



# HOUSING PRESSURE, RESIDENTIAL DISPLACEMENT AND INDUSTRY CITY

Working group convened by  
Council Member Carlos Menchaca  
July 24, 2019

# AGENDA

- Welcome, introductions, goals for today
- Pairs: your housing story
- Gentrification, Displacement and Sunset Park Housing Conditions
- Breakout: Neighborhood Needs
- Tools to Address Housing Needs and Industry City's role
- Breakout groups: Sunset Park housing strategies
- Group discussion: Housing Priorities

# GOALS FOR TODAY

1. Understand Sunset Park's housing trends and concerns
2. Understand existing strategies and tools to address housing concerns
3. Discuss the role of IC and the City in housing concerns
4. Identify priority needs and actions to address housing risk in Sunset Park, regardless of rezoning Industry City

# BREAKOUT #1

Tell your housing story to a partner



# GENTRIFICATION AND DISPLACEMENT IN SUNSET PARK

**WHAT DOES THE 197-A PLAN HAVE TO  
SAY ABOUT HOUSING?**

Community Board 7 — Borough of Brooklyn  
 New Connections / New Opportunities  
**SUNSET PARK**  
 197-A PLAN



A 197-a plan as modified by the City Planning Commission and adopted by the City Council



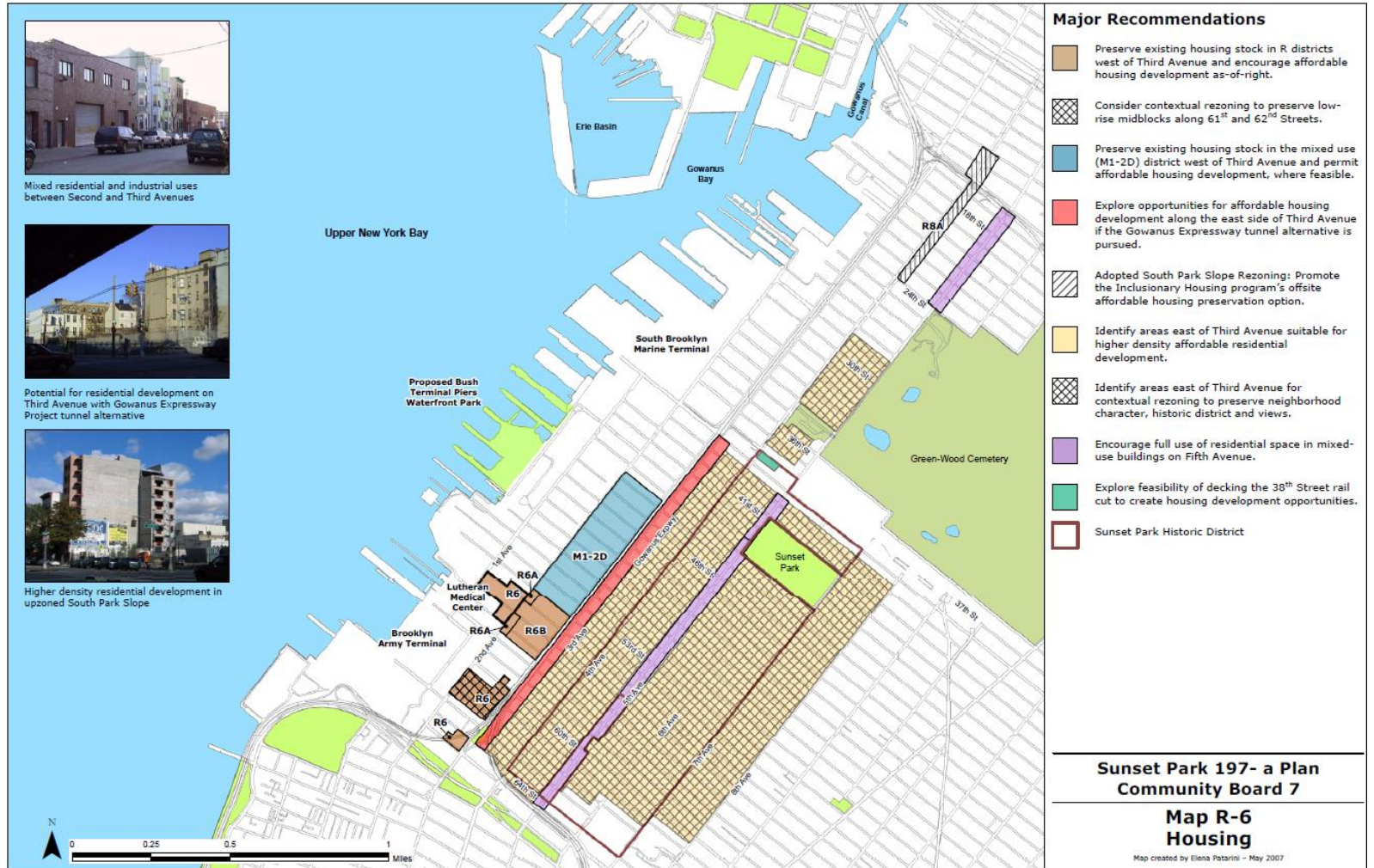
Mixed residential and industrial uses between Second and Third Avenues



Potential for residential development on Third Avenue with Gowanus Expressway Project tunnel alternative



Higher density residential development in upzoned South Park Slope



# HOUSING IN THE 197-A PLAN

# 2007

# SUNSET PARK 197-A PLAN 2007

“Population growth in CD7 over the past ten years has far exceeded the pace of residential development and placed a premium on existing housing... **Fears of gentrification and displacement** grow as residents squeezed out of high-rent neighborhoods elsewhere in New York City and higher income households pursuing homeownership opportunities seek housing in the area. **Affordability** is currently seen as the most pressing housing issue”



**NOT MUCH HAS CHANGED.**

# 197-A PLAN: HOUSING RECOMMENDATIONS

- A. Preserve and maintain existing affordable housing in the waterfront study area.
- B. Maximize as-of-right development opportunities in the waterfront study area.
- C. Explore additional development opportunities and resources in other parts of Community District 7, balancing the need for affordable housing with the need to preserve neighborhood character and view corridors.
- D. Increase government support for affordable housing preservation and development in Community District 7.

**IS GENTRIFICATION HAPPENING IN SUNSET  
PARK? WHAT ABOUT DISPLACEMENT?**

**WILL MORE OF THESE THINGS HAPPEN WITH  
A REZONING OF IC THAN WITHOUT IT?**

# WHAT IS GENTRIFICATION? WHAT IS DISPLACEMENT?

## **Gentrification**

The transition of an area and its population to a state of greater economic value

*Often associated with new people and new real estate investment*

## **Direct displacement**

Direct removal of residents via building demolition etc.

## **Indirect displacement**

Residents relocating from an area due to “changing socioeconomic conditions” (harassment, rent increase, etc.)

# WHAT IS GENTRIFICATION? WHAT IS DISPLACEMENT?

## Gentrification

The transition of an area and its population to greater economic value

*Often associated with new people and new real estate investment*

**‘Indirect displacement’ is generally the most common and insidious housing impact facing gentrifying neighborhoods**

## Direct displacement

Direct removal of residents via building demolition, etc.

## Indirect displacement

Residents relocating from an area due to “changing socioeconomic conditions” (harassment, rent increase, etc.)

**IS GENTRIFICATION HAPPENING IN SUNSET  
PARK? WHAT ABOUT DISPLACEMENT?**

**WILL MORE OF THESE THINGS HAPPEN WITH  
A REZONING OF IC THAN WITHOUT IT?**

# MEASURING DISPLACEMENT IS REALLY HARD

## Gentrification, Displacement, and the Role of Public Investment

Miriam Zuk, Ariel H. Bierbaum, Karen Chapple, Karolina Gorska, and Anastasia Loukaitou-Sideris

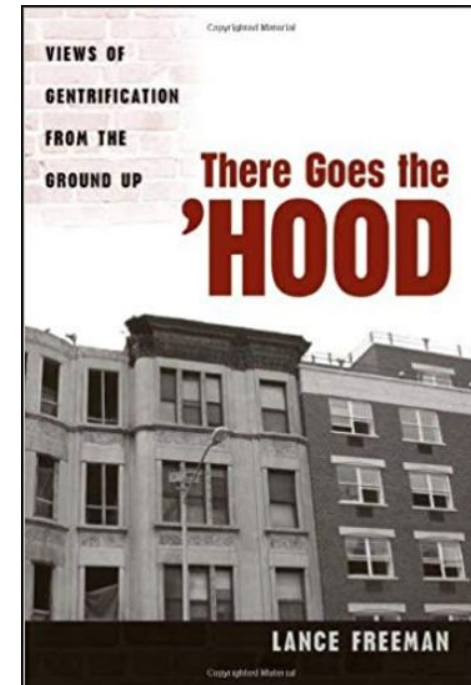
*Published in Journal of Planning Literature, 2018, Vol 33(1): 31-44*



Residents of an East London complex originally built as affordable housing for workers protest rising rents in December 2014. // AP Photo/Matt Dunham

## Why It's So Hard to Measure Residential Displacement

ERIC JAFFE AUG 13, 2015



But wait, I heard that New York City requires an analysis of indirect residential displacement through the environmental review process!

So we should know what impact IC will have if the Environmental Impact Statement comes out right?



