

MIH AND ZQA CITY COUNCIL MODIFICATIONS

17 MARCH 2016



Contents

- Zoning for Quality and Affordability (ZQA)
City Council Modifications
- Mandatory Inclusionary Housing (MIH)
City Council Modifications

Disclaimer: this is an explanatory document. Only the zoning text as approved by Council will be regulatory in nature.

ZQA in Brief

GOAL: Relax zoning requirements to make it easier to build affordable housing and market rate housing with a particular emphasis on seniors.

- 1) Long list of zoning changes to make it easier to build
 - Rear yards, corner lots, front setbacks, transition rule, etc
- 2) Allow additional height
 - Both for market rate housing & affordable housing
- 3) Reduce parking requirements in specific areas ('transit' zones) for affordable housing, seniors
- 4) Senior 'bonus' for affordable senior housing & market rate nursing homes

Details of how this program applies varies across NYC

Council Policy on ZQA

1: Focus proposal on the development of affordable housing & affordable senior housing

#2: Ensure appropriate levels of public review

#3: Modulate parking changes in neighborhoods with poorest transit access

#4: Protect fundamentals of neighborhood context

1: Focus on Affordability

- ZQA: Board of Standards and Appeals special permit to modify height & setback for market rate buildings for irregular sites
- Council modification:
Remove BSA permit



1: Focus on Affordability

- ZQA: BSA special permit to remove existing parking for affordable housing within the Transit Zone
- **Council modification: Any removal of existing parking must facilitate the development or preservation of affordable housing**
- ZQA: BSA special permit to remove a portion of the existing parking for affordable senior housing outside Transit Zone (must keep parking for at least 10% of units)
- **Council modification: Any new residential development on an existing parking lot must be affordable**

#1 Focus on Affordability

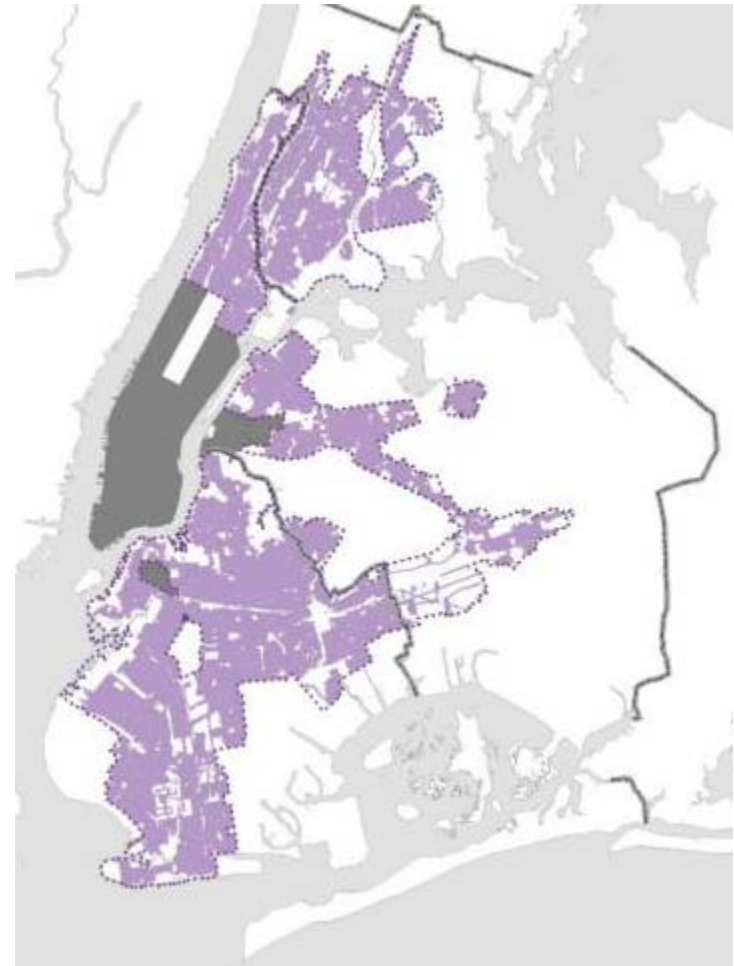
- ZQA: BSA special permit to waive market rate parking requirements in a mostly market rate building within the Transit Zone
- **Council modification: Replace this BSA permit with City Planning Commission special permit requiring ULURP**
 - **City Council will then need to approve any reduction in market rate parking**

2: Maintain Public Review

- ZQA: Eliminate public review of nursing homes in many community districts
- **Council modification: Modify to maintain public review (ULURP) for certain neighborhoods with significant concentrations of nursing homes**

3: Modulate Parking Changes

- ZQA: Transit Zone with reduced parking requirements for affordable and affordable senior housing
- **Council modification:**
Modify transit zone map to reflect concerns at the edges of the TZ



Proposed Transit Zone
No part of Staten Island included

4: Protect Neighborhood Context

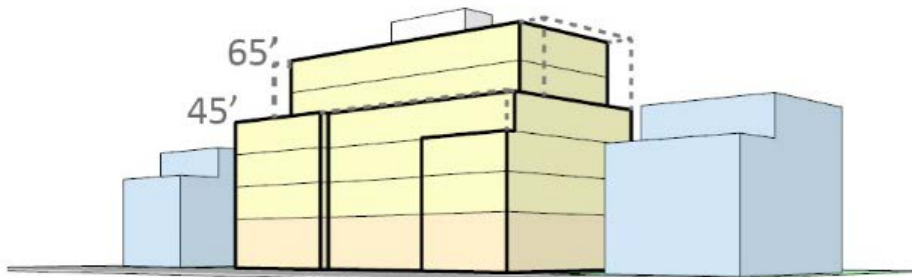
Council Modifications:

- Height Changes
 - Scale of senior housing in R3-2, R4, and R5 districts
 - Original R3-2 proposal allowed 35 feet → 65 feet
 - R6-R10 Districts
 - Market-rate height increases
 - Height changes for Inclusionary Housing in some districts
 - Long Term Care Facilities
 - Public review in certain areas
- Minimum unit size
- Front Setback
- Transition Rule
- Distance between buildings on same zoning lot
- Shallow Lot Rules
- Rear Yard Obstructions
- Sliver Rule change in ZQA

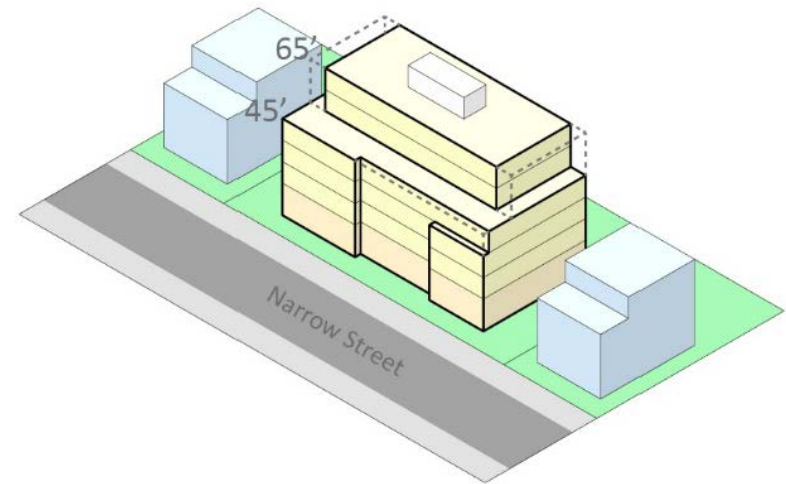
Height Changes – Low Density

ZQA Proposal:

- For Senior Affordable Housing in R3-2, R4 and R5 Districts:
 - Base height of 45 ft
 - Building Height of 65 ft or 6 Stories



Street level perspective



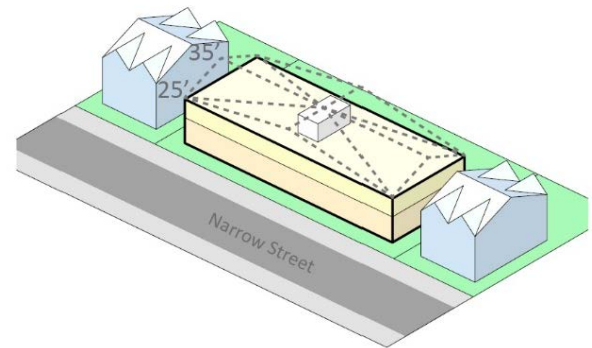
Isometric view

Height Changes – Low Density

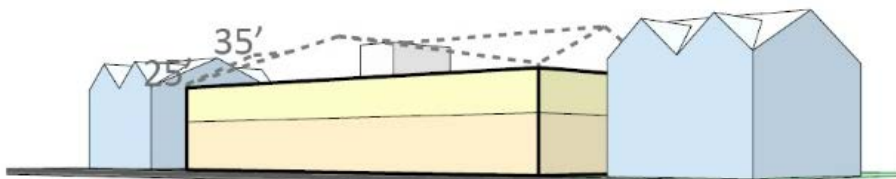
Council Modification:

- For Senior Affordable Housing in R3-2, R4 and R5 Districts:

- **R3-2: Maximum Height of 35 ft**
- **R4: Maximum Height of 45 ft***
- **R5: Maximum Height of 55 ft***



Isometric view



Street level perspective

***Additional conditions apply for buildings to reach this full height, and these conditions are meant to discourage out of context development on blocks composed of one and two family homes.**

Height Changes – Contextual

Council Modification:

- In medium high density Contextual Districts (R5D, R6-R8 districts) :

– Restore existing height limits

*Allow additional 5' only for qualifying ground floor outside Manhattan Core (MN Community Boards 1-8, which means all of Manhattan south of 110th St on the West Side and 96th St on the East Side)

**within Manhattan Core

Residential District	Existing	ZQA	Council Modification
R5D	40	45	40*
R6A	70	75	70*
R6B	50	55	50*
R7A	80	85	80*
R7B	75	75	75
R7D	100	105	100*
R7X	125	125	120* 125**
R8A	120	125	120*
R8B	75	75	75
R8X	150	155	150*

Height Changes – Contextual

Council Modification:

- In high density Contextual Districts (R9 & R10 districts):
 - Restore existing height limits

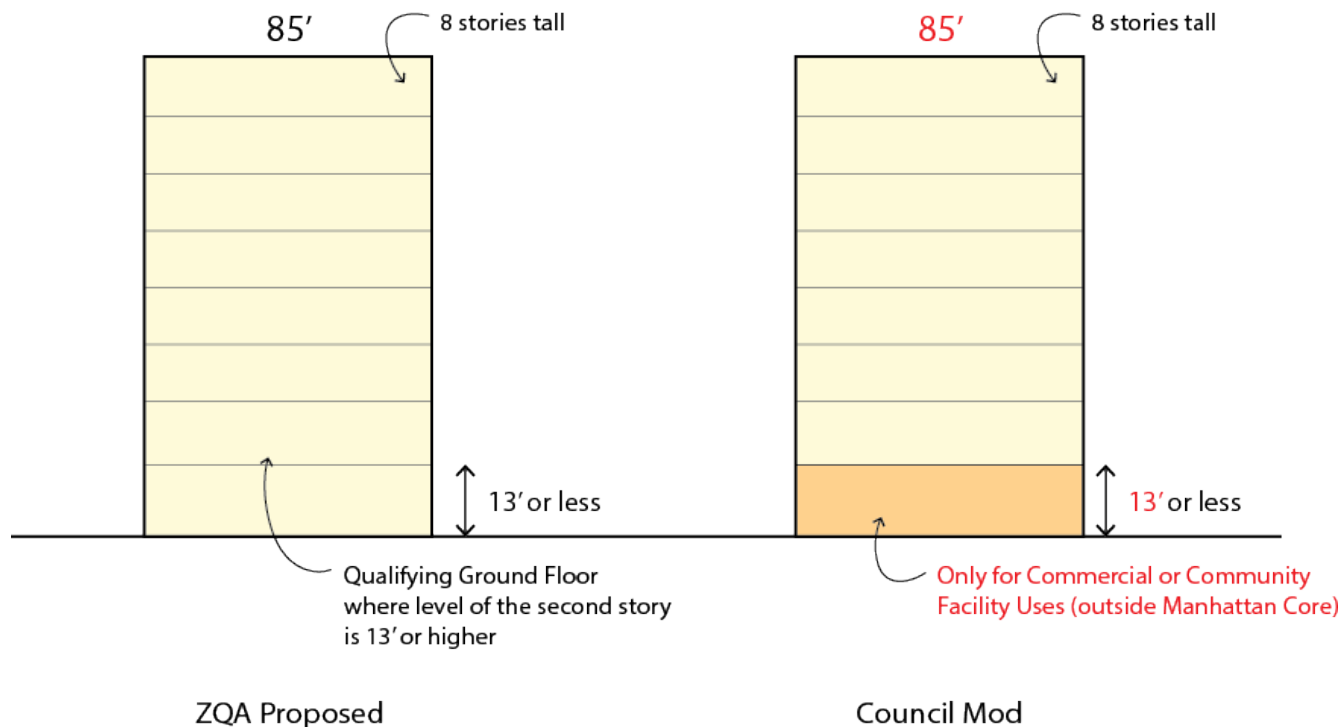
Residential District	Existing	ZQA	Council Modification
R9A wide street	145	155	145
R9A narrow street	135	145	135
R9X wide street	170	175	170*
R9X narrow street	160	175	160*
R10A wide street	210	215	210*
R10A narrow street	185	195	185

*Allow additional 5' only for qualifying ground floor outside Manhattan Core (MN Community Boards 1-8, which means all of Manhattan south of 110th St on the West Side and 96th St on the East Side)

Height Changes – Contextual

Council Modification:

- For R6A, R6B, R7A, R7D, R8A, or R8X, additional five feet in height only allowed for buildings that contain commercial ground floor or community facility space in all medium and high density contextual districts outside Manhattan Core



Height Changes: 5' in Contextual

Council Modification:

For R6A, R6B, R7A, R7D, R8A, or R8X, 5' for qualifying ground floors only if buildings:

- (1) provide ground-floor commercial or CF space, and
 - (2) comply with ground-floor streetscape requirements
-
- Require 15' feet depth for community facility or 30' for commercial
 - Require parking wrap or decorative screening
 - Transparency requirements (50% glazing between 2' and 12')
 - Residential lobbies not eligible

