

**Community Board 17**  
**4112 Farragut Road**  
**Brooklyn, NY 11210**  
**Rezoning Meeting Minutes**  
**October 25<sup>th</sup>, 2022**

Amanda Aleen  
Adele Bennett  
Alicia Boyde  
Allyson Martinez  
Angela M. Williams  
Edwine Joseph  
Hazel Martinez  
Jay Sordid

J.L. James  
Marguerite Vigliante  
Ms. Rhea Smith  
Theresa Brereton  
TS Candii  
Kenrick Wescott  
Vanessa Quashie  
Richard Bearak

Presenter – Mr. James Lloyd, Director of Policy, New York State Association for Affordable Housing (NYSFAFH)

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Ms. J.L. James greeted everyone and called the meeting to order. She thanked everyone for attending the meeting. Ms. James said as the committee progress, members will need to vote therefore, it is important for residents to officially join the meeting to become a member. She encourage everyone to complete the Committee form and return to the Board’s office.

**Chairperson Report:**

- The committee will identify areas in the community to be rezoned. The area has changed over the past years.
- There were less restrictions back then
- In order to rezone components such as affordable housing must be considered
- The guest speaker will speak on what affordable housing is and what it isn’t and how it can be incorporated into the final plan.
- Residents have a vested interest in generational transfer. When that ability is lost, it is forever lost and wealth cannot be passed on to future generation.
- There are many reasons why rezoning is critical

**Presentation**

Ms. James introduced Mr. James Lloyd, Director of Policy, New York State Association for Affordable Housing (NYSFAFH) to give an overview on Affordable Housing.

Mr. Lloyd introduced himself and thanked the Board for inviting him. He said the presentation was developed as an affordable housing overview of the New York City Council for the new members who came in

the beginning of the year and it was done in conjunction with the NYU Furman Center, a housing focused, research center at the New York University. The center is one of the best in research on housing, focused on New York City. Enterprise, Community partners, a national nonprofit organization focused on community development, affordable housing, development and heavily focused on fair housing protection in New York.

### **What is Affordable Housing?**

- **Public Housing – NYCHA**
  - 77,000 NYCHA units, 7.8% of City's apartments
  - Houses most vulnerable New Yorkers – avg. family income \$25,602, a. rent \$ 548
- **Privately -owned affordable housing**
  - HPD, HDC, and HCR buildings – 287,000 units
  - Typically rely on tax credits servicing families around 60% AMI or \$64,440 for a family of three
  - Supportive Housing – 35,000 units
- **Vouchers**
  - NCHA and HPD Section 8 – 115,000 families
  - Assists families under 50% AMI, makes up difference between what family can afford and actual rent
  - CityFHPS
- **Inclusionary Housing and 421-a buildings**
  - Market-rate developers include a proportion of affordable housing in exchange for extra floor area or tax exemption

### **Rent Regulated housing**

Rent-regulated (i.e. controlled or stabilized) housing vs. subsidized housing

- Rent-regulated housing is typically privately owned, unsubsidized, and fully taxed
- Rent stabilization ( 1,000,000 units) applies to 6+ unit buildings built before 1974, less destabilized units, plus units added by other programs
- Rent increases governed by Rent Guidelines Board
- Rent control only applies to less than 22,000 units built before 1974
- Rent-regulated housing is not typically subsidized or subject to regulatory agreements

### **Where is affordable housing located?**

City land vs. private land

- Current system for affordable housing development created in 1980's
- During '70s and '80s (the in rem crisis), the City seized thousands of properties due to non-payment of taxes
- City used low-income housing tax credits to rehab seized apartment buildings, then to build new housing from scratch on vacant land
- Today, City does not have much land left-affordable housing developers are often acquiring land on their own

### **Development Process**

#### **3-5Years**

- Developing the project Concept
- Assessing project Feasibility
- Project Deal making

#### **1-2 years**

- Construction and Lease up

### **55+Years**

- Operation

### **Finance**

- Debt
  - HDC or HFA Loans, sometimes funded by sale of tax-exempt bonds
  - Conventional loans from private banks
- Capital subsidy programs through BPD or HCR
- Federal Low Income Housing Tax Credit (LIHTC)
- Tax Exemptions

### **How residents are selected for affordable housing**

- Lottery process
- Area Median income – the yardstick
  - Defined by U.S. Dept of Housing and Urban Development, based on the median family income
  - 100% Area median Income is currently \$119,300 for a family of four, \$107,400 for a family of three
  - Each financing program has a term sheet that dictates allowable AMI bands
- Set aside units
- Ensuring Long-Term Affordability
- Asset management-maintaining affordable housing after residents move in
- Meeting the needs of the physical property and the residents through:
  - Compliance and Reporting
  - Assessment of operational Performance
  - Capital needs planning and financial planning
  - Oversight of Property management

