



Fifth Avenue Committee
Our Community. Our Future.

HOUSING REPORT

2020 SUNSET PARK HOUSING CONDITIONS

Recommendations for Development
without Displacement

SEPTEMBER 2020

ABOUT

Fifth Avenue Committee, Inc. (FAC) is a community organization in South Brooklyn that advances economic and social justice by building vibrant, diverse communities where residents have genuine opportunities to achieve their goals, as well as the power to shape the community's future.

FAC is a nationally-recognized nonprofit comprehensive community development corporation and NeighborWorks America chartered member formed in 1978 that works to transform the lives of over 5,500 low- and moderate-income New Yorkers annually so that we can all live and work with dignity and respect while making our community more equitable, sustainable, inclusive, and just.

To achieve our mission, FAC develops and manages affordable housing and community facilities, creates economic opportunities and ensures access to economic stability, organizes residents and workers, offers student-centered adult education, and combats displacement caused by gentrification.



Groundbreaking ceremony for FAC's Sunset Park Library & Affordable Housing Project; Feb. 2019

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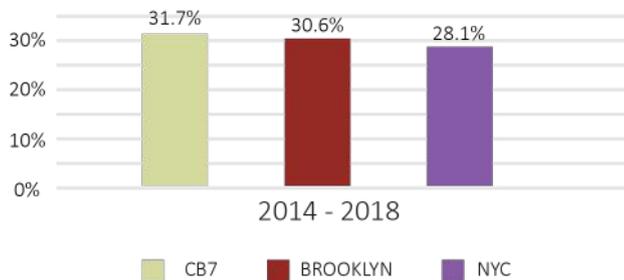
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SUNSET PARK IS IN A HOUSING CRISIS

The following factors increase the risk of displacement in the community:

RENT BURDEN

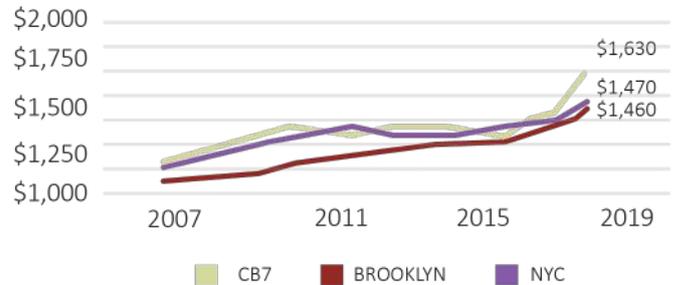
% OF HOUSEHOLDS SPENDING MORE THAN 50% OF INCOME ON RENT



Source: NYU Furman Center/CoreDataNYC

RISING RENTS

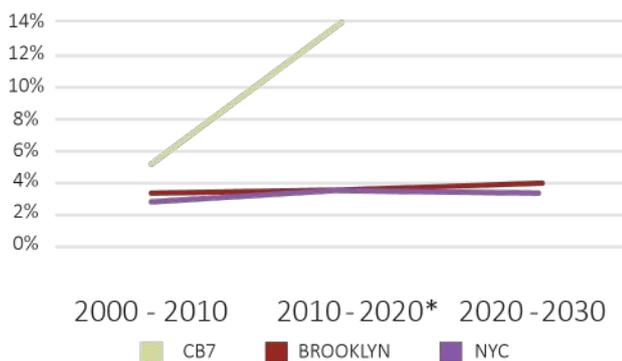
REAL MEDIAN GROSS RENTS



Source: American Community Survey/NYU Furman Center

POPULATION GROWTH

% OF POPULATION CHANGE OVER 20+ YEARS

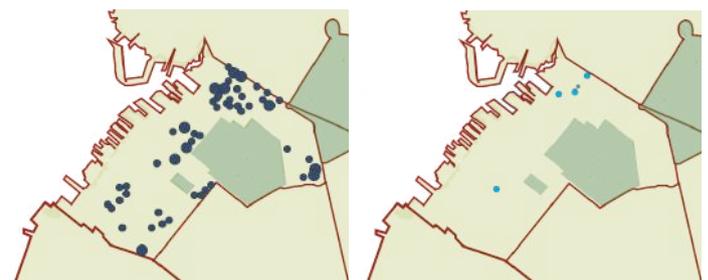


*CB7 projection based on 2010-2018 growth rates

Source: NYC Open Data/NYC Department of City Planning Community District Profile

AFFORDABLE HOUSING SHORTAGE

RESIDENTIAL CONSTRUCTION PROJECTS IN COMMUNITY BOARD 7 (2014 – PRESENT)



Total Market Rate Residential

- 51 Projects
- 949 Units

Source: NYCitiMap via DOITT

Voluntary Inclusionary Housing

- 5 Projects
- 108 Units

Mandatory Inclusionary Housing

- 0 Projects
- 0 Units

VIH and MIH units are permanently affordable to low- and moderate-income families

THE TIME TO ADDRESS THIS CHALLENGE IS NOW.