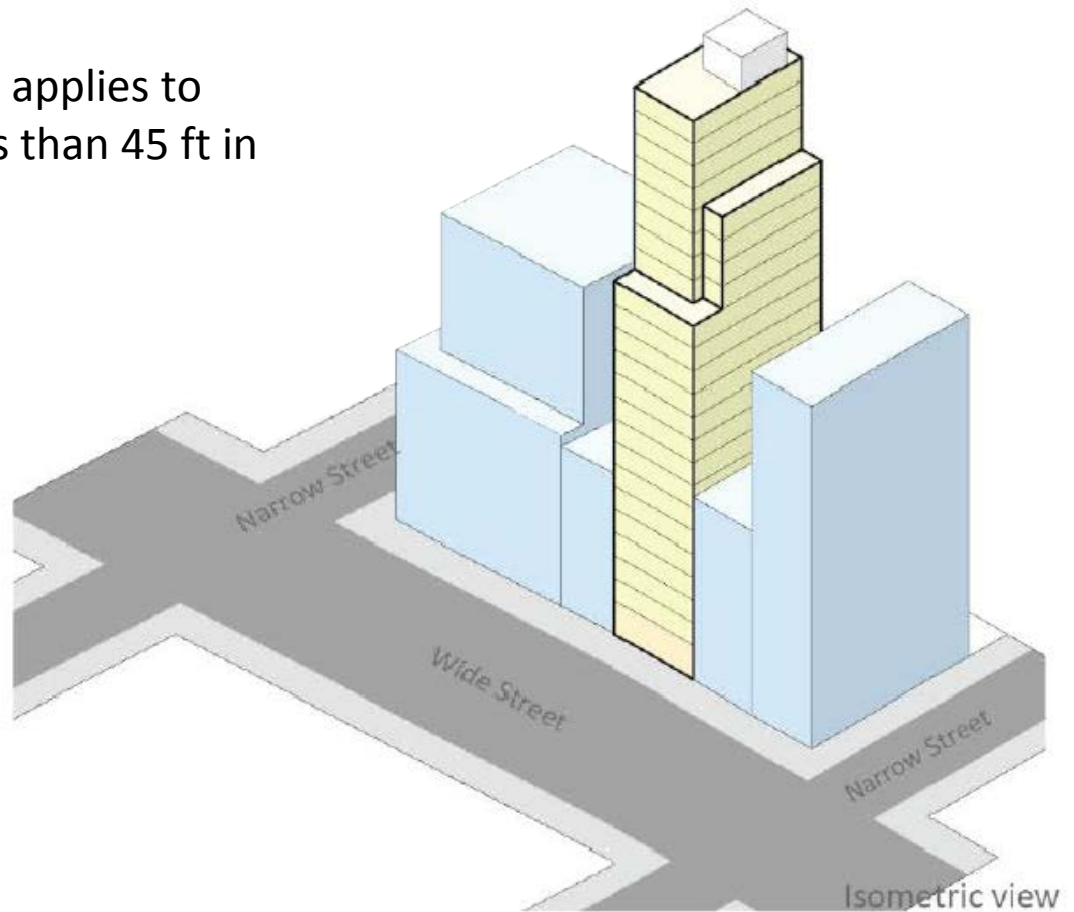
Height Changes – AIRS & IH

District	Existing	ZQA Proposal	Council Modification
R6A	70	85	85
R7A	80	105	95 (-10)
R7D	100	125	115 (-10)
R7X	125	145 (AIRS)	145 (AIRS)
R8A	120	145	145
R8X	150	175	175
R9A wide street	145	175	175
R9A narrow street	135	165	165
R9X wide street	170	205	205
R9X narrow street	160	195	195
R10A wide street	210	235	235
R10A narrow street	185	215	215

Sliver Rule

ZQA Proposal:

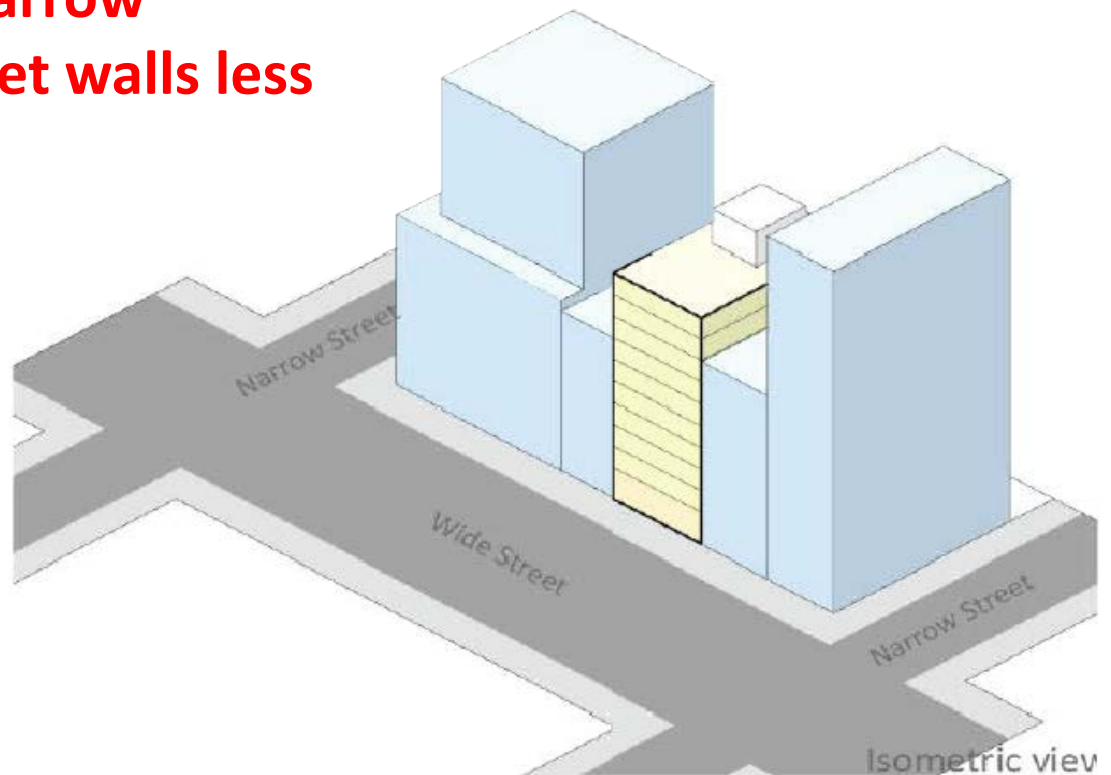
- Remove Sliver Rule which applies to narrow buildings with less than 45 ft in width



Sliver Rule

Council Modification:

- **Restore existing Sliver Rule which applies to narrow buildings with street walls less than 45 ft in width**



Minimum Unit Size

ZQA Proposal:

- 275 minimum unit size for affordable independent residences for seniors

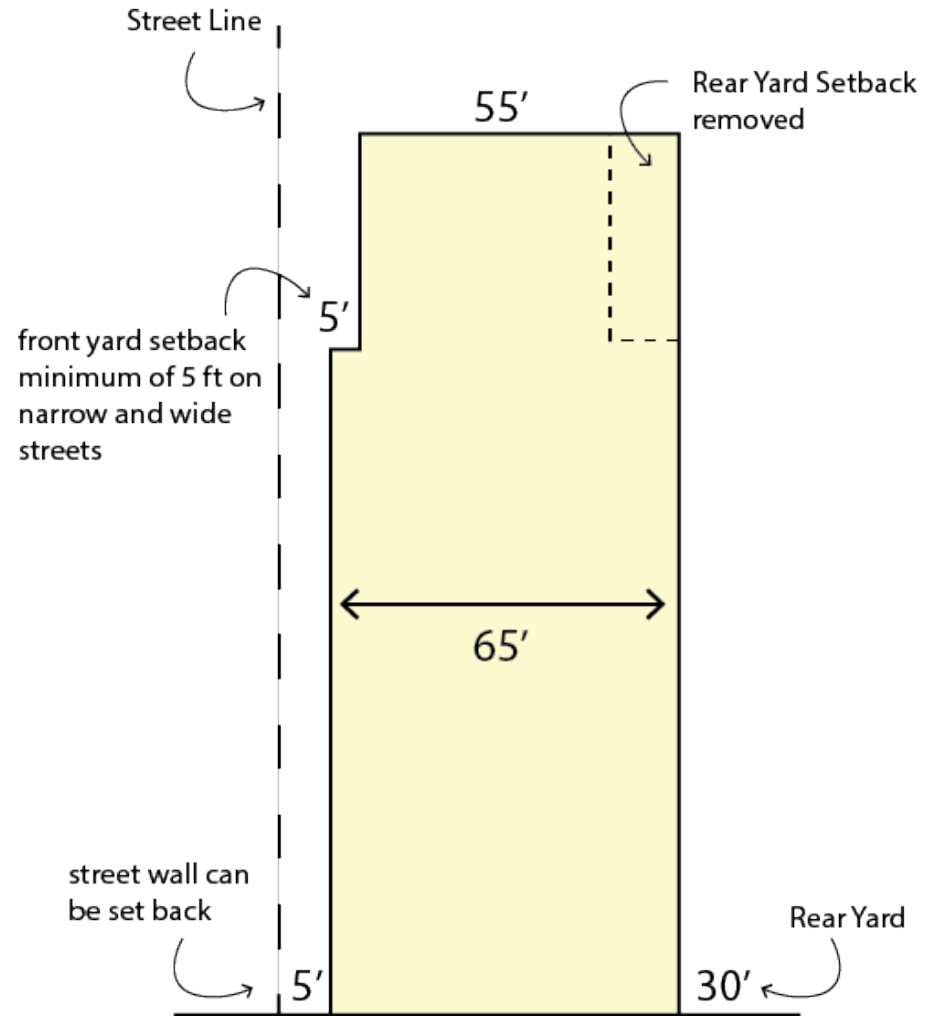
Council Modification:

- 325 sf minimum unit size for **affordable senior housing** in all districts

Setback – Front and Rear

ZQA Proposal:

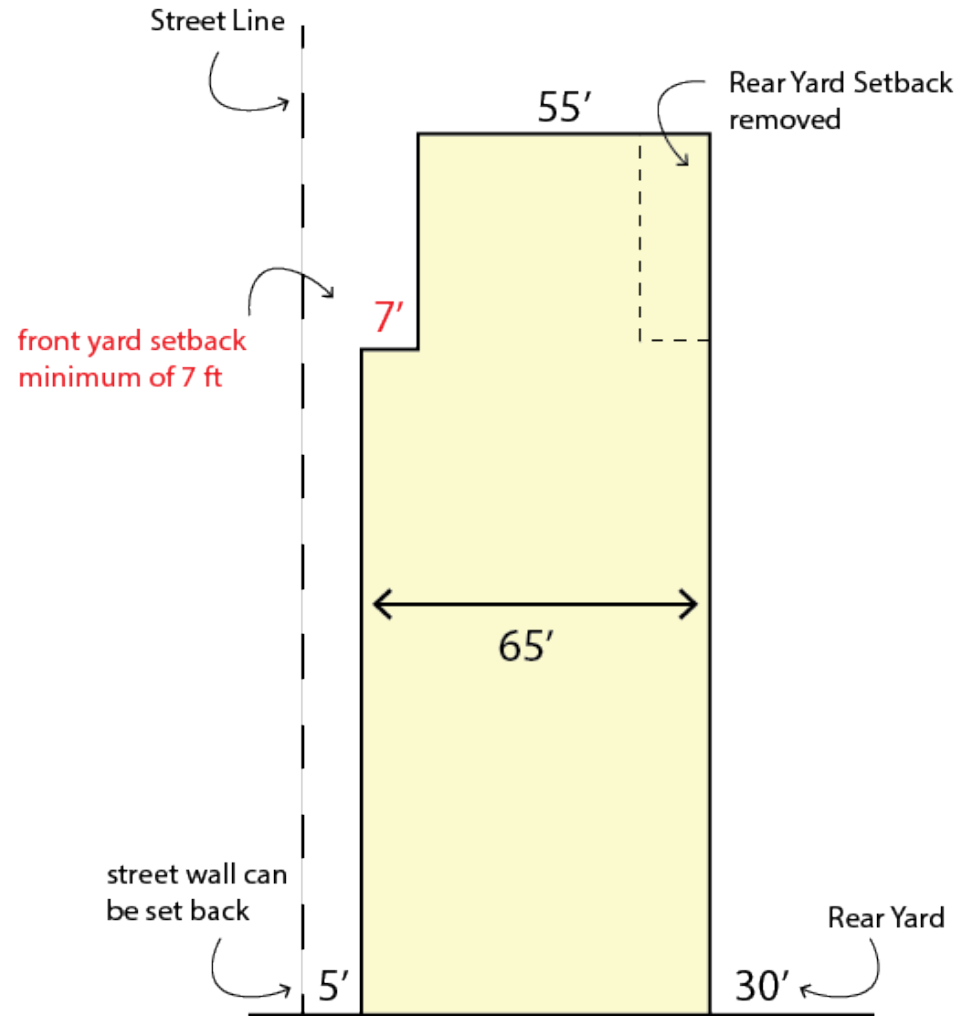
- Front Setback may decrease to minimum 5 ft front setback



Setback – Front and Rear

Council Modification:

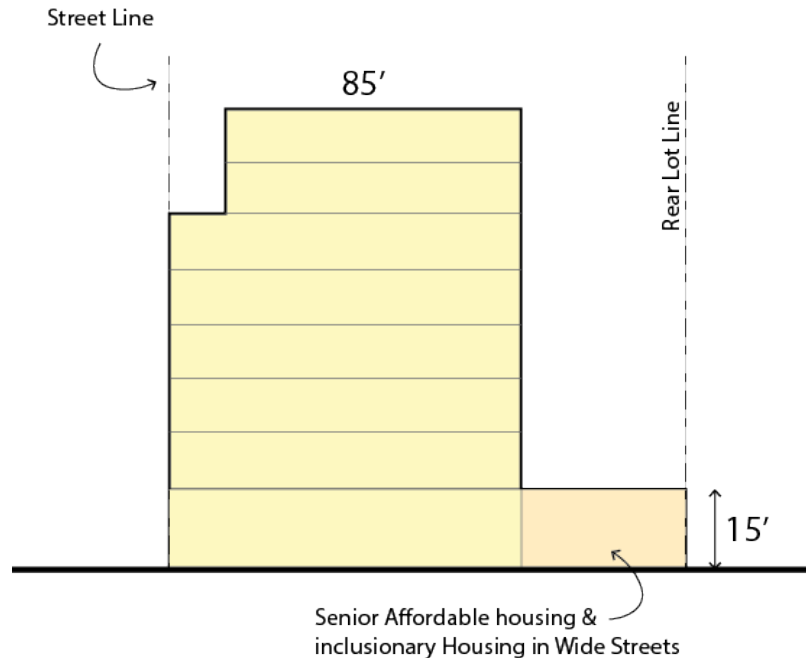
- Provide **minimum 7 ft** front setback



