |
| Operating-Phase Mandates            | 43 32%   |
| Energy & Climate                    | 8 15%    |
| Labor, Equity & Workforce           | 6 18%    |
| Construction Codes & Safety         | 19 12%   |

# Synthesis

■ High-Cost Bills (Legislative Database)  
■ Interview Citations (All Groups Combined)

High-Cost Legislation vs. Practitioner Interview Citations by Theme



*"There has been a shift where legislators sort of judge their success by the quantity of bills rather than the quality."*

About half of our legislation themes came up in interviews.

| LEGISLATION THEME GROUP                    | SUB-THEMES TOTAL | SUB-THEMES THAT CAME UP<br>IN INTERVIEWS | DISTINCT INTERVIEWEES |
|--------------------------------------------|------------------|------------------------------------------|-----------------------|
| Energy & Climate                           | 3                | 3 100%                                   | 5                     |
| Operating-Phase Mandates                   | 4                | 2 50%                                    | 5                     |
| Labor, Equity & Workforce                  | 3                | 2 67%                                    | 4                     |
| Construction Codes & Safety Standards      | 4                | 2 50%                                    | 3                     |
| Tax Policy & Development Incentives        | 2                | 1 50%                                    | 2                     |
| Environmental Health & Hazardous Materials | 4                | 1 25%                                    | 1                     |
| Land Use & Zoning                          | 2                | 0 0%                                     | 0                     |
| Total                                      | 22               | 11 50%                                   | 10                    |

# These four laws were most frequently mentioned in interviews

## Local Law 11 (facade)

13 mentions

“Local Law 11, which was done for very good reasons. I had a friend who was killed by something falling off a building. I was watching the news.”

## Local Law 97 (energy)

7 mentions

“The problem with Local Law 97 is it's so complicated. It's also very unfair to affordable housing, because the denser the population of people, the more energy you use per square foot.”

## Local Law 196 (site safety)

11 mentions

“Site safety rules were changed across multiple dimensions — credentialing, site thresholds, intensity levels. All of that added costs at times.”

## Construction Justice Act (wages)

3 mentions

“A substantial piece of legislation that is going to raise the cost of affordable housing a lot”

## Five takeaways.

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01 Cost-driving legislation accelerated after 2016 and shifted from construction to operations.

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02 A third of Council bills didn't legally require Council action.

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03 Council legislation accounted for only 29% of practitioner-raised cost drivers (the rest were state, federal, market, and agency factors)

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04 Administrative timelines (such as FDNY sign-off) were the single most cited cost factor, despite not being driven by council

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05 Many of the bills we surfaced as impacting cost didn't come up in interviews (10 of 22 themes)

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# Recommendations



# Our Recommendations for Further Study

1.

## Quantify all Bills

- Go from H/M/L → \$
- Only a small % have published numbers today

2.

## Expand on our cost model

- Work with developers to validate our estimates
- Model other legislation reform opportunities

# Recommendations from The Field

1.

## **Cost analysis before voting**

"The council should do a cost benefit analysis on every piece of legislation"

2.

## **Advocate for reform at state and federal levels - market context**

"Water is more expensive, electricity is more expensive, oil is more expensive, insurance is more expensive."

# Recommendations from The Field

3.

## **Talk to developers and operators before passing bills that affect them**

"Let us go to the fifth floor and then let's go to the site safety manager...so that will have reduced the cost...having conversations with the subject matter experts could better inform the legislation"

4.

## **Phase in requirements**

"Recently they increased the minimum wage for affordable housing from the minimum wage of \$18... to \$40 per hour in one shot without any gradual increases... a super big hurdle for the industry."

# Legislation that raises costs may drive equity

## Site & Community Safety

Increases costs &  
“58% decrease in injuries”  
since site safety  
implemented

## Climate Justice

“State grant or funding” to  
assist small developers &  
Environmentally conscious  
+ pro-greenification

## Prevailing Wage

Cost of labor cited in lit +  
interviews as hard cost &  
“Makes sense on a gut  
level”

# Thank you for your time!

Special thanks to:

New York Housing Conference  
Department of Buildings  
Housing Preservation & Development  
RiseBoro Community Partnership  
University Neighborhood Housing Program, Bronx  
NYC Mayor's Office  
NYU Furman Center  
Curtis + Ginsburg  
Monadnock Development  
Mega Contracting  
Douglaston Development  
Gotham Organization  
... and more!