1. Preserve existing housing stock through government financing programs to facilitate nonprofits acquiring multi-family properties to preserve their affordability and other incentives like tax credits that support homeowners who provide units at affordable rents.

2. Create pipeline of 100% permanently affordable housing projects on underutilized land, such as remediated brownfields and publicly-owned parcels that can be rebuilt to accommodate greater density. Prioritize redevelopment aligned with nonprofit, community-based missions and community need.

3. Rezone for affordability and opportunity. Encourage land use actions that result in the expedient creation of permanently affordable housing units through the most affordable options available through the Mandatory Inclusionary Housing program which does not require additional tax payer subsidy and can provide affordable housing immediately.

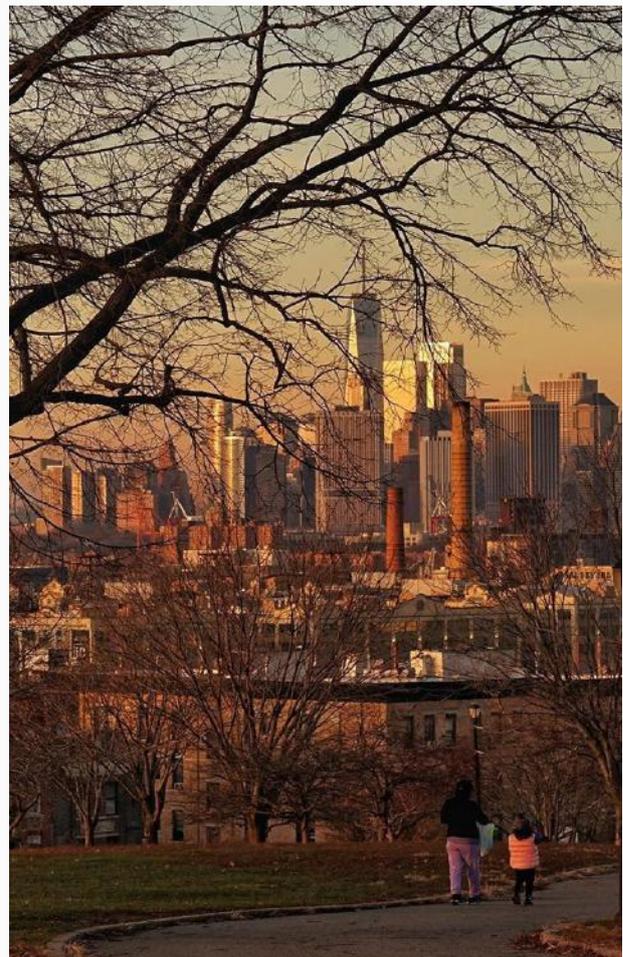
4. Enhance and promote tenant protections. Expand Tenant Right to Counsel law and Certification of No Harassment Pilot Program to Sunset Park, preserve existing rent-stabilized and Section 8 housing, and pass Good Cause Eviction law.

INTRODUCTION

The COVID-19 pandemic has laid bare systemic inequalities that have existed in our society for generations and are particularly acute in Sunset Park, Brooklyn, with its significant immigrant population. Those inequalities are especially apparent in New York City's housing market, which has been in a state of crisis for decades due to many factors and have persisted during past recessions, 9/11, and Superstorm Sandy. While this crisis is playing out in neighborhoods across the city at all income levels, it is especially visible in working-class and immigrant enclaves like Sunset Park. While we don't yet know the lasting effects of the global pandemic, there is emerging evidence that overcrowded conditions and the inability to self-isolate – rather than density – has played a role in the spread of the virus.

TODAY, SUNSET PARK IS FACING A HOUSING CRISIS, WHICH IS ONLY AMPLIFYING THE COMMUNITY'S AFFORDABLE HOUSING SHORTAGE AND STRESS, STEMMING FROM A COMBINATION OF FACTORS THAT INCLUDE AN OVERALL LOSS OF HOUSING UNITS BOTH MARKET RATE AND AFFORDABLE, A GROWING POPULATION, AND MANY RESIDENTS PAYING MORE THAN 30% OF THEIR INCOME IN RENT.

For many decades, little to no investment in new housing development occurred in Sunset Park, even while the population of the neighborhood continued to swell to welcome new immigrants, particularly from the Latinx and Chinese communities. This has contributed to severe overcrowding in the neighborhood, placing Sunset Park in the top 10% citywide.



