

The City of Yes for Housing Opportunity makes no sense. The DEIS is fatally flawed.

Mayor Eric Adams' Department of City Planning proposal purports to address a crisis in housing availability, particularly affordable housing, and does so by lifting regulations to encourage accelerated construction. However, we expect that lifting zoning regulations would likely accelerate the construction of expensive market-rate housing, and reduce incentives to provide affordable units.

In addition, the plan rests on factual premises that are wrong: the Planning Department claims that building construction is down, when it is not, and the plan assumes the vacancy rate is an accurate measure of unoccupied apartments, when it is not. The vacancy rate measures only apartments currently marketed and leaves out the large number of vacant housing that owners have held back from the market. The number of unoccupied units, at more than 11.1%, is actually quite high.

This report will show that the city identified the wrong target, ignored 230,000 empty market housing rate units this year, and 74,000 construction and demolition jobs since 2010. They have not proven the need for change. The real crisis is the paucity of economical rents for low-to-middle income residents. Construction project numbers are the highest in the last 14 years, as is the number of units built.

**REAL NUMBERS.** The facts for these numbers are compelling. The Mayor's Housing and Preservation Department (HPD) is required to publish a Housing Survey every three years. This is because in NYS, a vacancy rate of less than **5%** is an emergency situation, and requiring the survey.

But the current vacancy rate is at 11.1%. The most recent survey identifies the 2023 *off-market* housing to be **230,200** units or **9.8%** of the total occupied housing units. However, the administration is only talking



about 1.4% vacant housing units – those at lower monthly rental levels.



The REAL CRISIS. The real crisis is in the high cost of rents for low-to-middle income residents. The current plan has no housing that has affordable rents. The Universal Affordability Preference program incentive is not enough and is not required.

Meanwhile, the city states that there has been little construction up to 2010, but the housing data base proves that is wrong. The lack of affordable rents is not new in the past zoning changes. In 1987, Quality Housing used



the wording "affordable" means cheaper to build for the developer and contractor, not affordable rent.<sup>1</sup>



Building CRISIS. The city states that there has not been enough housing built up to 2010. A review of the New York City Housing Snapshot from 2010 to 2024 proves that is a wrong assertion. In addition, the City Planning Housing Database contains all NYC Department of Buildings – approved housing construction and demolition jobs filed or completed since January 1, 2010. Recently updated to March 2024, the chart to the right is the source used.

21 Today, there exists a glut of upper-income available market rate housing. Yet the current plan does not provide anything substantial that to increase rent affordability. The new proposal is more of the same -- removing required parking in new buildings, and offering the Universal Affordability Preference to lower the cost by changing the size of the units.



<sup>&</sup>lt;sup>1</sup> "A MAJOR component of New York City's master plan to promote housing construction has been forwarded ... The proposal is a change in New York's zoning ordinance that is designed to encourage lower, bulkier and more economical apartment buildings in multifamily districts throughout the city." Quality Housing' Zoning Nearing a Vote - The New York Times www.nytimes.com/1987/07/12/realestate/quality-housing-zoning-nearing-a-vote.html (emphasis added)



## NYC DCP Housing Database from 2010 BX



**Racial EQUITY.** The Racial Equity Report (RER) for the City of Yes for Housing "aims to address the housing shortage and affordability crisis in the city." In fact, the data it presented tells another story. For instance, the RER claims in response to Section 2. Project specific information, in response to the question to describe any affordable housing financing programs: "Given the citywide nature of the proposal, *it is not feasible to provide a detailed breakdown* of the anticipated affordability levels for all potential new housing facilitated by CHO. CHO would result in incremental growth citywide of market-rate and income-restricted affordable housing. …" It continues:

... the Universal Affordability Preference (UAP) proposal, which would apply to NYC's *medium- and high-density neighborhoods* and allow buildings to be at least 20% bigger if the additional space is occupied by permanently affordable housing. UAP would result in more affordable housing that is affordable to a *broad range of household incomes*. UAP would have an *average* affordability level of 60% Area Median Income or AMI (\$83,880 for a family of 3 based on 2024 NYC AMIs) and allow for *income averaging* to reach households at a wider range of incomes. Specifically, a UAP development could not have



more than three income bands and no income band can exceed 100% AMI (\$139,800 for a family of 3 based on 2024 NYC AMIs)." (*emphasis* added)<sup>2</sup>

The RER is using three<sup>3</sup> Rental Units Affordable by AMI bands. Interestingly, the agency did not jump on this information and plan an equitable expansion of housing funding in the two lowest bands. For true racial equity, zoning laws must be developed to comply with fair housing law

