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## The City of New York Community Board 8 Manhattan Housing Committee Joint Meeting with Zoning & Development Committee Wednesday, February 24, 2021 – 6:30PM This meeting was conducted remotely via Zoom

Please note: The resolutions contained in the committee minutes are recommendations submitted by the committee chair to the Community Board. At the monthly full board meeting, the resolutions are discussed and voted upon by all members of Community Board 8 Manhattan.

## **MINUTES:**

**Present:** Elizabeth Ashby, Gayle Baron, Michele Birnbaum, Alida Camp, Barbara Chocky, Saundrea I. Coleman, Anthony Cohn, Billy Freeland, Ed Hartzog, Rebecca Lamorte, Valerie Mason, Gregory Morris, Jane Parshall, Rita Popper, Elizabeth Rose, Marco Tamayo, Russell Squire, Adam Wald, Shari Weiner

## **Resolutions for Approval:**

Item 1 – Opposition of Part L of the New York State Executive Budget FY 2022

1. Joint Meeting of Housing Committee and Zoning and Development Committee to discuss Part L of the New York State Executive Budget FY 2022. Part L is an amendment to the Multiple Dwelling Law adding a section (section 277-a) governing conversions in certain areas of the city and allowing certain automatic zoning overrides and which will supersede all local zoning laws, resolutions, ordinances, or regulations.

The meeting was called to order at 6:30 by Housing Co-Chair Barbara Chocky, who introduced Zoning and Development Co-Chair Anthony Cohn who presented the main features of the proposed Amendment:

- 1. This amendment will sunset on December 31, 2024
- 2. Conversion of "Class B" multiple dwellings ("a multiple dwelling which is occupied, as a rule transiently, as the more or less temporary abode of individuals or families who are lodged with or without meals.") of fewer than 150 rooms to:
  - a. Housing with 20% affordable units
  - b. Supportive Housing (all units)
  - c. Developer funded affordable units or supportive Housing equal in number to a) or b) in another location in the city of New York
  - d. This amendment will apply to: Brooklyn, Queens, Bronx, Staten Island, and portions of Manhattan
- 3. Conversion of "Class B" and "Class C" office buildings (Office buildings are classified by rent and amenities) to:
  - a. Housing with 20% affordable units
  - b. Supportive Housing (all units)
  - c. Developer funded affordable units or supportive Housing equal in number to a) or b) in another location in the city of New York
  - d. This amendment will apply to portions of Manhattan.
- 4. No variance shall be required to obtain a certificate of occupancy.

Co-Chair Elizabeth Ashby reminded the attendees that the Board Chair, Russell Squire, had written a letter on this topic to be distributed to a large list of elected officials expressing CB8's disapproval of this measure.

A number of Board Members and members of the Public spoke on the issue, both for and against. The objections came from two directions. On the one hand, some oppose the measure as an assault on Home Rule and the Zoning Resolution, describing it as a "cynical power grab", and an effort to circumvent local oversight; on the other, specific aspects of the proposal came under fire: the low percentage of affordable housing mandated, the ability to off-load the affordable units to another part of the city – in effect bringing back 421-a certificates, and even the geographical extents of the proposal. Those who spoke in favor, even partially, cited the need for some sort of relief for commercial property owners whose revenues have declined due to the COVID pandemic.

One speaker proposed a more "constructive" approach to CB8 opposition, suggesting that the need for affordable housing might be served by a higher "floor" for the affordable component within the plan. Another attacked to proposal on the basis of its lack of specificity; how is affordability defined for these units and isn't the lack of specificity a license to steal? Another described the budget measure as a way for building owners and developers to have someone subsidize the conversions.

A motion was made and seconded opposing the measure in the budget, urging our elected officials to vote against it and demanding that the Governor remove it from the budget.

