

Campaign for Inclusionary Zoning

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Citywide Coalition and Council Members Urge City to Include Affordable Housing Guarantee in New Rezoning

Cite New Report Showing How Mandatory Inclusionary Zoning Can Work for NYC

October 20, 2004 – Citing a newly-released analysis of New York City housing needs, development opportunities and market conditions, City Councilmembers and community leaders from around the City called on the Bloomberg Administration today to amend its plans to rezone hundreds of City blocks for market-rate housing in order to guarantee that a percentage of new homes will be made affordable to middle- and low-income New Yorkers through mandatory Inclusionary Zoning.

The diverse coalition of Councilmembers, housing groups, community organizations, and tenants that gathered at City Hall cited data in the new report by the Pratt Institute Center for Community and Environmental Development and PolicyLink that the Bloomberg Administration's proposed zoning changes will increase land values by more than 1000% in some neighborhoods. The report, *Increasing Housing Opportunity in New York City: The Case for Inclusionary Zoning*, recommends mandatory Inclusionary Zoning as a way to capture some of this windfall to produce much-needed affordable housing. Hundreds of cities, including Boston, Chicago, San Diego, and San Francisco have successfully used Inclusionary Zoning to build thousands of units of affordable housing.

"It would be counter to all urban housing policy trends in the country," said Kalima Rose, principal author of the report, "to grant such large density increases and not leverage them for affordable housing."

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Abyssinian Development Corporation * ACORN * AIDS Housing Network * Anti-Discrimination Center of Metro New York, Inc. * Asian Americans For Equality * Association for Neighborhood & Housing Development * Beulah HDFC, Inc. * Beyond Shelter Coalition of West Side Synagogues * Blessed Sacrament Parish * Brooklyn Architects Collective, P.C. * Carroll Gardens Association * Central Brooklyn Churches * Churches United for Fair Housing * Coalition for the Homeless * Community Board 1, Brooklyn * Community Service Society * Cooper Square Mutual Housing Association * Council on Homeless Policies and Services * Cypress Hills Local Development Corp. * Dunn Development Corp. * Eastside Congregations for Housing Justice * El Puente * Erasmus Neighborhood Federation * Fifth Avenue Committee * Fifth Avenue Presbyterian Church (Manhattan) * Forest Hills Community House * Goddard Riverside Community Center * Good Old Lower East Side (GOLES) * Habitat for Humanity NYC * Harlem Operation Take Back / West Side SRO * Housing Conservation Coordinators * Hudson Guild * Interfaith Assembly on Homelessness and Housing * Jan Hus Presbyterian Church * Jonathan Rose Companies LLC * Legal Aid Society * Little Italy Neighbors Association * Met Council on Housing * Mothers on the Move * Municipal Art Society Planning Center * Neighbors Against Garbage * Neighbors Helping Neighbors * New York Industrial Retention Network * North Brooklyn Development Corporation, Inc. * Northwest Bronx Community & Clergy Coalition * The Partnership for the Homeless * Pier 41 Associates * Pratt Area Community Council * Pratt Institute Center for Community & Environmental Development * Project Hospitality * Society of Jesus (Jesuits), NY Province * Southside United HDFC * St. Nicholas Neighborhood Preservation Corp. * Tenants & Neighbors * The New York Immigration Coalition * United Neighborhood Houses * Urban Agenda * Urban Justice Center * Urban Homesteading Assistance Board * West Side Federation for Senior & Supportive Housing Inc. * Women's Housing & Economic Development Corporation * Working Families Party

“Under the Mayor’s proposed zoning changes, landowners receive a windfall as property values skyrocket up to 1000%. Developers profit from building market-rate and luxury apartments and condos; the few who can afford it get a pricey home in a gentrified neighborhood, and lower-income New Yorkers get forced out of their neighborhoods,” said Bertha Lewis, Executive Director of New York ACORN and a member group of the Campaign for Inclusionary Zoning.

The City Council has the power to reject a neighborhood rezoning plan after it is approved by the City Planning Commission. Today’s event provides an insight into the hurdles the neighborhood rezoning plans will face unless they incorporate mandatory Inclusionary Zoning and a guaranteed percentage of permanently affordable housing.

“New York City can no longer afford to neglect this housing crisis,” said Councilmember Hiram Monserrate, co-chair of the Black, Latino, and Asian Caucus. “We, in communities of color, live with the effects everyday and therefore have a personal stake in making sure that real affordable housing is built in our neighborhoods. Inclusionary zoning provides the Council with a unique opportunity to address this problem with new affordable housing at no cost.”

An unprecedented number of rezonings and development projects have begun the review process. Proposals for new residential buildings in neighborhoods throughout the City, including the West Side of Manhattan, Greenpoint-Williamsburg, western Queens and the South Bronx will create 40,000-80,000 new apartments—so far, with no guarantee of affordability. Evidence shows that Inclusionary Zoning does not slow development—and in some cases even leads to increased development.

“The Mayor’s plans to rezone neighborhoods across the City will affect all New Yorkers for decades to come. Without a guarantee that some of these new homes will be affordable, New York’s working class will be pushed even farther out of the neighborhoods that it helped build,” said Councilmember David Yassky. “Mandatory Inclusionary Zoning will improve and strengthen New York’s neighborhoods, making the city a better place to live and work for everyone.”

“The current Bloomberg Administration proposal for the Greenpoint/Williamsburg rezoning include nothing for low- and moderate-income people except displacement,” said Father Jim O’Shea of Churches United for Fair Housing. “If we give away valuable development rights on some of the last available land in the City without the promise of anything in return for working families who can’t afford new luxury apartments built there will be even worse off than if the City hadn’t acted at all.”

The City’s own analysis of its proposal for Greenpoint-Williamsburg anticipates the displacement of 2,510 people, and declares that the proposed redevelopment is ‘not anticipated to include low- to moderate-income dwelling units’.

"Any and every development proposed for the city of New York must address a comprehensive and affordable housing plan," said Councilmember Diana Reyna. "I personally support a two-prong approach of cleaning up Brownfield sites and a 60/40 affordable housing plan."

“As we have worked to bring affordable housing to neighborhoods that need it, we have learned that government cannot do it alone. Inclusionary zoning is a tool for bringing the private and public sectors together to build the affordable housing we need,” said Councilmember Bill deBlasio. “With cities across the country accepting the challenge, it’s time for New York to step up and make this work.”

The Citywide coalition of more than 70 groups – the Campaign for Inclusionary Zoning – is calling for the City to guarantee affordable housing by requiring developers, in exchange for the increased value they derive from rezoning for higher density residential purposes, to include homes affordable to middle- and

low-income New Yorkers. Additional subsidies or bonuses could be available for developers who choose to create even more affordable housing – but all developers in areas being rezoned to increase land values and allow new residential development would have some obligation to create affordable units.

"We came to this neighborhood because it was affordable, and we've built a whole community here. Now people who have lived here for decades can't afford to stay," said Hortense Bermudez, a clothing designer from Hell's Kitchen. "The Mayor's plans for the West Side must include neighborhood residents!"

Community members from neighborhoods facing major re-development joined the coalition in demanding that affordability and community stability be factored in to any re-zoning proposals that will allow developers to build valuable, high-density residential properties. More than 500,000 New York families – 25% of renters – pay more than half of their income to rent. Over the past decade, New York City added 456,000 more people to its population, but produced only 85,000 more units of housing.