	2017-2021 ACS PUMS					
	Number			Percent		
,	Estimate	MOE	CV	Estimate	MOE	
Occupied units paying rent	2,127,020	8,598	0.2	100.0%		
Extremely low-income (0-30% AMI)	304,125	6,051	1.2	14.3%	0.3%	
Very low-income (31-50% AMI)	344,072	6,190	1.1	16.2%	0.3%	
Low-income (51-80% AMI)	773,142	8,132	0.6	36.3%	0.4%	
Moderate-income (81-120% AMI)	450,659	6,034	0.8	21.2%	0.3%	
Middle-income (121-165% AMI)	156,066	4,050	1.6	7.3%	0.2%	
High-income (166% or higher AMI)	98.956	3,682	2.3	4.7%	0.2%	

so that development mitigates rather than reinforces segregation in the City. The Mayor's plan does not make any effort to even claim that a fair housing assessment was done on the City of Yes proposal, and there is no evidence that the resulting changes would affirmatively further fair housing, as they must under law.<sup>4</sup>

The need would be established by looking at the 27 million Housing Lottery Application<sup>5</sup> and subsequent 27 thousand Leases would be a great indication of the need (see the data below). In the last nine years, developers built 101,236 homes with new or extended (*preserved*) affordability requirements for income restricted. (17,260 new and 19,357 preserved housing for those making less than 30% AMI, and 9,933 new and 54,696 preserved for those making less than 50% AMI).

	NYC Housing	Table 3.14.T: Housing Lottery Lea	Total optication			
	Connect, 2014-2020		NYC Housing			
			Connect, 2014-202			
	Number Percent		Number Percent			
Fotal housing lottery applications	27,261,057 100.0%	Total signed leases	27,398 100.0			
Table 3.13.A: Housing Lottery Appli	ications - Asian Non-	Table 3.14.A: Housing Lottery Leases - Asian Non-				
Hispanic		Hispanic				
	NYC Housing Connect, 2014-2020 Number Percent		NYC Housing Connect, 2014-202			
Total housing lottery applications			Number Percen			
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vitir an Asian non-riispanic	1,040,170 0.070	non-Hispanic account holder	1,888 6.9			
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		Hispanic account holder	10,557 38.5			
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	NYC Housing	Table 3.14.H: Housing Lottery Lea	ses - Hispanic			
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	Number Percent		Connect, 2014-202			
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otal housing lottery applications						
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Total housing lottery applications with a Hispanic householder	8,333,988 30.6%	Total signed leases with a Hispanic				
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<sup>&</sup>lt;sup>2</sup> Racial Equity Report on Housing and Opportunity, page 3

<sup>&</sup>lt;sup>3</sup> RER p 3.29

<sup>&</sup>lt;sup>4</sup> "affirmatively further fair housing" is the legal standard

<sup>&</sup>lt;sup>5</sup> Page 3.36 and 3.37



## Purpose Should Be Framed in Terms of How the Project Meets Public Needs

<u>EIS</u>. In the Draft Environmental Impact Statement (DEIS), the city identified the purpose and need to be solve the "Housing Crisis and Affordable Housing." The City Environmental Quality Review (CEQR) Technical Manual describes the purpose and the need for a public policy, such as creating housing that is affordable for those making the mean income in the City. Section 210. **Purpose and Need for Publicly and Privately Sponsored Actions of the CEQR Technical Manual** states:

"The purpose of and need for the project should be explained clearly at the beginning of the EAS or EIS, **allowing the decision-makers to balance the goals** of the project with environmental concerns, if any, in determining **whether the project should be approved**. For city-sponsored projects, this statement of objectives or **purpose should be framed in terms of how the project meets public needs** and responds to public policies, such as the provision of affordable housing, . . ."

At the City Planning Commission meeting to approve the ULURP & Environmental

**Environmental Review** 

The DEIS identifies no impacts in these cate Land Use, Zoning, and Public Policy Socioeconomic Conditions Water and Sewer Infrastructure

e of Completion of a Draft Envir

No other significant adverse impacts were iden the Final Environmental Impact Statement (FE

use Gases and Climate Chang ty ealth thood Character

Review, CPC estimated a citywide housing unit increment range to be merely 58,000 to 108,000 units in 15 years. This low rate allowed them to declare no impact on categories, like Land Use, Water & Sewer, Solid Waste, etc. What makes this different from existing Zoning?

Finally, the DEIS is fatally flawed as the

purpose and the need is wrong, public policy is not identified, and the number of units is purposely low to avoid a full-scale environmental review. The current purpose and need in the FSOW and the DEIS is misleading for two reasons: the vacancy rate is not in crisis, affordable rental rates are; hundreds of thousands of market rate housing are vacant decontrolled rentals, and of past construction and demolition are not counted.

The following define the need: increase rental housing that is affordable for those making

less than 30% AMI (304,125) and no higher than 50% AMI (344,072) – note that this is only two AMI bands; increase eligibility in the housing lottery applications 27,261,057 for new buildings, homeless persons in a shelter (45, 319), and high level of evictions by a marshal (67,431). These needs would be a great impact in many of the areas that have been disposed of.



Statement (DEIS) was issued on April 26, 2 The DEIS identifies potential for "significant ad impacts" in these categories:

Community Facilities and Services (early childhood programs, schools) Open Space

Karen Argenti, BCEQ, May 23, 2024