# Review from last session

## KEY POINTS ABOUT ULURP

### 1. ENVIRONMENTAL REVIEW

- a) Applicant must conduct an analysis of anticipated environmental impacts
- b) NYC provides a detailed scope and methodology for this review (*City Environmental Quality Review Technical Manual*)
- c) Before ULURP, the applicant is preparing an Environmental Impact Statement, which describes the findings of the environmental analysis
- d) When an application is Certified, ULURP begins, and the Draft Environmental Impact Statement (EIS) is made public
- e) If the project is expected to have “significant impact” in any area, the applicant must provide “mitigations” for those specific impacts

# CEQR

## City Environmental Quality Review Technical Manual



### 322. Indirect Displacement

#### 322.1. Indirect Residential Displacement

The objective of the indirect residential displacement analysis is to determine whether a proposed project may either introduce a trend or accelerate a trend of changing socioeconomic conditions that may potentially displace a vulnerable population to the extent that the socioeconomic characteristics of the neighborhood would change. Generally, an indirect residential displacement analysis is required only in cases in which the potential impact may be experienced by renters living in rental units unprotected by rent control, rent stabilization, or other government rent regulations, or whose incomes or poverty status indicate that they may not support the anticipated increases. Examples of projects where a detailed assessment was conducted include the Williamsburg Land Use and Waterfront Plan, which can be found at [http://nyc.gov/html/dcp/pdf/greenpointwill/gw\\_feis\\_ch\\_03.pdf](http://nyc.gov/html/dcp/pdf/greenpointwill/gw_feis_ch_03.pdf), and the 125th Street rezoning, which can be found at [http://nyc.gov/html/dcp/pdf/env\\_review/125th/03-125th-rezoning.pdf](http://nyc.gov/html/dcp/pdf/env_review/125th/03-125th-rezoning.pdf).

In all cases, the potential for indirect displacement depends not only on the characteristics of the proposed project, but on the characteristics of the study area. Usually, the characteristics of the proposed project are known--the objective of the preliminary assessment, then, is to gather information about conditions in the study area so that the effect of the change in conditions from the proposed project relative to expected future conditions in the study area can be determined. At this stage, an analysis of data at the study area level is generally adequate for a preliminary analysis, and detailed census tract-level descriptions are not necessary. Although socioeconomic characteristics and population and housing may vary depending on the proposed project, information on the characteristics typically include the following:

# CEQR

## City Environmental Quality Review Technical Manual

**Unfortunately, the methodology is deeply flawed**



### 322. Indirect Displacement

#### 322.1. Indirect Residential Displacement

The objective of the indirect residential displacement analysis is to determine whether a project may introduce a trend or accelerate a trend of changing social conditions that may potentially displace a vulnerable population to the extent that the social conditions in the neighborhood would change. Generally, an indirect residential displacement analysis is required only in cases in which the potential impact may be experienced by rental units unprotected by rent control, rent stabilization, or other government programs, or whose incomes or poverty status indicate that they may not survive the project. Examples of projects where a detailed assessment was conducted include the Williamsburg Land Use and Waterfront Plan, which can be found at [http://nyc.gov/html/dcp/pdf/greenpointwill/gw\\_feis\\_ch\\_03.pdf](http://nyc.gov/html/dcp/pdf/greenpointwill/gw_feis_ch_03.pdf), and the Williamsburg rezoning, which can be found at [http://nyc.gov/html/dcp/pdf/env\\_review/11](http://nyc.gov/html/dcp/pdf/env_review/11).

In all cases, the potential for indirect displacement depends not only on the proposed project, but on the characteristics of the study area. Usually, the characteristics of the study area are known--the objective of the preliminary assessment is to provide information about conditions in the study area so that the effect of the proposed project relative to expected future conditions in the study area can be assessed. At this stage, an analysis of data at the study area level is generally adequate, and detailed census tract-level descriptions are not necessary. Characteristics typically include the following:

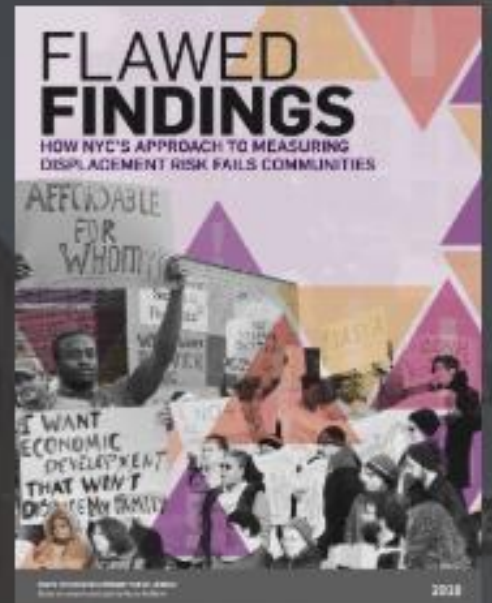
**PRATT CENTER RESEARCH**



**Building Resilient Communities**

# FLAWED FINDINGS: HOW NYC'S APPROACH TO MEASURING DISPLACEMENT RISK FAILS COMMUNITIES

REPORT | SEPTEMBER 18, 2018



[Download Research >](#)

# THE ENVIRONMENTAL IMPACT STATEMENT WILL NOT HELP US UNDERSTAND DISPLACEMENT

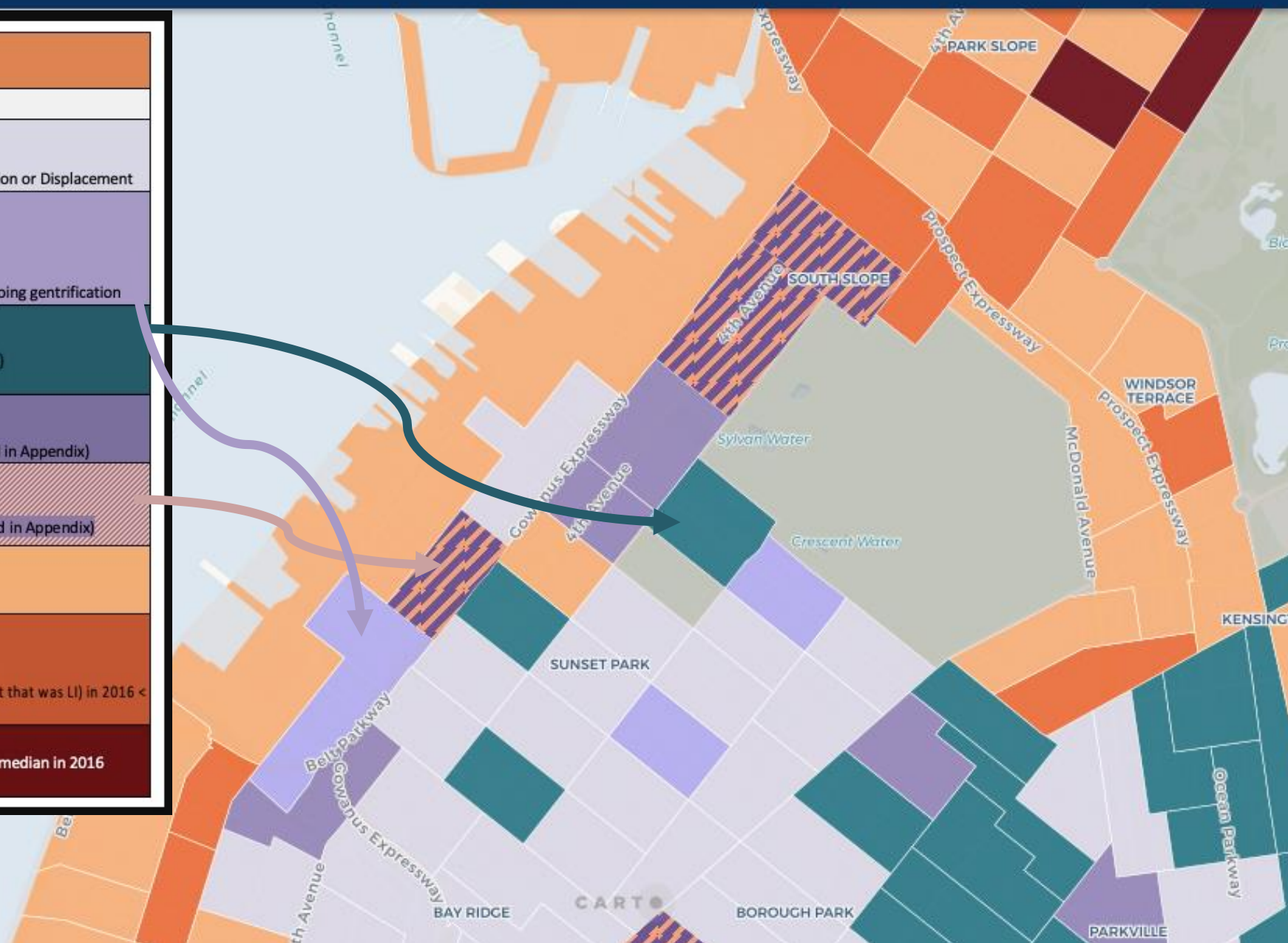
Understanding the CEQR methodology—even before seeing the EIS—we can know that the Industry City EIS will indicate that there will be no significant impact on indirect displacement from the proposed rezoning.

**If we want to understand or address housing, we can't rely on the Environmental Review process**

ARE THERE OTHER WAYS TO  
UNDERSTAND RESIDENTIAL  
DISPLACEMENT RISK?