**WHEREAS,** On January 19, 2021, Governor Andrew Cuomo proposed an amendment to the New York State Multiple Dwelling Law with the stated purpose of "authorizing flexibility in zoning to address high commercial vacancy rates and underutilized hotel properties located within specified areas in New York City, particularly in response to the COVID-19 pandemic;" and

**WHEREAS**, if enacted, the proposal as recently amended would allow certain Class B and C office buildings located south of 60<sup>th</sup> Street, and between Park Avenue and 9<sup>th</sup> Avenue built prior to 1977 to be converted to residential use; and

**WHEREAS**, if enacted, the proposal would allow hotels located south of Chambers Street and north of 110 Street, and in all of the Bronx, Brooklyn, Queens and Staten Island with fewer than 150 rooms to be converted to residential use; and

**WHEREAS**, the proposal would take effect immediately upon enactment and would expire according to its terms on December 31, 2024; and

WHEREAS, to be eligible, a property as converted would need to meet one of the following conditions:

- a) be part of a state affordable housing plan or in agreement with the State Department of Home and Community Renewal "(DHCR") to provide a minimum of twenty percent (20%) of such housing units created as affordable housing, or
- b) is to be operated as a supportive housing facility that is under a contract with any state or city agency to provide housing and supportive services for any population, or
- c) will instead provide an amount necessary to support the creation or preservation of affordable housing or prevent homelessness as determined by the commissioner of the DHCR; and

**WHEREAS,** the proposal expressly overrides "any state law ... local zoning law, ordinance, resolution, or regulation" that would have the effect of limiting the conversions allowed by the proposed amendment, including but not limited to the NYC Zoning Resolution, the Energy Code and the NYC Building Code; and

**WHEREAS**, instead of going through a proper legislative process, this sweeping legislation was included in the FY 2022 New York State Executive Budget, without input from the communities it would affect or the state and local legislators whose laws it would override; and

**WHEREAS**, The Memorandum of Support for the legislation, states as follows: "New York State has an urgent and significant interest in addressing the high commercial vacancy rates and underutilized hotel properties, all of which contribute to the lack of affordable housing that currently exists in certain locations in the State, particularly in response to the COVID-19 pandemic;" and

**WHEREAS**, while the State does have an "urgent and significant interest in addressing the high commercial vacancy rates and underutilized hotel properties," we find it contradictory that the Governor proposes this legislation to purportedly address high commercial vacancy rates while simultaneously promoting the creation of thousands of commercial units pursuant to Penn Station and other development plans; and

**WHEREAS,** although few of the affected class B and class C commercial properties are to be found within Community District 8; and

**WHEREAS,** the requirement "c" of the conditions would enable conversion of numerous properties, while not giving those communities the benefit of much-needed affordable and supportive housing because of the "loophole" allowing developers to a building's full conversion in one location and a contribution to a fund managed by the State to spend anywhere and anyhow the DHCR chooses; and

WHEREAS, while neighborhoods may benefit from a use change allowing residential conversions, such changes must be done in a thoughtful and comprehensive way, following the SEQRA and CEQR technical manuals, with full evaluation of environmental impacts, with community input and guidance from local stakeholders and legislators, and with proper mitigations, such as the creation of school seats, open space, hospital beds and other services a new residential population would require; and

WHEREAS, this provision constitutes a direct assault on Home Rule; and

**WHEREAS,** zoning is the responsibility and prerogative of local municipalities, and changes like this need to go through proper local legislative process, including ULURP, to ensure that they are done thoughtfully, equitably, transparently, and with consideration of all environmental impacts; and

**WHEREAS**, while we agree that addressing high commercial vacancy rates, underutilized hotel properties, as well as addressing the lack of affordable and supportive housing are essential priorities, we are deeply concerned that this bill will not address its stated goals, may exacerbate an already high market-rate residential vacancy rate and does not require desperately needed affordable housing in our district; therefore

**BE IT RESOLVED**, that Community Board Eight Manhattan **opposes** the Article 7 proposed PART L: "REPURPOSING UNDERUTILIZED COMMERCIAL SPACE FOR HOUSING"; and

**BE IT FURTHER RESOLVED**, that Community Board Eight Manhattan urges our State and City legislators to oppose the proposed bill and demands that Governor Cuomo withdraw this bill from the State budget.

The motion was approved by a vote of 17-1-0-0. **In Favor**: Ashby, Baron, Birnbaum, Camp, Chocky, Coleman, Cohn, Hartzog, Lamorte, Mason, Morris, Parshall, Popper, Rose, Tamayo, Squire **Opposed**: Wald

2. Old Business – No old business

3. New Business – No new business

Barbara Chocky, Ed Hartzog, and Gregory Morris, Co-Chairs Housing Elizabeth Ashby and Anthony Cohn, Co-Chairs Zoning and Development