Rear Yard Obstructions

ZQA Proposal:

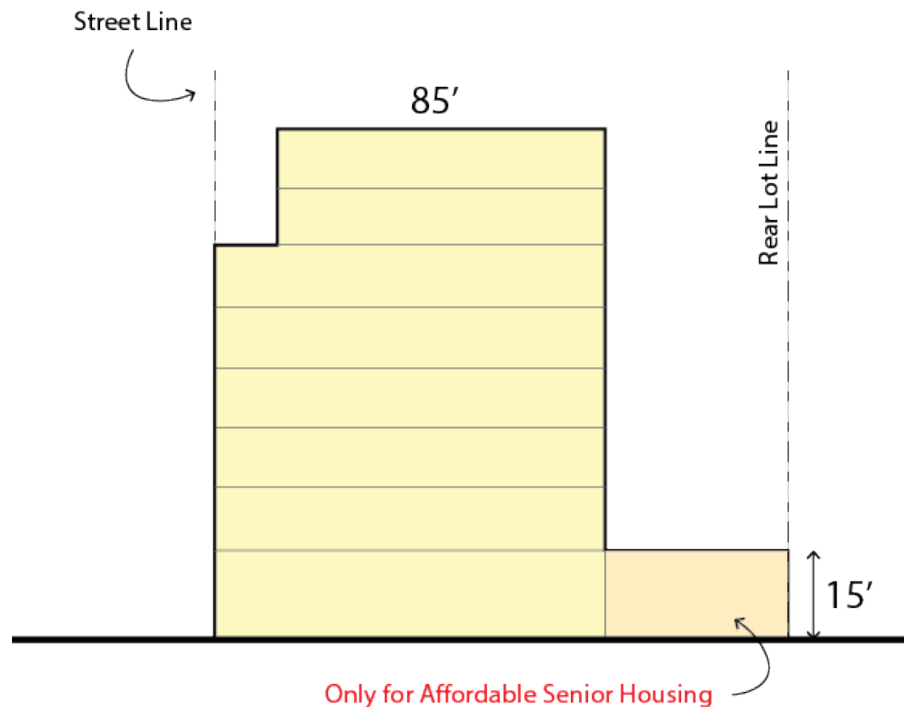
- Allow Rear Yard Obstructions up to a height of 15 ft for Quality Housing Buildings in R6 to R10 districts, except R6B, R7B, and R8B for:
 - Affordable senior housing
 - Within 100 ft of wide streets: R10 outside inclusionary housing designated areas
 - Within 100 ft of wide streets: Inclusionary housing designated areas



Rear Yard Obstructions

Council Modification:

- Remove for ALL uses on residential side streets
- Only allow for affordable senior housing (in commercial districts or wide streets)

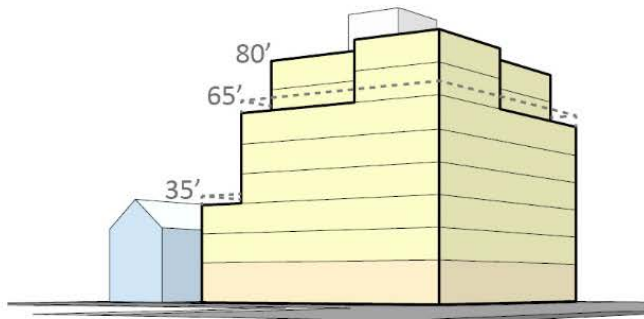


Transition Rule

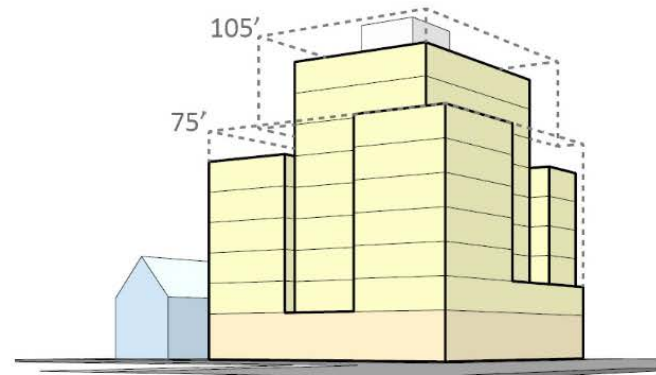
ZQA Proposal:

- Maximum transition height of 75 ft or applicable maximum base height

Existing Building (context)
Projected Development



Street level perspective

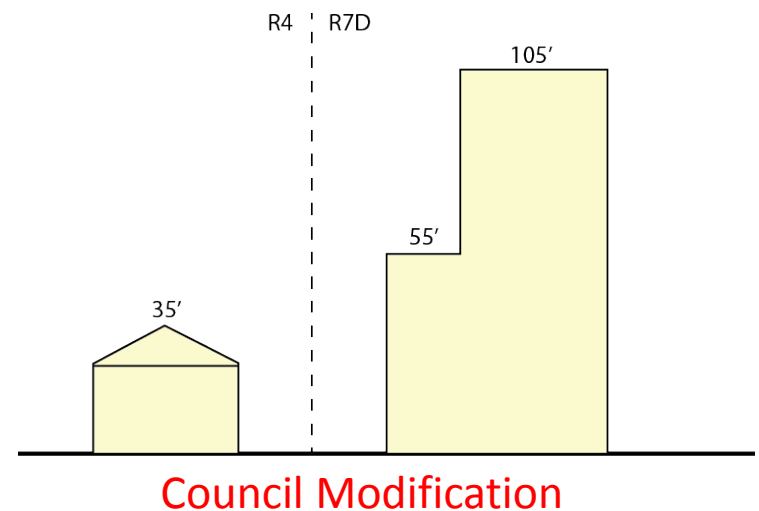
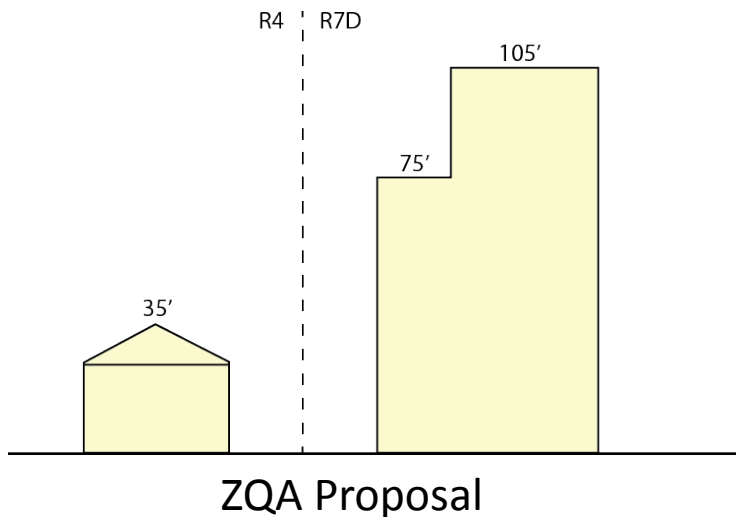


Street level perspective

Transition Rule

Council Modification:

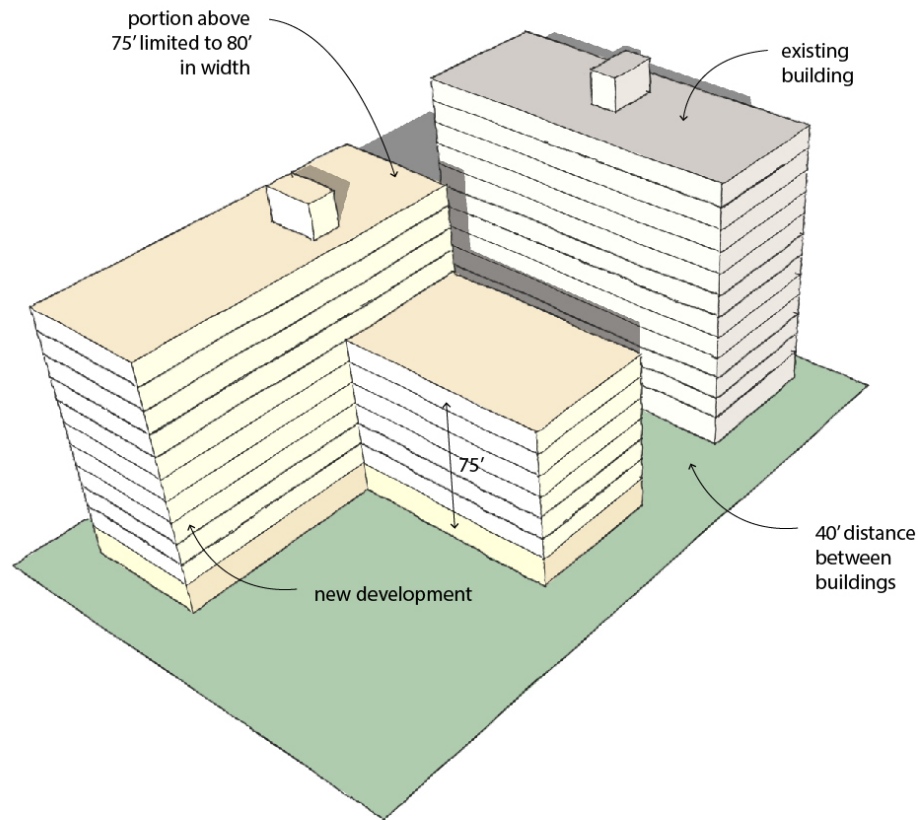
- Maximum transition height of 65 ft
- Transition height ranges from:
 - 45 ft
 - 55 ft
 - 65 ft



Distance Between Building

ZQA Proposal:

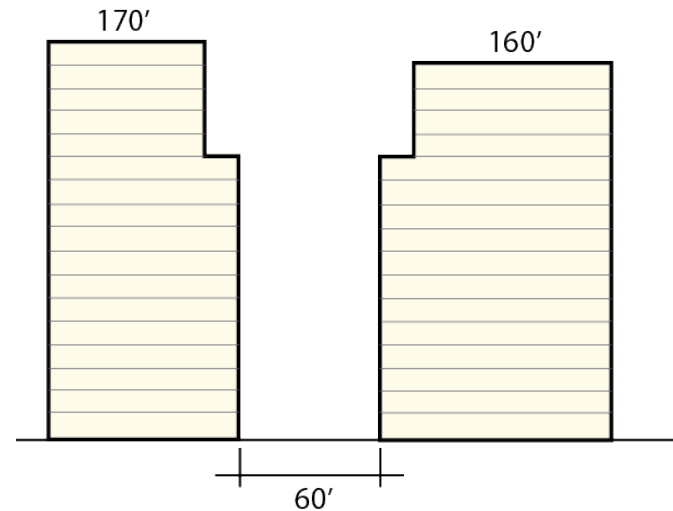
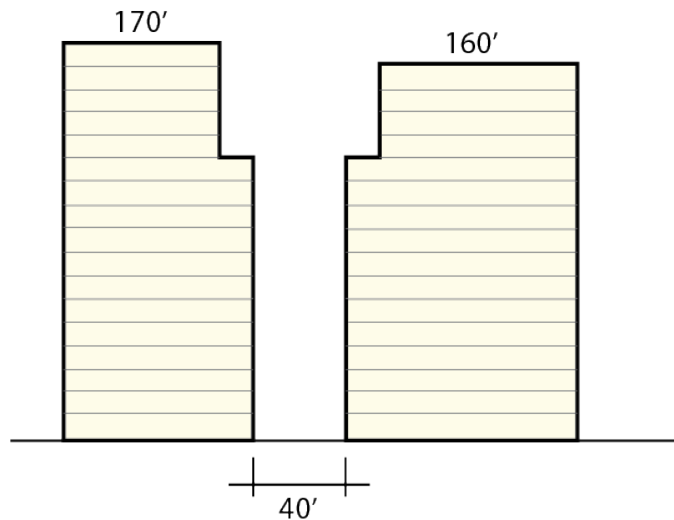
- Reduce distance between buildings on same zoning lot from 60 ft to 40 ft



Distance Between Building

Council Modification:

- **Restore existing 60 ft minimum distance between buildings on same zoning lot**



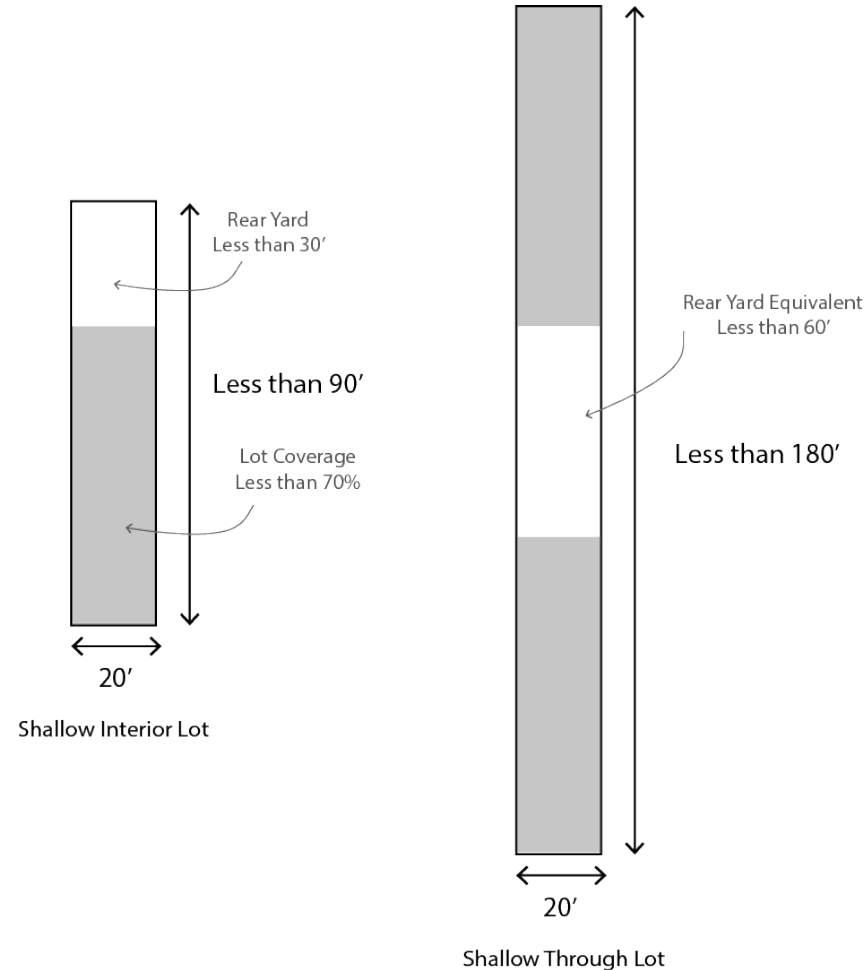
Shallow Lot & Rear Yard

ZQA Proposal:

- R6-R10 Districts
 - Shallow Interior Lots: 95 ft
 - Shallow Through Lots: 190 ft

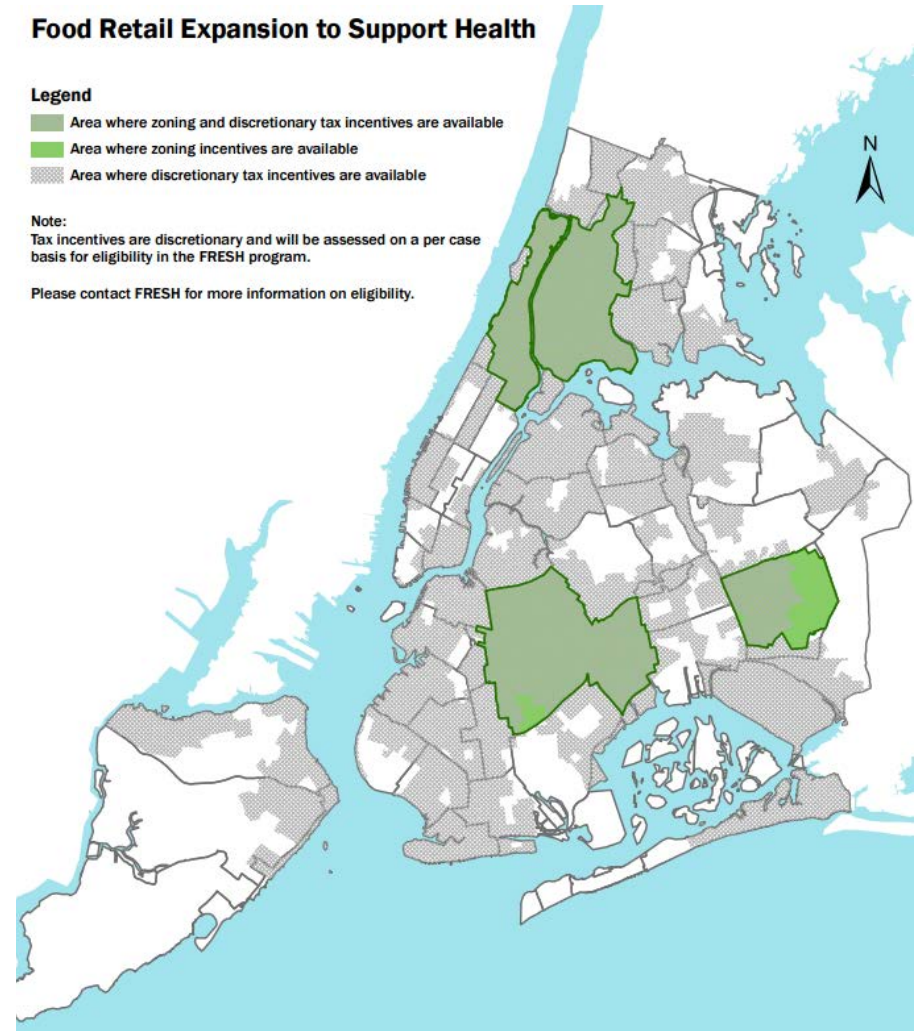
Council Modification:

- **R6-R10 Districts**
 - **Shallow Interior Lots: 90 ft**
 - **Shallow Through Lots: 180 ft**



Retail Access

- Commitment to Study Expansion/Changes to FRESH program
- Council & Administration Working Group
- Recommendations finalized by December, 2016



MIH in Brief

GOAL: To create a legally and financially viable program to require affordable housing in new development.

Today, the City has a voluntary program with an FAR bonus for providing 20% affordable @ 80% of Area Median Income

- MIH will apply to new buildings in upzoned neighborhoods
- Three options to be selected by the City Council:
 - 25% of floor area @ average of 60% AMI (family of three – \$46K)
 - 30% @ average of 80% AMI (family of three – \$62K)
 - 30% @ average of 120% AMI (in conjunction with option 1 or 2 – \$93K)
- Permanent affordability
- Requirement would kick in above 10 units
- BSA process would allow for a waiver of these requirements
- In lieu fee option available for buildings between 11-25 units
- Off-site options available for the affordable housing

Council Policy on MIH

#1: Reach lower incomes & maintain flexibility

#2: Close 'loopholes'

- BSA process

- Threshold for the program

- Off-Site

- Unit Distribution/Access to Amenities

#3: Improve transparency

#4: Address safety & local hiring

#5: Address problems of displacement and tenant harassment

#1: Reach Lower Incomes

MIH Proposal:

- Option 1: 25% of floor area @ 60% AMI (average)
- Option 2: 30% of floor area @ 80% AMI (average)
- Workforce Option: 30% of floor area @ 120% AMI (average)

Area Median Income Background

AMI	Income for Single	Rent for Studio	Income for Household of 3	Rent for 2br
40%	\$24K	\$600	\$31K	\$775
60%	\$37K	\$925	\$46K	\$1,150
80%	\$48K	\$1,200	\$62K	\$1,550
100%	\$60K	\$1,500	\$78K	\$1,950
120%	\$73K	\$1,825	\$93K	\$2,350

#1: Reach Lower Incomes

- Existing option 1: 25% @ 60% AMI (average)
- **Council Modification:**
25% of floor area @ 60% AMI with requirement of 10% of floor area be affordable @ 40% AMI
- 40% AMI
 - 2 bedroom apartment for \$775
 - 1 person making \$14 per hour supporting household of three

#1: Reach Lower Incomes

City Council's New Deep Affordability Option:

- 20% of floor area at an average of 40% AMI
- Needs to be mapped in conjunction with another option
- 40% of AMI
 - Studio for \$600
 - Single person earning \$22.5K per year qualifies