**Displacement and Gentrification Census Tract Typologies**

Typology (tract income level)	Typology Criteria
<b>Not Losing Low-Income Households</b> (Low Income)	<ul style="list-style-type: none"> <li>• Pop in 2000 &gt; 500</li> <li>• Low Income Tract in 2016</li> <li>• Not classified as At Risk or Ongoing Gentrification or Displacement</li> </ul>
<b>At Risk of Gentrification</b> (Low Income)	<ul style="list-style-type: none"> <li>• Pop in 2016 &gt; 500</li> <li>• Low Income Tract in 2016</li> <li>• Vulnerable in 2016 (Defined in Appendix)</li> <li>• "Hot market" from 2000 to 2016</li> <li>• Not currently undergoing displacement or ongoing gentrification</li> </ul>
<b>Ongoing Displacement of Low-Income Households</b> (Low Income)	<ul style="list-style-type: none"> <li>• Pop in 2000 &gt; 500</li> <li>• Low Income Tract in 2016</li> <li>• Loss of LI households 2000-2016 (absolute loss)</li> <li>• Few signs of gentrification occurring</li> </ul>
<b>Ongoing Gentrification</b> (Low Income)	<ul style="list-style-type: none"> <li>• Pop in 2000 or 2016 &gt; 500</li> <li>• Low Income Tract in 2016</li> <li>• Gentrified in 1990-2000 or 2000-2016 (Defined in Appendix)</li> </ul>
<b>Advanced Gentrification</b> (Moderate to High Income)	<ul style="list-style-type: none"> <li>• Pop in 2000 or 2016 &gt; 500</li> <li>• Moderate to High Income Tract in 2016</li> <li>• Gentrified in 1990-2000 or 2000-2016 (Defined in Appendix)</li> </ul>
<b>Stable Exclusion</b> (Moderate to High Income)	<ul style="list-style-type: none"> <li>• Pop in 2000 &gt; 500</li> <li>• Moderate to High Income Tract in 2016</li> <li>• Not classified as Ongoing Exclusion</li> </ul>
<b>Ongoing Exclusion</b> (Moderate to High Income)	<ul style="list-style-type: none"> <li>• Pop in 2000 &gt; 500</li> <li>• Moderate to High Income Tract in 2016</li> <li>• Loss of LI households 2000-2016 (absolute loss)</li> <li>• LI migration rate (percent of all migration to tract that was LI) in 2016 &lt; in 2009</li> </ul>
<b>Super Gentrification or Exclusion</b> (Very High Income)	<ul style="list-style-type: none"> <li>• Pop in 2000 &gt; 500</li> <li>• Median household income &gt; 200% of regional median in 2016</li> <li>• Indicators of Gentrification or Exclusion</li> </ul>



# SUNSET PARK HOUSING CONDITIONS AND CONCERNS



# SUNSET PARK HOUSING TYPOLOGIES

**2- family homes**  
**No rent regulation**



# SUNSET PARK HOUSING TYPOLOGIES



**2- and 3- family homes**  
**No rent regulation**

# SUNSET PARK HOUSING TYPOLOGIES



**6+ unit multifamily**  
**25 apartments**  
**Project Based Section 8**  
(Subsidized by Federal Government,  
Housing and Urban Development (HUD))

# RENT REGULATION VS SUBSIDIZED HOUSING

## Rent Stabilization

- New York State law. Creates rent increase limits and offers tenants the right to renew their lease. Much more common than rent control.

## Rent control

- New York State law. Creates rent increase limits and offers tenants the right to renew their lease.

Subsidies can help fund housing construction (one time cost) or help pay the rent over time.

Sources of subsidy:

- Federal \$ (HUD)
- State \$ (HCR, 421-a)
- City \$ (HPD, etc.)

# SUNSET PARK POPULATION AND HOUSING STATS\*

Indicator	Geography	Year	Value
Population	CB7	2017	144,332
Percent Foreign-born	CB7	2016	55.8%
Total Housing units	CB7	2017	46,064
Percent of Households Renting	CB7	2017	70.1%
Units in 1-4 Family Homes	CB7	2017	22,000
Percent Market Rate Units (not rent regulated)	CB7	2017	<b>63.9%</b>

Source: NYU Furman Center, Neighborhood Data Profiles except Percent Foreign-born (U.S. Census Bureau American Community Survey 2012-2016)

\* It is generally understood that communities with high immigrant populations tend to be undercounted by the U.S. Census Bureau.

63.9% of Sunset Park's homes and apartments are privately owned and—because they are in buildings with fewer than 6 units—not subject to rent regulation laws.

# CB7 HOUSING VULNERABILITIES AND RISKS

Indicator	Geography	Year	Value
Serious Housing Code Violations (per 1,000 units)	CB7	2018	191.2*
Percent Change in Price per sf Residential Sales	CB7	2016-2018	34.4%**
Percent Change in Median Asking Rent	CB7	2010-2018	42%
Number of At-Risk HUD Subsidized Units	CB7	2019-2023	525 **
Percent of Renter Households Crowded	CB7	2017	14.9%
Percent of Households with Rent Burden (>30\$gross income	CB7	2017	56.0%

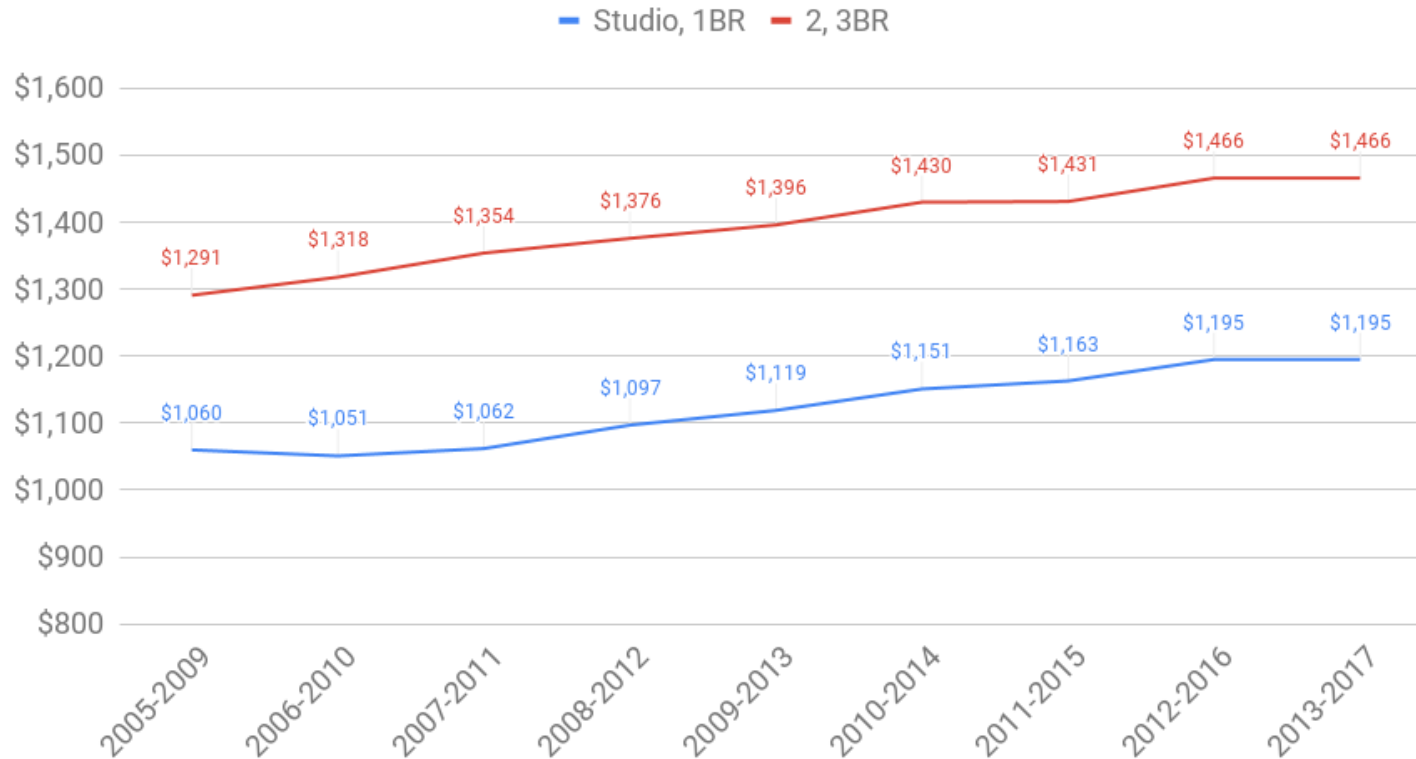
Indicator	Geography	Year	Value
Housing Vacancy Rate	CB7	2017	2.4%
Housing Vacancy Rate	BK/NYC	2017	3.4%/3.5%