While the 2009 rezoning of much of Fourth Avenue provided enough density incentives for the real estate development market to begin to invest in multi-family housing construction along this critical thoroughfare, creating smart connections to transit infrastructure along the R train line to support transit-oriented development, mandates for affordable housing construction were not included. As a result, the housing supply that has been increased in the community does not serve the low- to moderate-income families that need it the most.

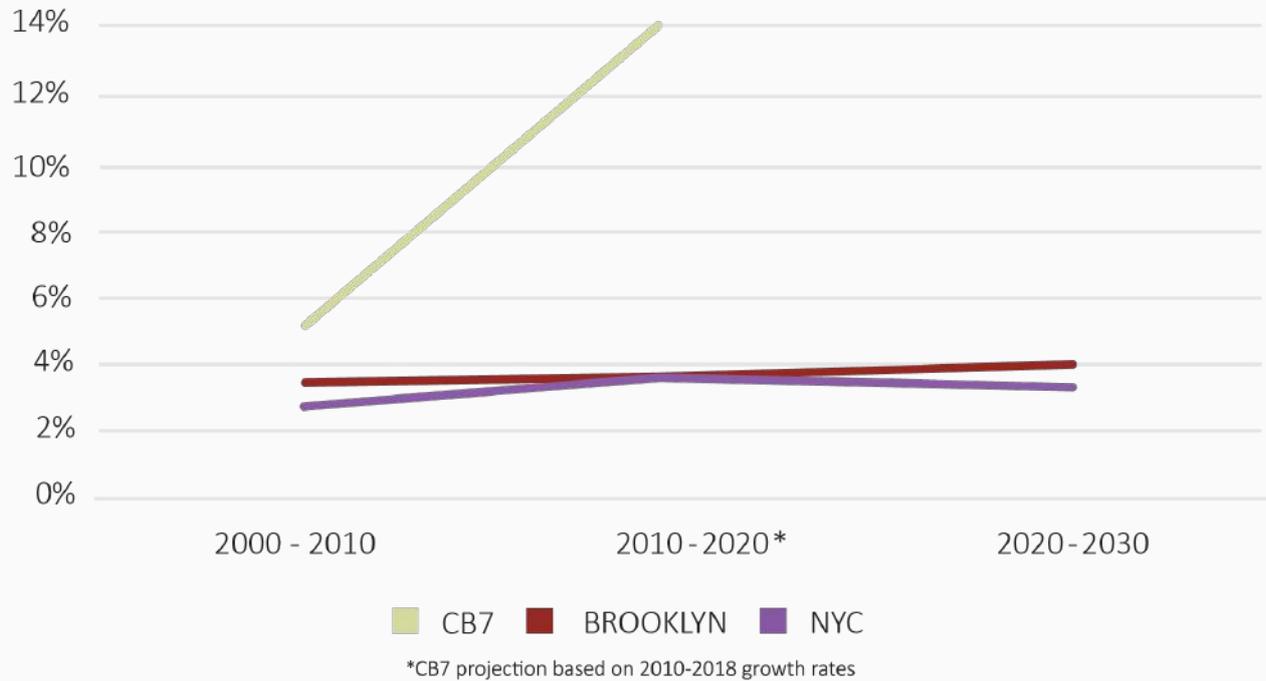


SUNSET PARK HAS SOME OF THE OLDEST BUILDING STOCK IN THE CITY, WITH HOUSING UNITS IN POOR CONDITION, AND SUFFERS FROM SOME OF THE MOST OVERCROWDED LIVING CONDITIONS IN THE FIVE BOROUGHES.

The result is soaring rents, severe overcrowding, and increased displacement pressure.

Fears of gentrification and displacement have become more pronounced in light of the recently proposed Industry City rezoning and ongoing growth. However, signs of a crisis are already present in Sunset Park. According to the New York City Department of City Planning and recent census numbers, the population of Community Board 7, which encompasses Sunset Park, has grown considerably between 2010 and 2018, from 126,230 to 143,847 residents. However, there has been a net loss of units of housing and most of the housing units that exist were constructed before 1939 and are in poor condition. Further compounding the issue, only 1,000 new housing units have been created since 2014, and only 80 of those units are affordable through the City's voluntary inclusionary housing program. The neighborhood simply does not have enough apartments to support the influx of new residents and recent immigrants and to alleviate overcrowding. New solutions are required to address the current housing pressures and combat the threat of displacement.

