



OFFICE OF THE PRESIDENT  
BOROUGH OF MANHATTAN  
THE CITY OF NEW YORK

1 Centre Street, 19th floor, New York, NY 10007  
(212) 669-8300 p (212) 669-4306 f  
431 West 125th Street, New York, NY 10027  
(212) 531-1609 p (212) 531-4615 f  
[www.manhattanbp.nyc.gov](http://www.manhattanbp.nyc.gov)

**Gale A. Brewer, Borough President**

**Testimony of Manhattan Borough President Gale A. Brewer  
Subcommittee on Zoning and Franchises  
Mandatory Inclusionary Housing  
February 9, 2016**

Thank you for the opportunity to testify today on the Mandatory Inclusionary Housing (MIH) Program text amendment. Everyone is aware that I am the only Borough President who has voiced conditional support for MIH and I did so after much work, community input, negotiations and consideration. So I will do three things in my testimony today: First, briefly go over the lay of the land – or at least the very expensive land in my Borough – as it relates to the construction of new affordable housing. Second, explain why I gave conditional support to this program. And third, and most importantly, share my thoughts on what changes are necessary to make this a program that will truly benefit Manhattan and our city.

Currently, if the Mandatory Inclusionary Housing Program becomes law, there will be two types of inclusionary housing programs in New York City: voluntary and mandatory. The existing voluntary program offers developers a benefit – additional zoning density – if they provide affordable housing with a market rate project. They can get this in areas specifically zoned for the Voluntary Inclusionary Housing Program and in all R10 zones. These areas together make up about 20 percent of Manhattan.

The City needs a mandatory inclusionary housing program. Since I became Borough President I have been calling for two things:

1. Requiring affordable housing to be built whenever there is new residential development and especially when special permits allow the building of housing where it wouldn't otherwise be allowed.
2. Fixing the City's opt-in Voluntary Affordable Housing Programs where developers get bonuses for building affordable housing. This opt in program covers significantly more territory in the borough of Manhattan than the contemplated neighborhood rezonings (such as East Harlem and Inwood) will cover.

Based on my strong belief that only with two strong programs – mandatory and voluntary – can we hope to construct a meaningful amount of affordable housing, I support this plan for the following reasons:

1. In addition to neighborhood rezonings, it would apply to all special permits applications by private developers to add more than 10 residential units of housing to any area where it couldn't otherwise be built.

2. I have a commitment from the City Planning Chair and Commissioner of HPD to begin crafting changes to the Voluntary Affordable Housing programs. These changes would result in developers being required to build more affordable housing when they take advantage of these programs and ensure that affordable housing is not stigmatizing for residents by prohibiting the creation of "poor doors."

3. I have received a commitment from the City Planning Chair and Commissioner of HPD to work with neighborhoods on strategies to apply the proposed Mandatory Program in a way to get more housing at the higher and lower ends of the AMI spectrum in neighborhoods that have a need for lower income units and those that have a need for middle income units respectively. And I am confident that working with the Council we can translate this into more AMI options at the lower and higher ends.

4. I have a commitment from HPD and City Planning to work towards a higher percentage of affordable housing in the voluntary and mandatory programs if an offsite option is used.

5. I have gotten two further commitments that will go a long way to ensuring that the Affordable Housing Fund funded by smaller projects will be used in the community where the money was generated, and the BSA hardship waiver provisions for the program have been significantly tightened at my insistence in the language that the Commission has sent to you.

That is why I recommended a conditional approval. However, in addition, there are other significant changes that must occur or the program will not adequately meet our needs. So they are much more than mere "tweaks." They are:

1. We need to ensure that we are not leaving affordable housing on the table in Manhattan. If we do not believe we can require affordable housing with all new residential construction over a certain size – even "as of right" construction -- then we need something else: Percentages of affordable housing in the mandatory inclusionary areas in Manhattan that are maximized under every option, including special permit applications. That means lowering the threshold from the current 10 units or 12,500 square feet and seeing if we can go even higher than 30 percent affordable – especially in markets such as most of Manhattan. I know the Progressive Caucus has recommended lowering the threshold to 6 units, and this is consistent with my desire to see that loft buildings in, for example, SoHo and NoHo cannot get out of the program.

2. The Council must broaden the AMI options at both the lower and higher ends, otherwise the program could fail to meet neighborhood needs at a significant cost to the stability of various communities. If we don't have options such as 30% AMI in our least affluent neighborhoods, then even affordable housing could contribute to gentrification. And if we don't

have a middle income or workforce option in other neighborhoods, then long term residents priced out by market rate housing will have nowhere to go.

3. There must be strong anti-harassment provisions or other protections baked into the program to prevent landlords from harassing existing tenants so that the very development we are allowing does not spur displacement.

4. The affordable housing must be as integrated as possible in terms of location and distribution, and any deviation from this goal should be discouraged by requirements of additional affordable housing over and above the current maximum percentage. We called for a substantial increase in the percentage of affordable housing if an offsite option is allowed, and the Council's Progressive Caucus agrees.

Finally, HPD and City Planning have agreed on the following safeguards for the MIH Payment in Lieu Fund which requires money to be contributed by smaller projects to fund affordable housing: (1) that the money remain in the community district for at least ten years; (2) those funds should always remain in the borough in which it they are raised; and (3) these provisions should be put in the zoning text. I ask that you make sure this happens because without these changes in the text a future commissioner could take money for affordable housing out of the communities which were intended to get the housing. This could result in certain communities going without affordable housing and other communities becoming the "affordable communities."

Thank you for the opportunity to express my thoughts and I look forward to working with the Council on this important program.