### **How is Council Involved**

- Land Use approvals (e.g. ULURP)
  - Required for dispositions of city-owned land, zoning changes, urban renewal plan changes, etc.
  - Typically involves “mapping” Mandatory Inclusionary Housing during up-zonings
- Tax Exemptions
  - Article 11
- Reso A
  - Council Members may elect to contribute funding to affordable projects in their districts
  - HPD Capital Budget Process

### **Tensions among public goals**

- Deep affordability vs. more affordable units
  - HPD has limited amount of subsidy
  - Deep affordability (e.g. 40% AMI) requires more subsidy than higher AMI units
  - City has limited volume capacity for private-activity bonds, which are used for project mortgages
- Location of Housing involves trade-offs
  - Building housing in low-income neighborhoods gets more units per City dollar – cheap/free land is main reason

- Building affordable housing in high-opportunity neighborhoods is more expensive, but can be more impactful for residents.

### **Threats to Affordable Housing**

- Costs
  - Increased construction, maintenance and operation costs mean capital dollars do not stretch as far
  - Insurance, labor, and material costs are all currently driving cost up
- Material condition of buildings
  - Poor maintenance over time endangers a building
  - Proper management and periodic recapitalization required
- Local Opposition
  - Neighborhood opposition to up-zonings and new construction
  - Tenants using vouchers in the private market face source of income discrimination.

There were questions regarding the Mandatory Inclusionary housing and the incomes. Mr. Lloyd said there are 4 options under the program, however only one or two are mapped.

**Questions** regarding the buildings going up in the community? Mr. Lloyd said the new buildings command a premium, in terms of rents there is some interesting research that recently came out or that the Furman Center recently highlighted showing new buildings will often lower the rents and the existing buildings around them, however the community never received the rezoning that a lot of other communities received under the Bloomberg years, or under the De Blasio years, and because of that, it has the zoning back from 1961 that does not have height limits and often requires a lot of parking.

Question: What are Objectives relative to rezoning, what is the committee trying to accomplish :

Mr. Lloyd said that's a question the committee have to think about among themselves. He said what he spoke about is what the committee would expect to hear back from the Department of City Planning. Their goals are to increase housing production. They will likely want to identify corridors that could be areas where they would down zone or correct or provide height limits a contextual re-zoning.

Ms. James introduced Mr. Richard Bearak.

Mr. Bearak said other neighborhoods then to have more city won property, or its easier to build affordable housing. He said one of the changes could be to spread out where affordable housing could be produced and that was based on the mandatory inclusionary housing plan, where if it was mapped, the developers above a certain size would have to provide affordable housing at prescribed incomes. He said the community does not really have those lots in the portfolio of the city's housing agency.

There are other properties that the city owns, its used for example parking, library buildings, child care centers, senior centers etc. Those properties are built a lot less than the zoning right are. In those cases, it could be an opportunity to leverage a redevelopment of the property with affordable housing.

Mr. Bearak said some of the faith based properties can be opportunities for affordable housing. He referenced 488 New York Avenue where a 100% senior housing was developed. He said the question is, the existing zoning and what the Board wants to have in the future, does it provide opportunities for faith base establishments to work with the city. More likely they will work with developers to take advantage of rights on their property to do affordable housing again, with a faith base institutions, it doesn't mandate them to use the

right for affordable housing. Some may have financial needs and some may want to focus more on another social mission besides affordable housing

Ms. James said the challenge before the committee is how can the committee come up with enough affordable housing that satisfies the city and that would enable the preservation of most of what is already there. She said what Mr. Bearak said if the committee is able to identify within the community areas what can be utilized for affordable housing, then that would satisfy the city and enable the community to down zoning..

Ms. James asked everyone to walk/drive through the community and start thinking differently. Look around and identify building suitable for development and areas to expand to satisfy the City's requirements.

Mr. Asar John voiced his concerns regarding the process and timeframe, and the many buildings already up in the community. He said while waiting on the City to go through the rezoning process, the community is being torn apart.

Mr. Bearak said as long as people are selling their properties, that creates the development opportunities. He said homeowners selling their homes should make sure the buyer wants to live in the home, It is a hard dynamic to accomplish because sometimes the property has land that's worth more than the house and homeowner are offered more for the property.

After a brief discussion and question and answer session. Ms. James asked for a motion to adjourn the meeting. Ms. Mary Bell-Downes made a motion to adjourn the meeting and Ms. Marguerite Vigliante second.