% OF POPULATION CHANGE OVER 20+ YEARS

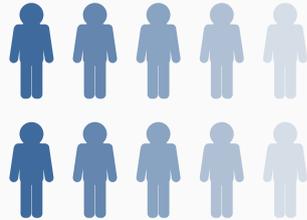


HISTORICAL AND PROJECTED POPULATION GROWTH

	2000	2010	2020	2030
NYC	8,008,278	8,242,624	8,550,971	8,821,027
GROWTH (%)		2.9%	3.7%	3.2%
BROOKLYN	2,465,326	2,552,911	2,648,452	2,754,009
GROWTH (%)		3.6%	3.7%	4.0%
COMMUNITY BOARD 7	120,063	126,230	143,847 (2018)	
GROWTH (%)		5.1%	14.0% (2010-2018)	
GROWTH (#)		6,167	17,617 (2018)	

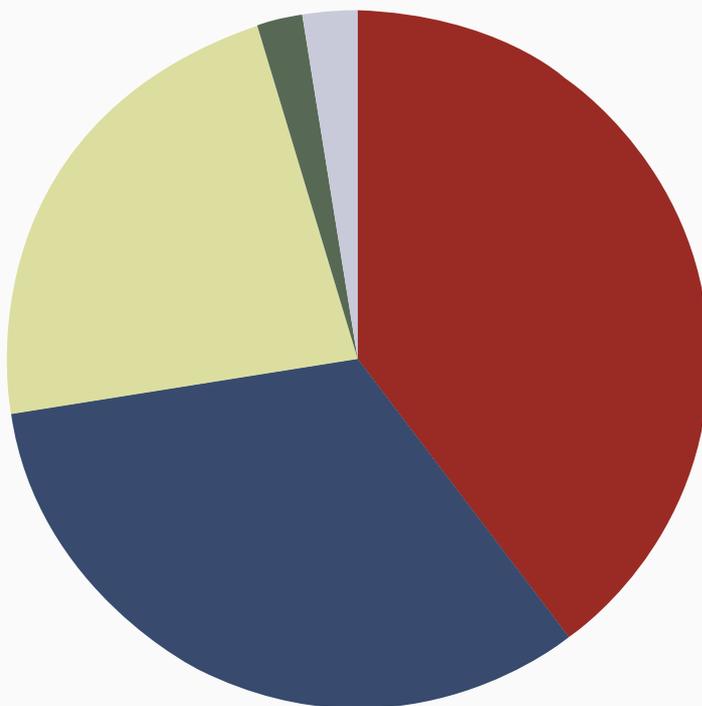
Source: NYC Open Data/ NYC Department of City Planning Community District Profile

DEMOGRAPHICS



> **143,847**

Community Board 7
population in 2018



39.8%

LATINX/HISPANIC

31.3%

ASIAN

24.4%

WHITE

2.6%

AFRICAN AMERICAN
BLACK

1.9%

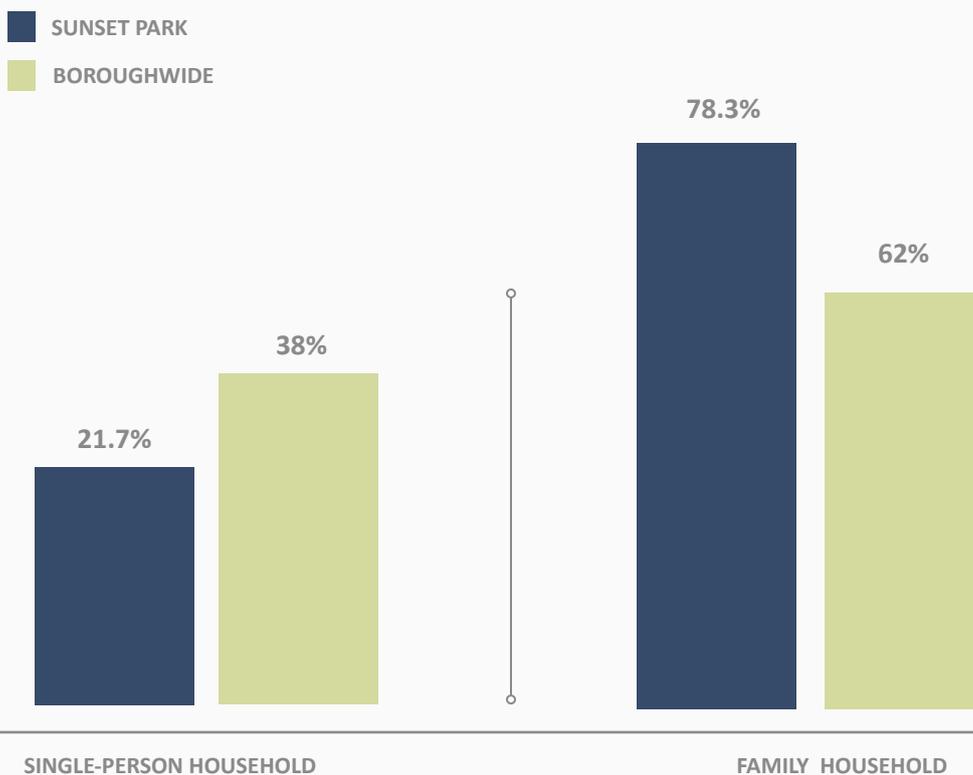
UNIDENTIFIED

Source: NYC Department of City Planning Population Fact Finder/ACS

Sunset Park has historically been an enclave for people of color and immigrants.