\* Sunset Park is in Top 10 of all Community Districts for this indicator

\*\* Sunset Park is in Top 20 of all Community Districts for this indicator

# RENTS FOR ALL KINDS OF APARTMENTS IN CB7 HAVE BEEN GOING UP SINCE 2005

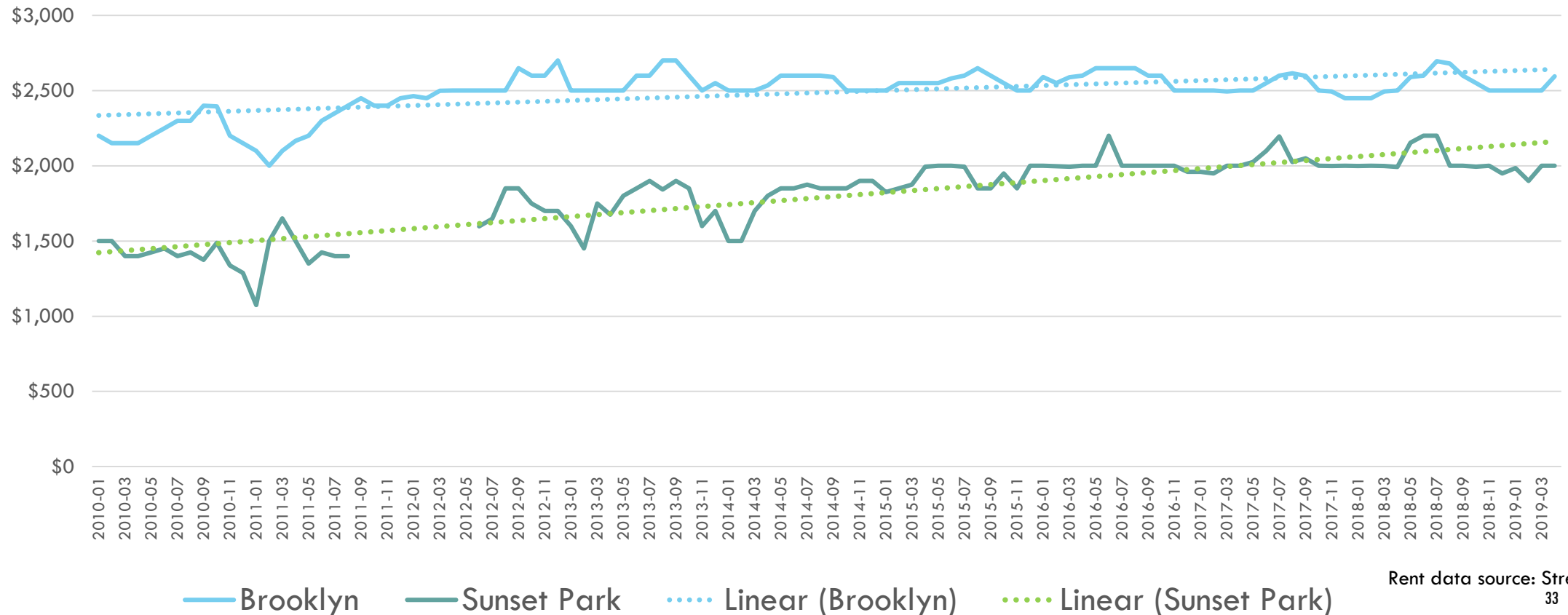
Median Rent by Unit Type, 2009 - 2017 (CB7)





# RENTS HAVE BEEN TRENDING UPWARD IN SUNSET PARK AND BROOKLYN GENERALLY SINCE 2010

Median Asking Rent Jan 2010 - Apr 2019 , Sunset Park & Brooklyn



# WHAT HOUSING PRESSURES DO SUNSET PARK RESIDENTS FACE?

- Rising rents
- Difficulty relocating in the neighborhood
- Landlord harassment/neglect and poor housing conditions
- Eviction
- Property tax increase
- Others?

## BREAKOUT #2

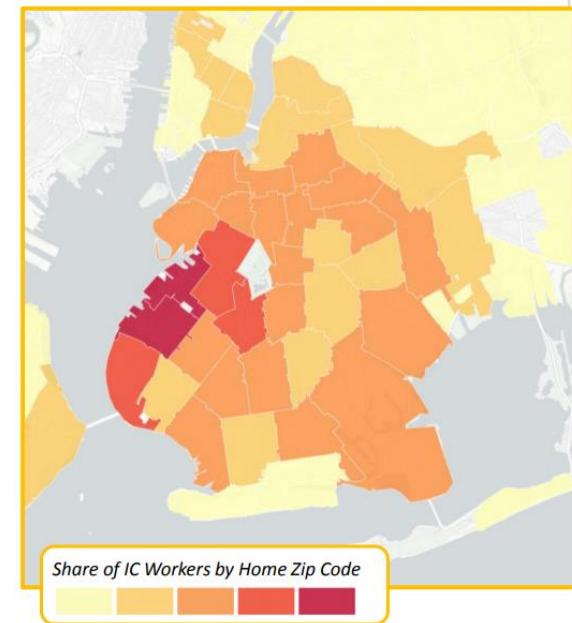
Discuss and identify priority housing concerns/needs in Sunset Park. Is displacement the main concern? If so, who is at risk of displacement? Why?

# SUNSET PARK HOUSING AND INDUSTRY CITY

# INDUSTRY CITY JOBS AND HOUSING

Industry City Existing and Proposed (Self reported data)	Year	Value
Jobs on Site	2013	1,900
Actual on site jobs	2019	7,500
Percent of employees who live in SP	2017	10%
Percent of employees who live in Southwest BK	2017	35%
Projected jobs on site with rezoning	2018	13,000
Proposed housing units with rezoning		0

Source: Industry City self reporting and Industry City's website sunsetparkopportunity.com



Sunset Park Jobs	Year	Number
Total jobs in 'greater Sunset Park area'	2015	39,000

Source: Office of New York State Comptroller, 2016

The Greater Sunset Park Area



**HAS INDUSTRY CITY MADE SUNSET  
PARK'S RENTS INCREASE FASTER THAN  
THEY WOULD HAVE OTHERWISE?**

# Analysis

Using market rate housing rent data in Sunset Park and Brooklyn since 2010, have rents in Sunset Park increased faster than in Brooklyn since Industry City announced their development plans in 2015?

This is just one of many ways you could attempt to answer this question.

# Methodology

1. Obtain monthly median market rate rent price data from streeteasy.com for 2010-2019 for Sunset Park and Brooklyn
2. Graph this data using Microsoft Excel and have the program create trend lines for these data sets and provide the equation that describes the trend line.
3. Assume that if there is an impact from Industry City on local housing prices, it would likely begin after their announcement of their \$1B redevelopment plans in early 2015.
4. Compare the trends for 2010-2019 with trends for 2010-2015 and 2015-2019 to understand if there are differences in the direction and pace of changing rents before and after Industry City announced redevelopment plans

Note: This is just one of many ways you could attempt to answer this question! Find others! Share!



# A NOTE ABOUT UNDERSTANDING THIS ANALYSIS.

This is an example of an equation that describes how data is trending over time:

$$Y = 2.76X + 2332.3$$

$$R^2 = 0.37$$

## FOCUS ON THE $X$ AND THE $R^2$

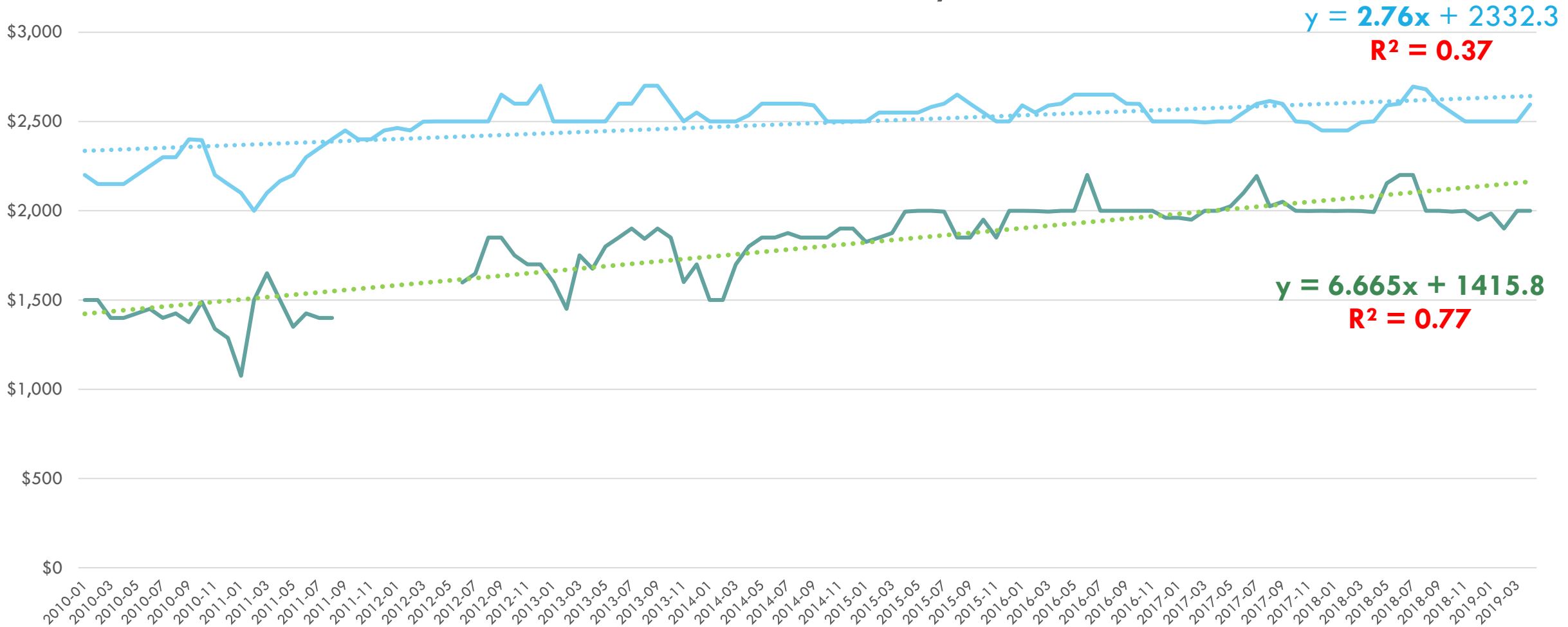
The number before the  $X$  tells us if the data is trending up or down (positive or negative) and how fast it is trending (a bigger number means “faster”)

The  $R^2$  value is telling us how CONFIDENT we can be that this equation is good fit for the data. If the  $R^2$  value is below .4, we can't be very confident. If it's over .7, we can be quite confident.

This is just one of many ways you could attempt to answer this question! Find others! Share them.