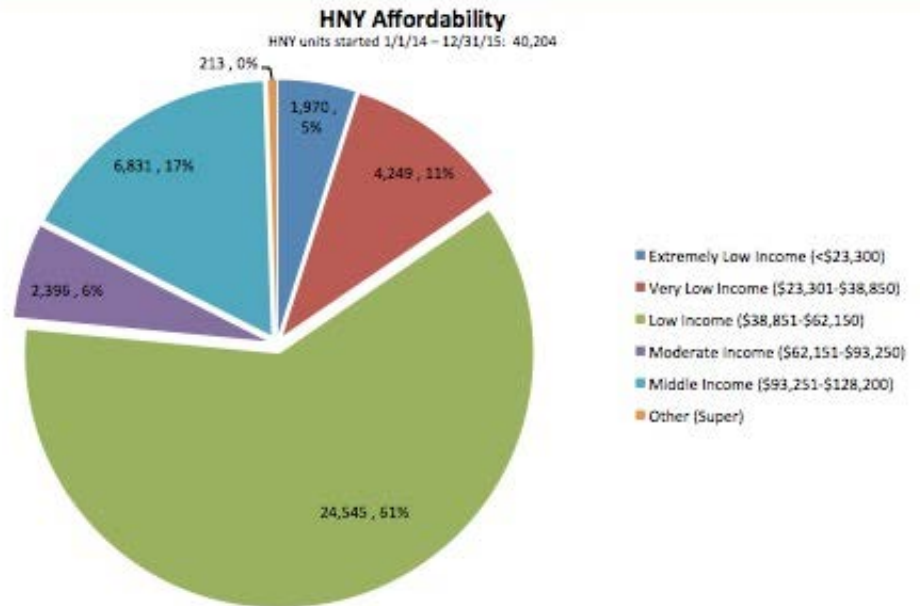
#1: Reach Lower Incomes

- Existing Workforce Option:
30% of floor area @ an average of 120% of AMI
Must be mapped in conjunction with Options 1 or 2
- **Council Modification:**
 - Overall average of 115% of AMI
 - Set aside 5% of floor area @ 70% of AMI,
 - Set aside 5% of floor area @ 90% of AMI
 - 70% AMI = \$54.5K for a family of 3
 - 90% AMI = \$70K
- **Sunset provision** – option needs to be reevaluated every 10 years

#1: Reach Lower Incomes

- ~0 units
between 61%
and 70% AMI
of 40,000 units
financed by
HPD between
1/14 and
12/15

HNY Update



Note: the Middle Income category includes the momentous preservation of 5,000 units related to Stuyvesant Town-Peter Cooper Village. HPD counts home development based on the highest permitted rent in the regulatory agreement not the actual incomes of the tenants.

3

Context: MIH Programs across U.S.

Table A-1: Summary of Inclusionary Programs in other Major Cities

	Boston	Chicago	District of Columbia	Denver	Los Angeles	San Francisco	Seattle
Year Adopted	2000	2003	2006	2002	1991	2002	2001
Voluntary/Mandatory	Voluntary	Voluntary	Mandatory	Combination	Mandatory	Mandatory	Voluntary
Affordability Duration	50 years	30 or 99 years	Perpetuity	15 years	30 years or life	Perpetuity	50 years
Density Bonus	Varies	Varies	20%	N	Varies	N	Y
Total Inc Set Aside	15%	10%	Varies	10%	15%	12% onsite, 20% offsite	Approx. 5%

**AMIs generally range from 50% - 80% AMI

#1) Reach Lower Incomes

- Mayor has committed to the City Council that HPD will work closely with local communities and the Council to ensure that through subsidy programs housing is available at depths of affordability that include AMIs as low as 30% AMI in MIH rezoned neighborhoods

#1: Maintain Flexibility

- Option 2: 30% of floor area @ 80% of AMI (average)
 - Option allows for units to be built from 40% of AMI to 130% of AMI
 - Creates flexibility for Council Members & communities to address a wide variety of situations across districts

#2) Close 'Loopholes'

- **Council Modifications:**
 - **BSA permit expires in 4 years unless construction has begun**
 - **HPD needs to submit comments to BSA/appear at hearing**
 - **Require notice of any BSA application to affected Community Board & City Council Member**

#2) Close 'Loopholes'

- **Council Modifications:**
 - MIH Proposal required same percentage of affordable housing whether onsite or offsite
 - **Council Modification: If offsite option is chosen, 5% more of the total floor area must be affordable housing**
 - **Example: Option 1 requires 25% of floor area be affordable; were offsite option chose, 30% of floor area would have to be affordable**
 - **Reduced height for off-site**
 - **If offsite option is chosen, building limited to market rate heights (not increased Inclusionary Housing heights)**
- **Distribute units more evenly**
 - MIH Proposal would require affordable units be distributed on at least 50% of the floors of a new building
 - **Council modification: Affordable housing needs to be on 65% of the floors of a new building**

#2) Close 'Loopholes'

- Access to Amenities
 - **HPD design requirements will be amended to require all tenants to have access to all shared amenities**

#3) Improve Transparency

- Database of units in the program
- Annual tracking of Neighborhood Development Fund
- Reporting on use of Payment in Lieu
- Notice of applications for BSA special permit to Community Boards & Council Members
- BSA will post application materials online

#4) Construction Safety

- Department of Buildings will require construction superintendents for all major construction projects at buildings under 10 stories (not just new buildings)
- Superintendents will now have to review sites daily and log all safety information
- Contractors who don't comply will be issued stop-work orders and penalties from \$5,000 to \$25,000 for repeat infractions or other proactive enforcement measures, as necessary.
- Housing Preservation and Development will require additional construction oversight & reporting for all of its projects
- Report will be factored into the HPD Sponsor Review process for all future HPD projects.

#4) Local Hiring

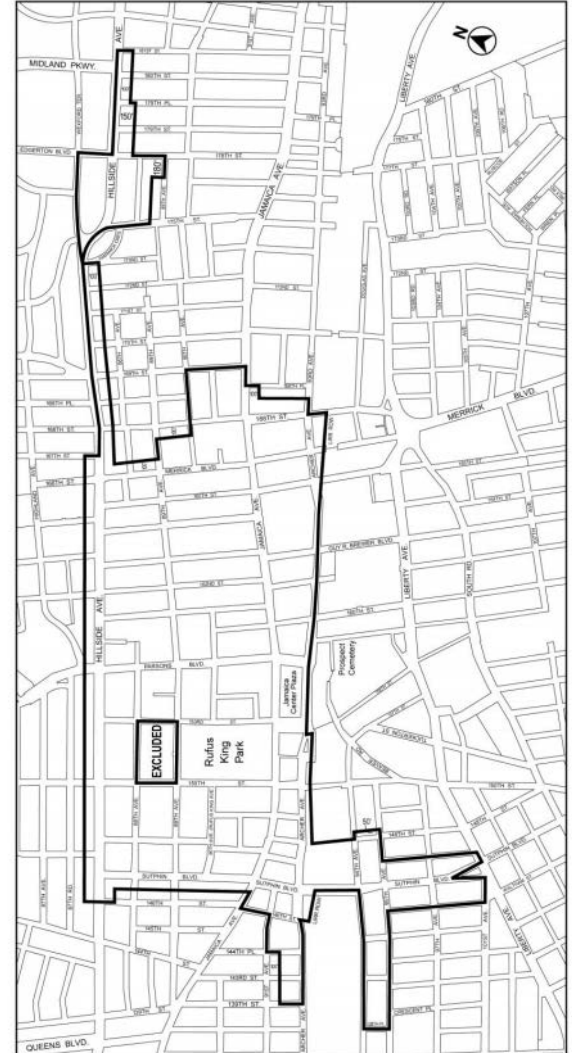
- HPD will require developers & contractors working on projects receiving more than \$2 million in subsidy to share job openings with HireNYC and to interview qualified candidates from HireNYC
- 15% of the granted points for Developer Track Record and Capacity will be awarded to respondents who demonstrate a plan for outreach to residents of the community district
- SBS will commit \$2 million for outreach to link residents to new job opportunities and ensure residents have submitted resumes to HireNYC in rezoned neighborhoods

#5) Tenant Harassment

- Mayoral administration supports legislation for a city-wide Certification of No Harassment policy
- Details will be worked out through a working group process to include HPD, City Council, and other stakeholders

#5) Revision of Voluntary IH

- Existing program: 20% @ 80 AMI (voluntary)
- Mayor & Council will work together to look for opportunities to strengthen it



Portion of Community District 12 and 8, Queens