In 2018, there were approximately 143,847 people in Community Board 7 which includes Sunset Park and Windsor Terrace, with 39.8% of the population identified as Latinx/Hispanic, 31.3% of the population identified as Asian, 24.4% identified as white, and 2.6% identified as black. In 2018, 46.2% identified as being born outside of the United States.

SINGLE-PERSON VS FAMILY HOUSEHOLDS (2018)



Source: NYU Furman Center

Most Sunset Park households are families, many of which have children under the age of eighteen. In 2018, 21.7% of the Sunset Park population identified as single-person households, with the remaining 78.3% of households composed of families – significantly higher than the boroughwide average of 62%. 38.5% were identified as households with children under the age of eighteen, which is nearly 12% higher than the boroughwide average.

MEDIAN HOUSEHOLD INCOMES (2018)



Source: NYU Furman Center

Median household income in 2018 was \$63,490 – about 2% less than the citywide median household income. 3.9% of rental units were affordable at 30% AMI (Area Median Income), whereas 61.5% were affordable at 80% AMI and 92.1% were affordable at 120% AMI. The poverty rate in Sunset Park was 17.1% in 2018, compared to 17.9% citywide. The poverty rate for those 65 years old and above was 20.8% and, for those 18 years old and younger, it was 20.9%. Future data will reflect the impact of COVID-19 on median household income and poverty rate.

THE US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT DEFINES HOUSING AS “AFFORDABLE” IF A FAMILY SPENDS NO MORE THAN 30% OF THEIR INCOME TO LIVE THERE. THIS THRESHOLD IS CALLED “AFFORDABLE RENT BURDEN.”

SEVERE RENT BURDEN IS DEFINED AS PAYING MORE THAN 50% OF ONE'S INCOME ON RENT.

31.7% OF HOUSEHOLDS IN CB7 ARE SEVERELY RENT BURDENED. NEARLY 50% OF LOW-INCOME HOUSEHOLDS ARE SEVERELY RENT BURDENED.

NEW YORK CITY AREA MEDIAN INCOME (AMI) CHART (2020)

FAMILY SIZE	30% OF AMI	40% OF AMI	50% OF AMI	60% OF AMI	80% OF AMI	100% OF AMI	120% OF AMI	130% OF AMI	165% OF AMI
1	\$ 23,880	\$ 31,840	\$ 39,800	\$ 47,760	\$ 63,680	\$ 79,600	\$ 95,520	\$ 103,480	\$ 131,340
2	\$ 27,300	\$ 36,400	\$ 45,500	\$ 54,600	\$ 72,800	\$ 91,000	\$ 109,200	\$ 118,300	\$ 150,150
3	\$ 30,720	\$ 40,960	\$ 51,200	\$ 61,440	\$ 81,920	\$102,400	\$ 122,880	\$ 133,120	\$ 168,960
4	\$ 34,110	\$ 45,480	\$ 56,850	\$ 68,220	\$ 90,960	\$113,700	\$ 136,440	\$ 147,810	\$ 187,605
5	\$ 36,840	\$ 49,120	\$ 61,400	\$ 73,680	\$ 98,240	\$122,800	\$ 147,360	\$ 159,640	\$ 202,620
6	\$ 39,570	\$ 52,760	\$ 65,950	\$ 79,140	\$ 105,520	\$131,900	\$ 158,280	\$ 171,470	\$ 217,635
7	\$ 42,300	\$ 56,400	\$ 70,500	\$ 84,600	\$ 112,800	\$141,000	\$ 169,200	\$ 183,300	\$ 232,650
8	\$ 45,030	\$ 60,040	\$ 75,050	\$ 90,060	\$ 120,080	\$150,100	\$ 180,120	\$ 195,130	\$ 247,665

Source: US Department of Housing and Urban Development

More than 60% of CB7’s population is extremely low-income to low-income or at or below 80% of AMI.

INCOME BANDS AND PERCENT OF AMI

Income Band	Percent of AMI
Extremely Low-income	0-30% of AMI
Very Low-income	31-50% of AMI
Low-Income	51-80% of AMI
Moderate-Income	81-120% of AMI
Middle-Income	120-165% of AMI

MISMATCH BETWEEN HOUSING NEED & HOUSING PRODUCTION & PRESERVATION

Population growth, the loss of housing units in the community, and a lack of housing development – especially affordable housing development – have resulted in a supply and demand imbalance. Constrained supply cannot keep pace with the demands of an ever-rising population, leading to rising rents and a significant housing shortage across Sunset Park, increasing the risk of displacement.