# Median Asking Rent *Jan 2010 - Apr 2019*

## Sunset Park & Brooklyn

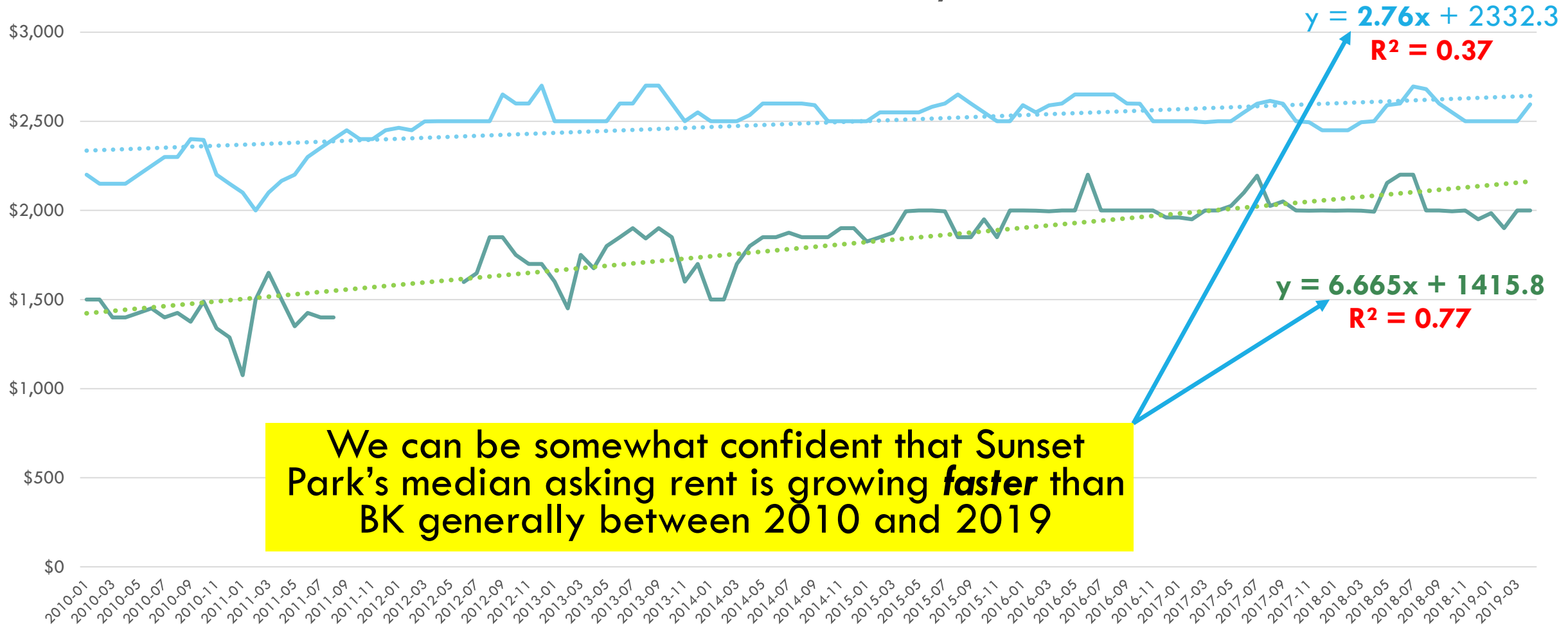


Rent data source: Streeteasy.com

— Brooklyn    — Sunset Park    ···· Linear (Brooklyn)    ···· Linear (Sunset Park)

# Median Asking Rent Jan 2010 - Apr 2019

## Sunset Park & Brooklyn

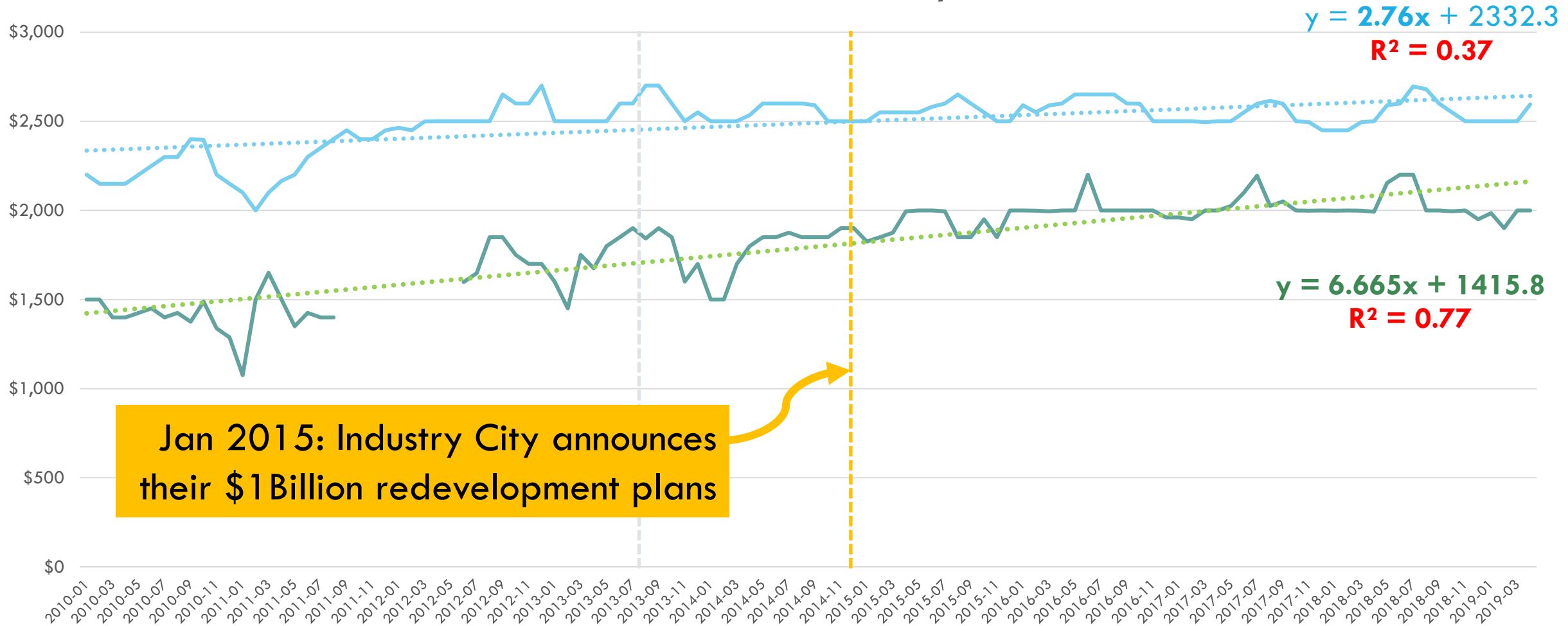


Rent data source: Streeteasy.com

— Brooklyn    — Sunset Park    ..... Linear (Brooklyn)    ..... Linear (Sunset Park)

