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**The City of New York
Community Board 8 Manhattan
Housing Committee
Wednesday October 27, 2021
This meeting was conducted via Zoom**

Minutes

Board Members Present: Anthony Cohn, Saundrea Coleman, Rebecca Dangoor, Ed Hartzog, Rebecca Lamorte, Greg Morris, Rita Popper, Margaret Price, Barbara Rudder, Kim Selway (Public Member), Russell Squire, Marco Tamayo

Mr. Hartzog welcomed Committee Members, Board Members, and members of the public to the meeting. He introduced Charles McNally, Director of External Affairs at New York University's Furman Center.

Item 1: Local Effects of Recent Rent Increases on the Local Housing Market.

Guest Speaker: Charles McNally, Director of External Affairs at the NYU Furman Center - New York University School of Law

Mr. McNally provided an overview of the work of the Furman Center. He summarized the research related to land use regulation, new construction and what it means for rents. In addition, he shared some findings that were published by the New York City Department of City Planning about what has happened with net housing gains or losses in neighborhoods across the city.

Mr. McNally presented the following:

- Housing costs are rising faster than income.
- We have a homelessness crisis in New York City. [It's second only to Los Angeles in terms of the per capita rates of homelessness in the country.] There are between 60,000 -70,000 homeless New Yorkers in shelters and on the streets.
- A recent study showed that when the rent to income ratio exceeds 32%, you see sharply increasing rates of homelessness.
- A 2020 report from the U.S. Government Accountability Office found that for every \$100 increase in median rent, it's correlated with a 9% increase in homelessness.
- Subsidized housing in New York City is more likely to be located in high poverty neighborhoods.
- Housing affordability impacts health.
- What neighborhood you live in has an enormous impact on the sort of your outcomes in your life.

He provided a demographic and socio-economic breakdown of the Upper East Side in 2019 and noted that just over 13% of the rental units on the Upper East Side were considered affordable for a household earning 80% of the Area Median Income (AMI). *If you're earning at or below 80 percent of area median income, you're eligible for public housing, eligible for Section 8 vouchers.*

He referred to a data resource called the Subsidized Housing Database, which maps every subsidized building in New York City. *He shared that just over 200,000 folks live on the Upper East Side, and there are just under 10,000 affordable units, subsidized units.*

At this point, the floor opened to questions:

Mr. Hartzog asked about land cost in relation to construction.

Ms. Popper thanked the guest speaker and wondered what would happen if the housing affordability trends continue in the district. Mr. McNally shared that it was highly likely that housing costs were going to continue to escalate and that that would increase the number of New Yorkers who are homeless.

Mr. McNally asked the Committee and policymakers to pay attention to the expiration of regulatory agreements. *The last two mayors, in terms of their housing goals, have been 60/40 in terms of preservation versus the production of new affordable housing.* He noted the need for a pipeline of construction to replace those developments where there's expiring rent and expiring affordability restrictions. *There's a huge need for subsidized senior housing and universal voucher assistance.* The Furman Center has shared the importance of a standing emergency rental assistance program similar to unemployment insurance right as the pandemic hit- *it should be a permanent fixture of the social safety.*

Ms. Popper asked if there was a study about what would happen if we don't have affordable housing.

Mr. Hartzog thanked Ms. Price for encouraging us to invite representatives from the Furman Center to our meeting.

Mr. Tamayo provided an overview of the costs associated with affordable housing and emphasized the impact of empty/vacant lots on these calculations. He suggested that NYCHA land could be used differently.

Mr. McNally commented that construction looks very different in different neighborhoods. He referred to The Manhattan Institute's report on inclusionary zoning which found that the inclusionary zoning program has been used to limit affordable housing. *More specifically, the whole point of the inclusionary zoning program is that you use the really high market rate rents in places like the Upper East Side and places like Soho to subsidize affordable units. It hasn't worked.*

Ms. Cohn, who is co-chair of our Zoning and Development Committee, asked why hasn't there hasn't been more progress.

Mr. McNally suggested it was politics and economics of local land that have been used to both exacerbate the tendency to concentrate subsidized housing in lower income neighborhoods.

He suggested reading the book, Neighborhood Defenders.

He mused about developers choosing to go "as of right" to avoid the headache that opposition forces (who stand to lose a lot) can provide.

Ms. Cohn referred to the Extell project from two years ago and a commitment that the developer made to have affordable units included in this development. A recent report on the project reported that the building, which was announced this week, is going to be medical offices and outpatient and outpatient facility for hospital for special surgery. *And it's going to be built completely as of right.*

Mr. Cohn asked if the research showed that New York was different from other cities in the country. Mr. McNally talked about the increasing opposition to new construction. He saw this happening in a lot of neighborhoods but didn't know if the data/research could be generalized. We've built less housing over the last 50 years than we did from 1920 to 1930. New York is unlike most other metro areas. Only 15% of the five boroughs is zoned single family detached lots and a lot of that is in Staten Island. *So, where is the release valve for this pressure? It's in Westchester County. It's in Nassau County. If there's no new housing to address the demand, there is flipping of existing buildings and costs go up.*

Mr. Tamayo said that density was a key consideration.

Mr. McNally referred everyone to the [NYC2025](#) report.

Seeing as there were no more questions, Ms. Dangoor called the meeting to a close.

Mr. Harzog and Mr. Morris thanked the attendees and acknowledged the passing of beloved co-chair Barbara Chocky. *The work of this committee will continue and we'll keep her spirit and her values and her and her thoughts and her wisdom in mind.*

Members of the Public

Maureen Casey

Dyan Cutro

Christine Donovan

Carolyn A. Mann

Wendy Machaver

Irene (No last name provided)

Board Office Members

Charlie McNally - NYU Furman Center - Presenter

Ed Hartzog and Gregory Morris, Co-Chairs