Rendering of FAC's Sunset Park Library and Affordable Housing Project – one of only two 100% affordable housing projects currently in construction in the neighborhood - bringing 50 units of deeply and permanently affordable housing over a modern, expanded public library.

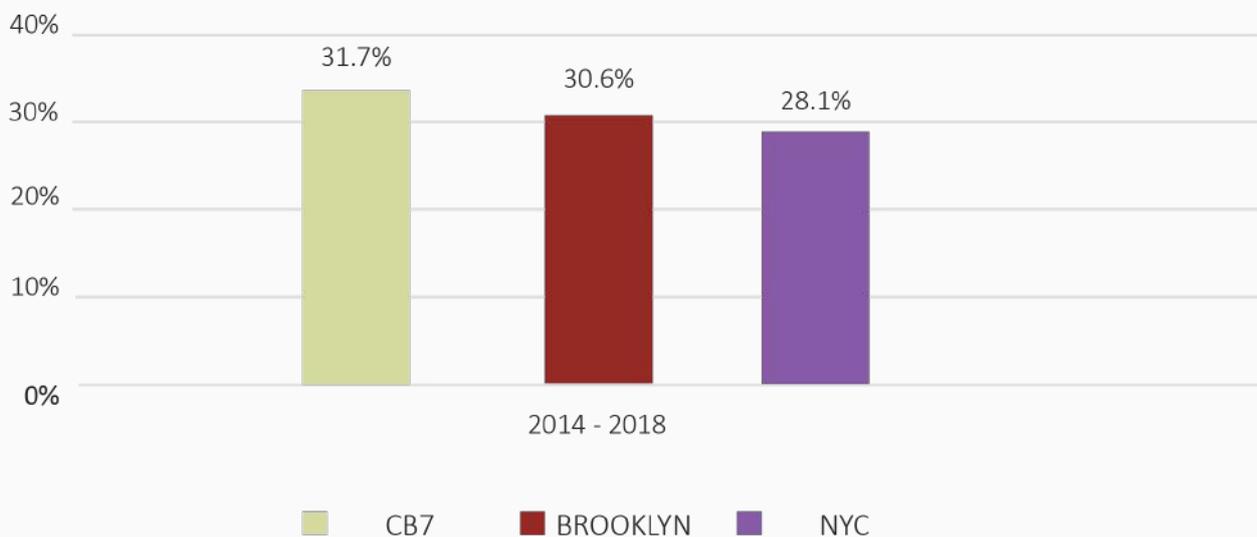
HOUSING PRESERVATION AND PRODUCTION HAS NOT KEPT UP WITH NEED AND DEMAND. IN FACT, THE NUMBER OF HOUSING UNITS DECREASED FROM 49,678 IN 2010 TO 45,903 IN 2018.

In 2018, residential building permits were granted for only 145 units, while the average annual unit loss from 2010-2018 was 377. While FAC is currently adding affordable housing to Sunset Park in the form of 50 affordable units currently being built above a new and expanded public library and the 84 affordable units for seniors further south along 4th Avenue, additional housing – especially deeply and permanently affordable housing – needs to be produced in order to meet the magnitude of Sunset Park's housing crisis.

Sunset Park's population has grown considerably in recent years. Over 12% of the neighborhood's current residents moved in after 2010, in keeping with Sunset Park's history as a landing point for immigrants in New York City, but a serious challenge to a neighborhood already facing significant housing pressures.

Asking rents steadily increased across Sunset Park over the past decade. Real median gross rent in Sunset Park increased from \$1,230 in 2006 to \$1,630 in 2018. Median asking rent — rent for units being advertised for lease versus the full median including those currently occupied — in 2018 was \$2,400 in Sunset Park. In 2018, 31.7% of renter households in Sunset Park were severely rent burdened, defined as spending more than 50% of household income on rent. Sadly, nearly 50% of low-income households were severely rent burdened. The rental vacancy rate in Sunset Park is 2.6%, lower than the boroughwide rate of 3.4%.