# Median Asking Rent Jan 2010 - Apr 2019

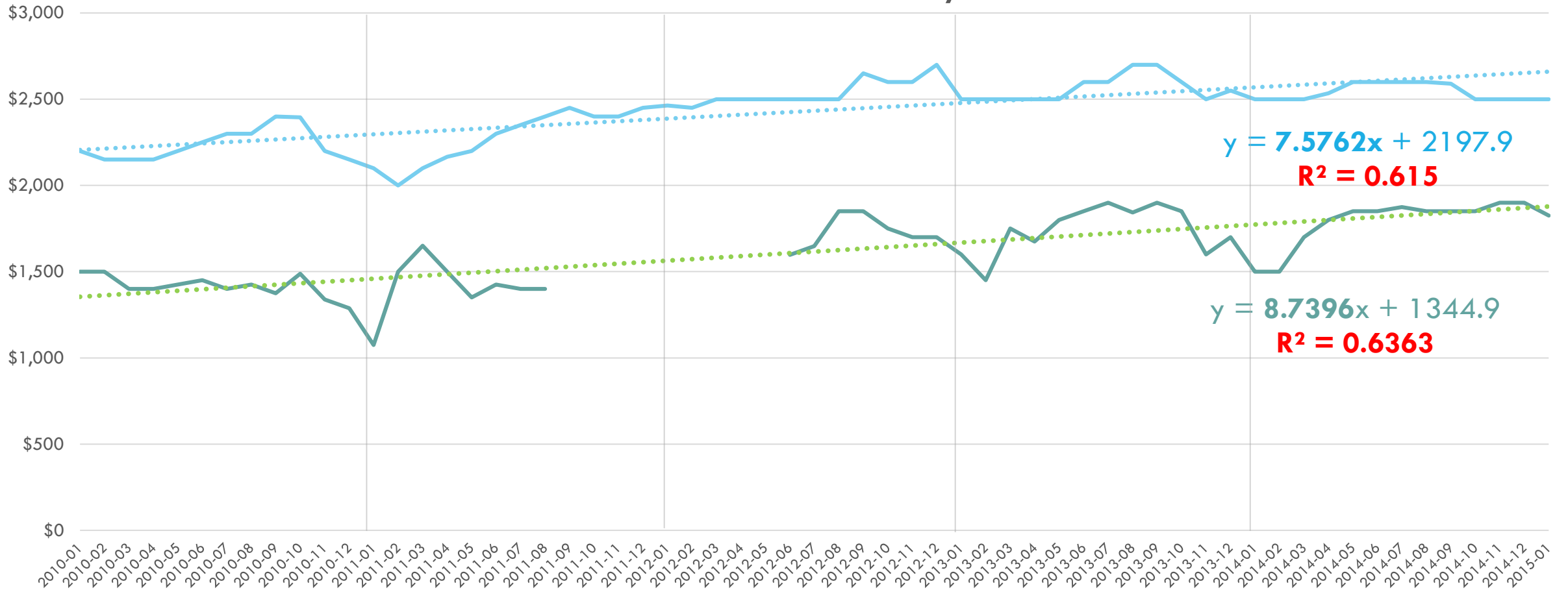
## Sunset Park & Brooklyn



Rent data source: Streeteasy.com

# Median Asking Rent *Jan 2010 - Jan 2015*

## Sunset Park & Brooklyn

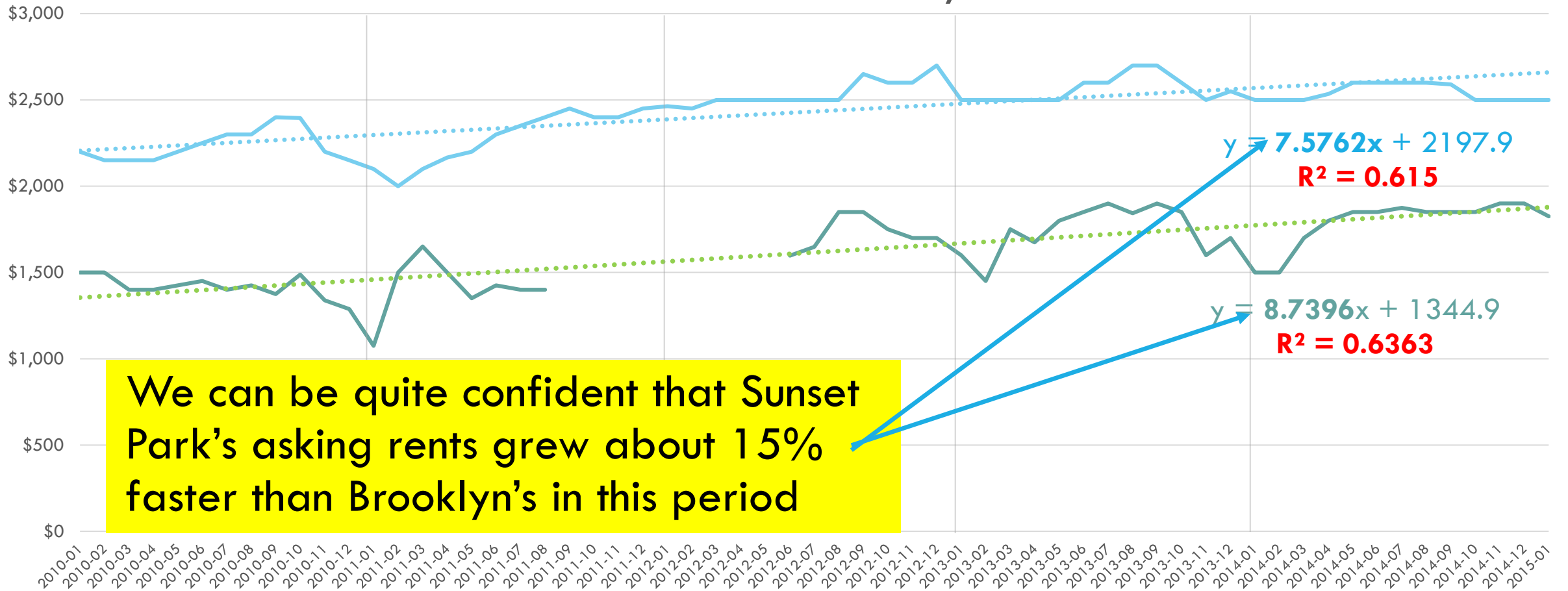


— Brooklyn    — Sunset Park    ..... Linear (Brooklyn)    ..... Linear (Sunset Park)

Source: Streeteasy.com

# Median Asking Rent Jan 2010 - Jan 2015

## Sunset Park & Brooklyn



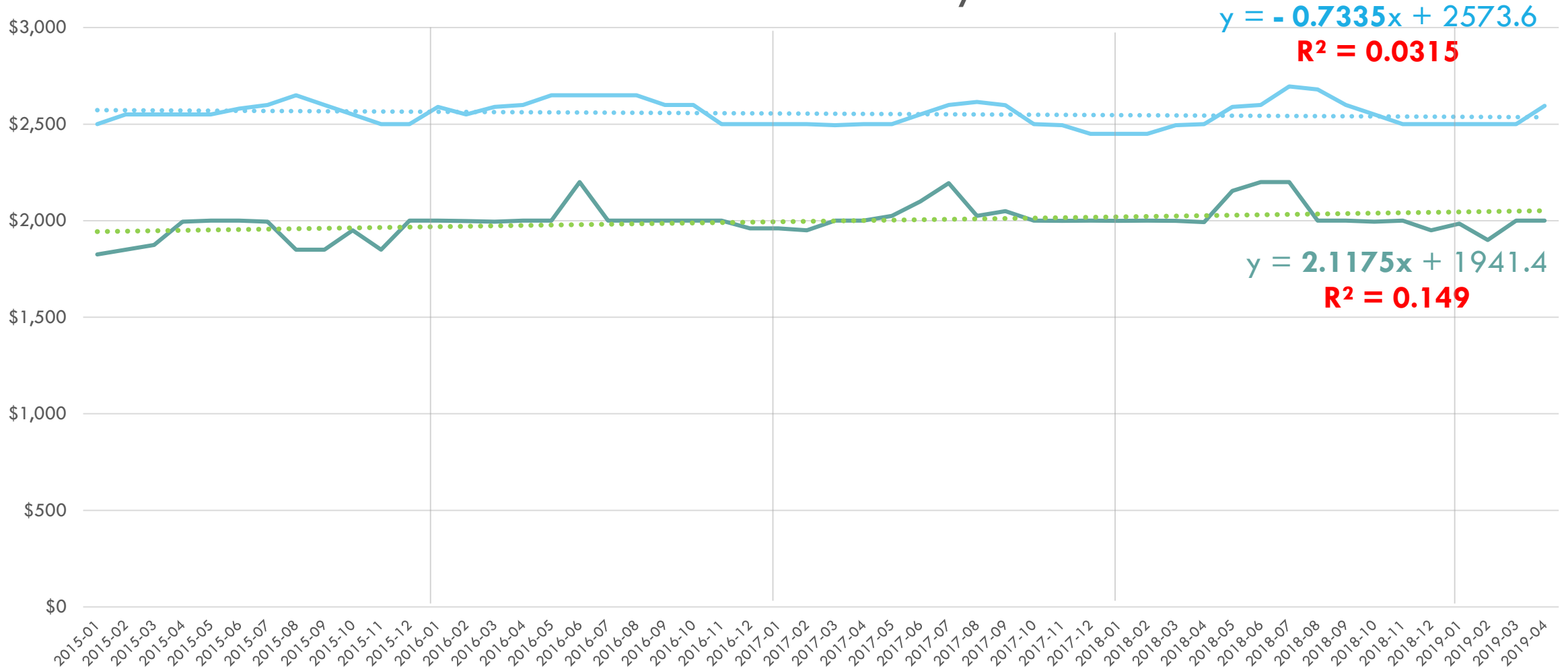
We can be quite confident that Sunset Park's asking rents grew about 15% faster than Brooklyn's in this period

— Brooklyn    — Sunset Park    ..... Linear (Brooklyn)    ..... Linear (Sunset Park)