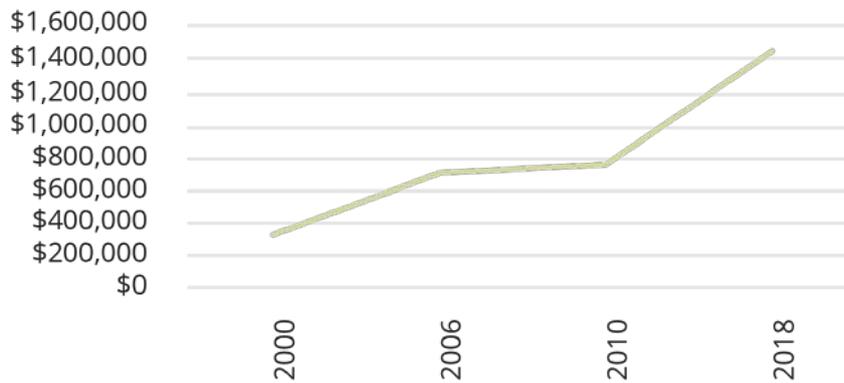
% OF HOUSEHOLDS SPENDING MORE THAN 50% OF INCOME ON RENT



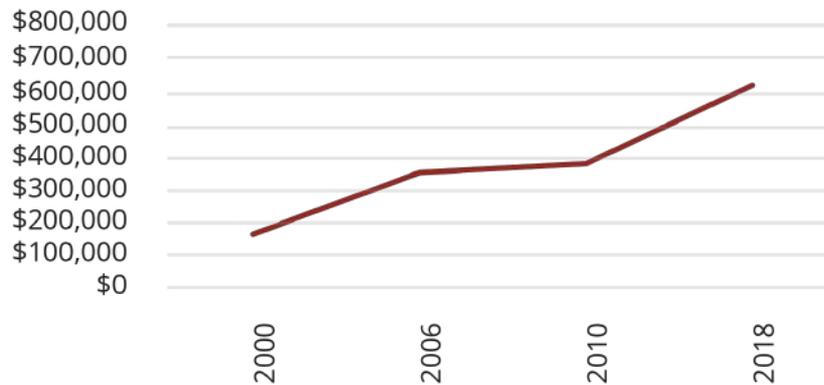
Source: NYU Furman Center/CoreDataNYC

Similarly, the median sale prices for homes in Sunset Park have risen dramatically. In 2000, the median sale price for a single family property was \$359,860. In 2018, that price rose to \$1,450,000. This dramatic rise in price has also impacted coops or condos in multi-family buildings. In 2000, the median sale price for a residential unit located in buildings with five or more units was \$68,720. By 2018, that price per unit reached \$301,670. Median sales prices for 2-4 family buildings had even more dramatic increases. In 2000, the median sales prices of 2-4 family homes in CB7 was \$187,430 (in 2019 dollars). By 2018 that median sales price had risen to \$625,000. There were 368 property sales in Sunset Park in 2018. Sales prices for all residential property types increased by 7% in Sunset Park between 2017 and 2018, compared to an increase of 4% in Brooklyn and an increase of 2.5% citywide. In 2018, the homeownership rate in Sunset Park was 28.1% .

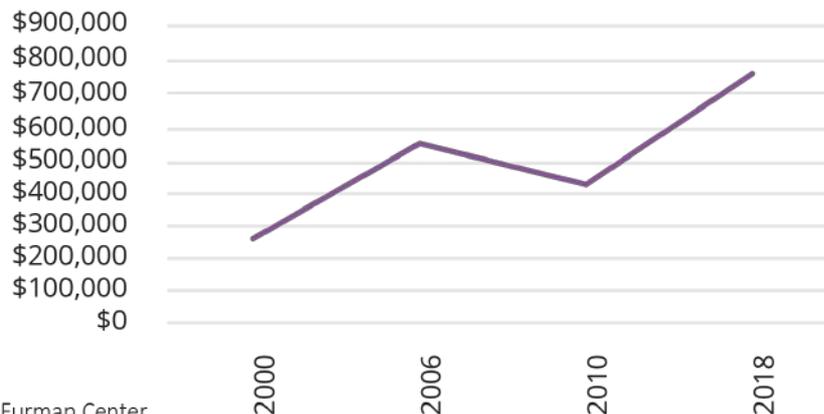
MEDIAN SALES PRICE PER UNIT (SINGLE FAMILY BUILDINGS)



MEDIAN SALES PRICE PER UNIT (2 TO 4 FAMILY BUILDINGS)



MEDIAN SALES PRICE PER UNIT (CONDOMINIUM)



Source: NYU Furman Center

MANY CONDITIONS EXACERBATE THE HOUSING CRISIS

Sunset Park’s housing pressures are exacerbated by the acute lack of supply, poor housing conditions, overcrowding, tenant harassment, and predatory investment

As Sunset Park’s housing affordability crisis has deepened, the community has witnessed a steady rise of predatory purchases and tenant harassment. Neighbors Helping Neighbors (NHN) and Fifth Avenue Committee, two nonprofits whose work focuses on organizing and advocating for low- and moderate-income tenants and preventing eviction and displacement, served over 750 families from Sunset Park from July 2019 to June 2020, many of whom lived with poor housing conditions and/or in buildings that had predatory debt that wasn’t supported by the rent being collected – which contributes to tenant harassment. Three landlords that then Public Advocate Letitia James named as 2016’s worst landlords were found in Sunset Park, including Silvershore, which had been identified as a predatory equity property as part of FAC and NHN’s organizing efforts through the Stabilizing New York City initiative (SNYC).