Source: Streeteasy.com

# Median Asking Rent Jan 2015- Apr 2019

## Sunset Park & Brooklyn



$y = -0.7335x + 2573.6$

$R^2 = 0.0315$

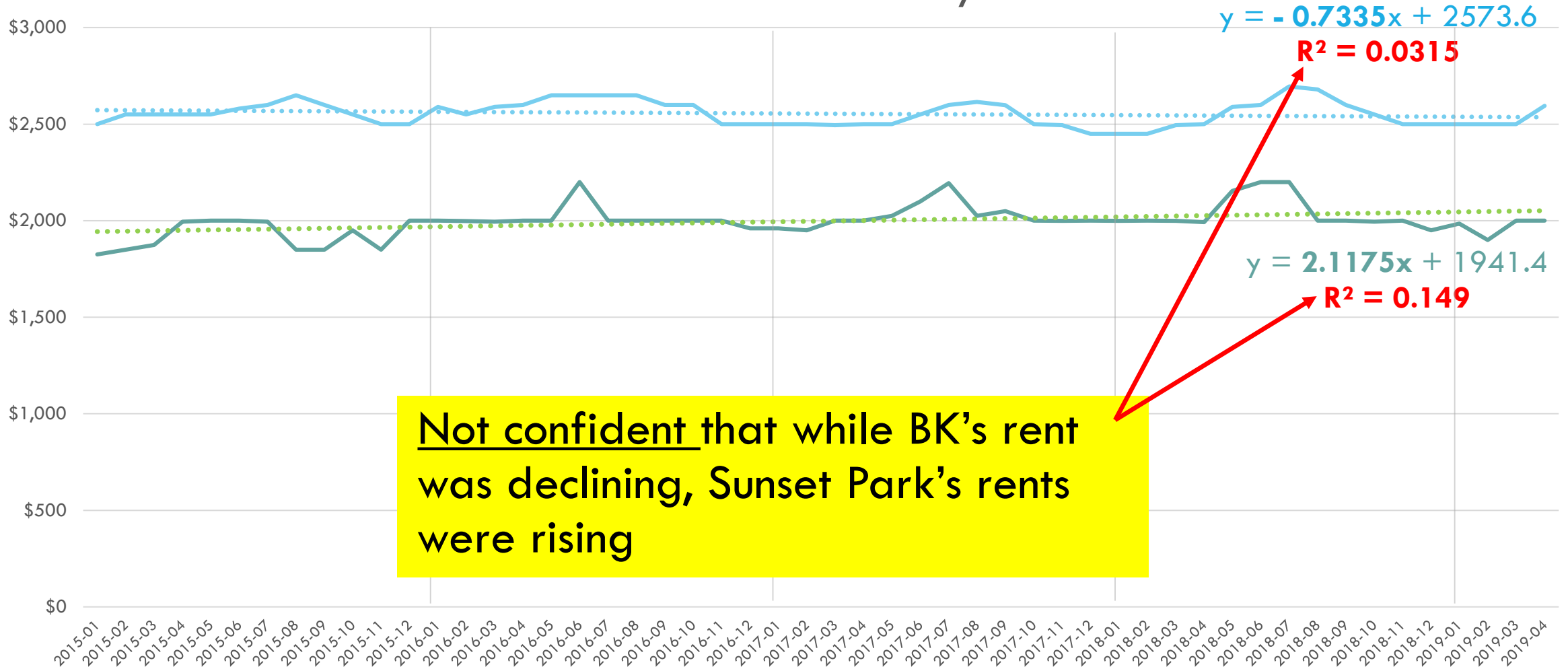
$y = 2.1175x + 1941.4$

$R^2 = 0.149$

— Brooklyn    — Sunset Park    ..... Linear (Brooklyn)    ..... Linear (Sunset Park)

# Median Asking Rent Jan 2015- Apr 2019

## Sunset Park & Brooklyn



**Not confident that while BK's rent was declining, Sunset Park's rents were rising**



# WHAT DOES THIS DATA TELL US?

- Since 2010, Sunset Park has experienced faster market rent increases than the borough overall
- With this data, we can't confidently state that Sunset Park's rent increases have been faster after Industry City's development announcement is faster than before

# SO, INDUSTRY CITY HAS HAD NO IMPACT ON HOUSING?

Not necessarily! This particular data analysis just doesn't support the claim.

Housing trends are very complex and impacted by lots of variables.



1 of 8



AVAILABLE ON

12/01/2019

DAYS ON MARKET

Listed Today

LAST PRICE CHANGE

No Recorded Changes

## Description

39TH STREET GEM

NEAR 36TH STREET LOCAL &amp; EXPRESS TRAINS

SHORT DISTANCE TO INDUSTRY CITY

Amazing space

39th Street #

**\$2,400** FOR RENT

4 rooms | 2 beds | 1 bath

Rental Unit in [Sunset Park](#)

★ SAVE

✉ SHARE

This rental has been saved by 2 users.

See a problem with this listing? Report it [here](#).Listing by Brooklyn Property Group LLC, Limited Liability Broker,  
159 20th Street, Brooklyn NY 11232.

### CHECK AVAILABILITY

Your Name

Phone Number

Email\*

I'm interested  

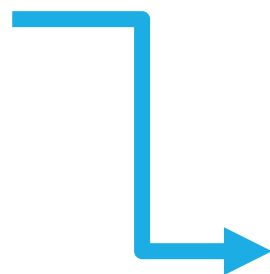
SEND MESSAGE

By pressing Send Message, you agree that StreetEasy and real estate professionals may call/text you about your inquiry, which may involve use of automated means and prerecorded/artificial voices. You don't need to consent as a condition of buying any property, goods or services. Message/data rates may apply.

You also agree to our [Terms of Use](#).

LISTED BY

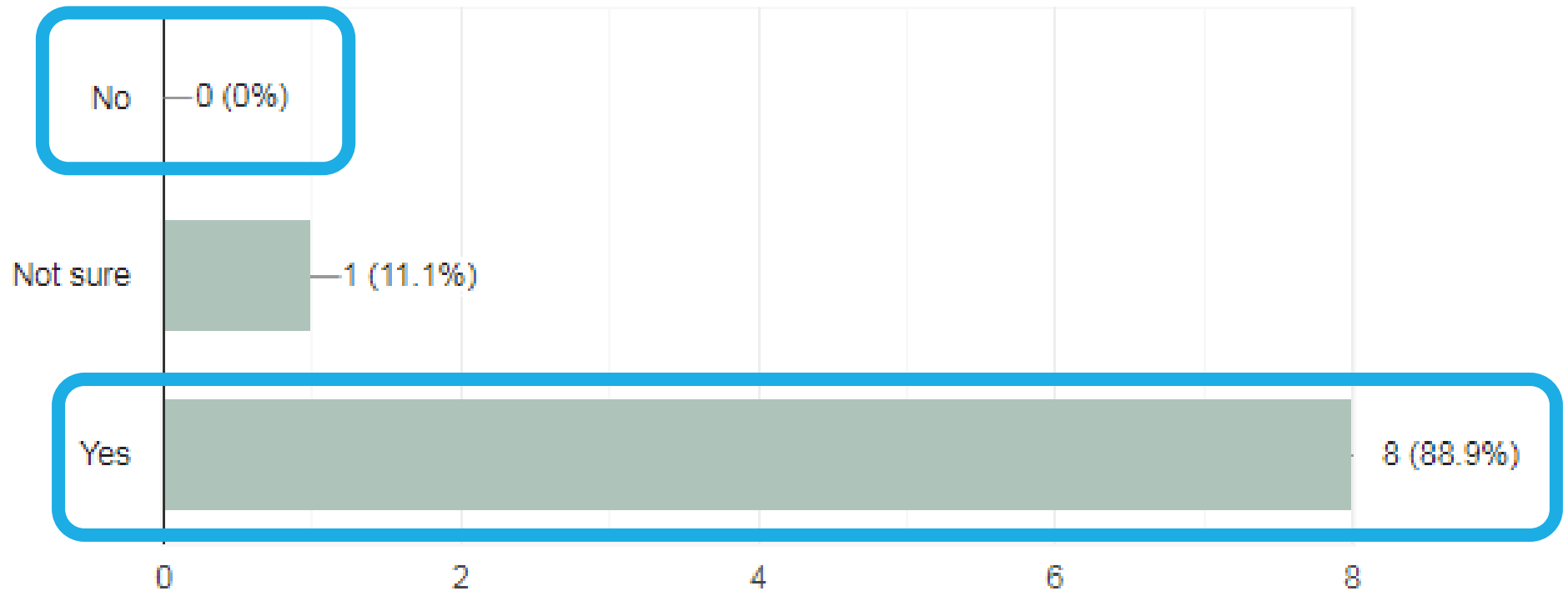
And we know  
Industry City  
is used for  
marketing  
housing in  
Sunset Park



We asked the working group:  
Do you believe the proposed  
rezoning will have housing  
impacts? Why or why not?

# Do you believe that the proposed private, commercial rezoning on the waterfront will have impacts on housing affordability in Sunset Park?

9 responses



# WORKING GROUP RESPONSES-- “YES BECAUSE:

- It’s already happening: advocates have seen “**increase in services for tenant counseling**, displacement, organizing, harassment, evictions, and basic tenant rights”
- “I think it’s evident in **the way realtors market the neighborhood** currently”
- “Real estate speculation/gentrification has been happening in SP for a long time now...However, I do think **IC's presence exacerbates the issue**”
- “**Development...will attract people** who work at Industry City to live nearby”
- “More high skilled jobs means **more** high skilled middle/upper class **residents** who will look for places to live in affordable Sunset Park”
- “Property **developers will double down** on trying to purchase buildings to flip here.”
- “Increases in **property value/property taxes** = higher rents”

**SO, HAS INDUSTRY CITY MADE SUNSET PARK'S RENTS INCREASE FASTER THAN THEY WOULD HAVE OTHERWISE?**

It's complicated. But real estate brokers see IC as an amenity, and a lot of Sunset Park residents feel strongly that it has.



# EXISTING TOOLS THAT ADDRESS HOUSING RISK AND VULNERABILITY



## Note:

People use the term “affordable housing” a lot. They often don’t define what they mean.

Let’s be specific. “Affordable” generally refers to

- 1. Income restricted housing** (you can only rent the apartment if your income is the right level. Income level restrictions become very important)
- 2. Rent regulated housing** (rents cannot be raised dramatically overnight, making it easier for tenants to manage increases and reducing the incentive for landlord harassment. Enforcement of these regulations are the critical issue.)

# THREE APPROACHES TO ADDRESSING HOUSING PRESSURE

1. **Build more housing** (usually a mix of affordable and market rate)
2. **Protect existing “affordable” housing** (this could be rent regulated, subsidized, or ‘naturally’ affordable in some other way.)
3. **Advocate for and protect tenants** (know your rights, legal support, etc.)

# REVIEW OF 197-A PLAN HOUSING STRATEGIES

Build More Housing	Protect Existing Housing	Advocate for Tenants
<p><u>Maximize as-of-right development opportunities</u> in the waterfront study area.</p>	<p>Preserve and <u>maintain existing affordable housing</u> in the waterfront study area.</p>	
<p><u>Explore additional development opportunities</u> and resources in other parts of Community District 7</p>		
<p><u>Increase government support</u> for affordable housing preservation and development in Community District 7</p>		

# INSTITUTIONS THAT CAN SUPPORT HOUSING CONSTRUCTION AND ADVOCACY

- State
- Local
- Private

# New York State



**NYS TENANT PROTECTION ACT:  
MAJOR WIN FOR TENANTS**

# PROTECTS TENANTS FROM UNDUE RENT INCREASES

- Major Capital Improvement/Individual Apartment Improvement reform
- Preferential rent reform
- 30 day rent increase requirements (even market rate units)

# PROTECTS TENANTS FROM HARASSMENT

- High-rent deregulation reform
- Bans tenant blacklists
- Unlawful eviction is now a crime, punishable by up to \$10,000

# PROTECTS TENANTS IN HOUSING COURT

- Gives more time to find a lawyer, fix lease violation, pay back rent
- Judges can push back an eviction 12 months



**Outreach and education are needed!**



# New York City

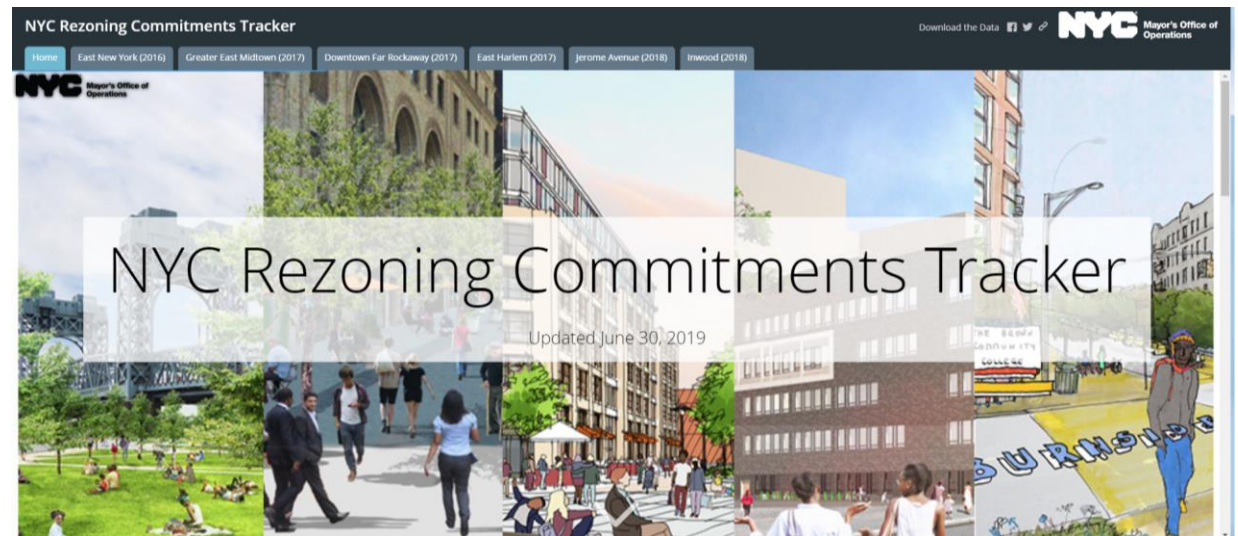
# MANDATORY INCLUSIONARY HOUSING

- Became law in 2017
- Requires all residential rezonings to include a percentage of income-restricted housing
- Relies on private developers to provide permanently income-restricted housing
- This program has been the subject of significant critique that the income levels for the income-restricted housing do not reflect the actual needs of New Yorkers facing housing instability



# LOCALIZED COMMITMENTS

- Often through neighborhood wide rezonings
- City of New York negotiates specific suite of commitments as part of neighborhood plan
- New online Commitments Tracker creates greater opportunities for transparency and accountability



# EXAMPLES OF CITY AGENCY COMMITMENTS

- **Commit to developing affordable housing**
  - Commit to developing public land in the community district/surrounding area with 100% affordable housing – HPD
  - Funding for local mission-driven developers to build affordable housing – HPD
  - Basement legalization pilot program – HPD

- **Anti-displacement legal services**
  - Push to get Right to Counsel (Universal Access to Counsel) included in local zip codes before 2022 - HRA
  - Expand anti-displacement legal services in general – HRA
- **Funding for anti-displacement organizing**
  - Partners in Preservation – HPD
- **Anti-displacement policies**
  - Certificate of No Harassment – HPD
  - Neighborhood Pillars program - HPD



# REVIEW OF CITY STRATEGIES AND TOOLS

Build More Housing	Protect Existing Housing	Advocate for Tenants
<p>Commit to developing <u>public land</u> in the community district/surrounding area with 100% affordable housing</p>	<p><b>Certificate of No Harassment</b> Requires building owners to prove that they have not harassed or pressured tenants, and subtenants alike, to vacate in order to carryout intended changes to the property. If a landlord/owner is found to have harassed occupants of the building, they will not be able to request those building permits for 5 years.</p>	<p><b>Right to Counsel</b> Helps tenant gain free access to legal assistance with housing cases, to combat harassment and wrongful eviction from their homes. Legislation passed in 2017 requiring full representation for any tenant facing eviction whose household income does not exceed 200 percent of the federal poverty guideline. <u>Availability is limited by zip code.</u></p>
<p><u>Funding</u> for local mission-driven developers to build affordable housing</p>	<p><b>Neighborhood Pillars program</b> The \$275 million public-private fund program launched in late 2018 with a plan to finance acquisition of approximately 1,000 homes annually, totaling 7,500 homes over the next 8 years -- locking in long term affordability.</p>	<p><b>Funding for anti-displacement organizing</b></p>



Google

Private Actors

# TECH COMPANIES TAKE RESPONSIBILITY FOR HOUSING PRESSURE

*Google Pledges to Invest \$1 Billion to Ease Bay Area Housing Crisis*

June 18, 2019

*Microsoft Pledges \$500 Million for Affordable Housing in Seattle Area*

Jan. 16, 2019





**NYU**

ROBERT F. WAGNER GRADUATE  
SCHOOL OF PUBLIC SERVICE

Land Use					
Goals	Objectives	Timeline	Actions	Agency or Private Entity	Funding Type / Sources
Preservation	Acquisition of existing housing units to preserve affordability	Short to medium term	Approach current owners	NYC Housing Preservation & Development (HPD), NYC Housing Development Corporation (HDC)	HPD Pillars, NYC Acquisition Fund
	Production of new housing units	Short to medium term	Add capacity for residential density where contextually appropriate	Dept. of City Planning (DCP), NYC HDC, NYC HPD, Private Developers	Tax-Exempt Bonds, Qualified Opportunity Fund, Private Capital, Tax Exemptions and or Abatements
Housing Program Design	Design a housing program to match community need	Medium to long term	Work with state and local agencies to develop housing programs that target neighborhood income demographics	DHCR, HPD, HDC	N/A - Policy design
Expanding and Strengthening Tenant Protections	Just Cause Eviction Legislation	Short to medium term	State Senate and local government support for Good Cause Eviction proposal	State & Local Government, Elected Officials, NY City Council	N/A - Legislative action
	Rent Stabilization enforcement	Short to medium term	Renewal of rent stabilization laws with amendments expanding tenant protections	State & Local Government & Elected Officials	N/A - Legislative action
	Tenant Rights' Advocacy	Short to medium term	City and State funding for local not-for profit organizations in affected neighborhoods	HPD & Department of Housing and Community Renewal (DHCR)	HPD Partners in Preservation Pilot Program
	Creation of a local restricted unit database	Short to medium term	Establish a research and data team to track rent-restricted units	DHCR, HPD, Brooklyn Community Board 7	Brooklyn Borough President, City Council
Revisit Sunset Park 197-A Plan	Realign plan with community goals	Long term	Community Stakeholder outreach, Asses	NY City Council, City Planning Commission (CPC), NYC DCP, Brooklyn Community Board 7	N/A
Financing Programs					
Goals	Objectives	Timeline	Actions	Agency or Private Entity	Funding Type
Qualified Opportunity Fund	Establish a fund to attract investment in Brooklyn Community Board 7	Medium to long term	Designate a fund manager. Outline fund objectives.	Internal Revenue Service (IRS), fund manager, investors	Private investment
Transfer of Development Rights	Acquire and warehouse development capacity	Medium to long term	Purchase development rights from underused sites, to be redirected to development areas approved by the community	DCP, HPD, NY City Council	HPD, EDC



# INDUSTRY CITY'S ROLE

# **Working group survey**

What should we expect from  
industry city?

# WHAT SHOULD WE EXPECT?

“At the very least **acknowledge** their part in displacement of community residents while profiting from their investments”

“I think it’s important for them to **recognize** that while they’re not necessarily the cause of displacement they’re contributing to it. “

# WHAT SHOULD WE EXPECT?

“**Funding**”

“Investment **fund**”

“Contributions to **funds** to mitigate displacement...and build new housing”

# WHAT SHOULD WE EXPECT?

“I think we should expect that **it's not their number one priority** to examine and mitigate displacement”

# **Working group survey**

**What would Industry City have to provide to address your concerns about its housing impact?**

“Do something with less impact”

“Recognize their impact”

“Funding”

“Investment fund”

“Honestly, I don't know that there is any avoiding increases in housing prices.”

- “Support for living wage jobs that promote workers’ rights and ownership”
- “Give-back in the form of affordable manufacturing space”



# BREAK OUT GROUP 3

1. Who is responsible for neighborhood housing concerns?  
Industry City? City of New York? Someone else? Discuss.

2. Identify 2-3 tactics under each of the three approaches to addressing housing pressure. Discuss which you think are most relevant to Sunset Park.

(Be specific! If your answer is “protect low income renters,” how? With funding? How much funding? Where does the funding go?

# APPROACHES TO ADDRESSING HOUSING PRESSURE

1. Build more housing
2. Protect existing “affordable” housing
3. Advocate for and protect tenants

# SHARE OUT

Review needs identified earlier  
Share top 2-3 actions/tools

# GROUP DISCUSSION

If there is a rezoning, what are the priority neighborhood housing needs a rezoning should address?

What are the principle actions that should be taken? What tools should we use?