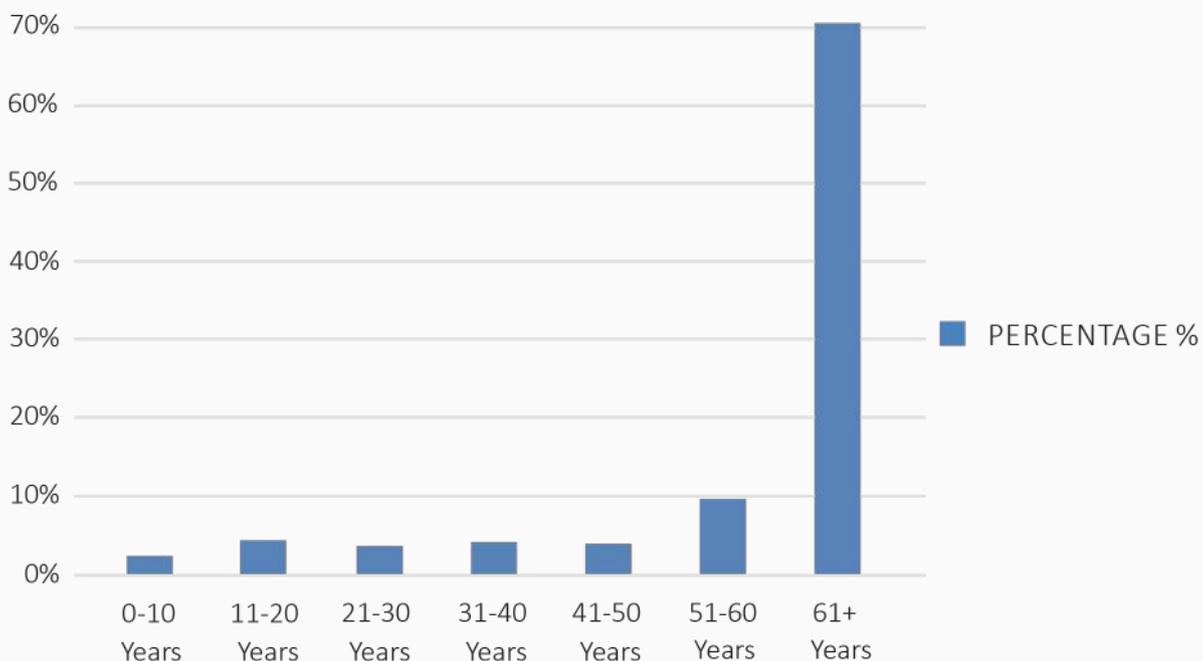
Surveys conducted by Fifth Avenue Committee and Neighbors Helping Neighbors have shown high rates of significant housing quality problems, including that a full 25% of households surveyed reported outages in heating and hot water during the winter months and continuous mold and mildew problems. Nine out of ten families with respiratory ailments included in the surveys connected their physical health problems to the condition of their homes, with other residents connecting cracks in walls, collapsing ceilings, and faulty plumbing to a lack of comfort and security in their daily lives. The Association for Neighborhood and Housing Development’s “How is Affordable Housing Threatened in Your Neighborhood?” report highlighted that 191.2 out of 1,000 units – or over 19% – of housing in Sunset Park had severe housing code violation issues in 2018.



THE NEIGHBORHOOD’S HOUSING STOCK IS IN POOR CONDITION. OVER HALF OF THE 45,903 HOUSING UNITS IN COMMUNITY BOARD 7 WERE CONSTRUCTED PRIOR TO 1939, WHILE JUST 2% OF THE AREA’S TOTAL UNITS WERE BUILT THIS DECADE.

Then Public Advocate James and Council Member Menchaca join tenant leaders, FAC, and NHN in Sunset Park to rally against worst landlord in the City, Silvershore, in 2016.

AGE OF HOUSING STOCK IN COMMUNITY BOARD 7



Source: ACS

SEVERE OVERCROWDING

IN 2010, 8.2% OF UNITS WERE CONSIDERED SEVERELY OVERCROWDED. BY 2018, THAT RATE HAD INCREASED TO 9.2%.

SUNSET PARK HAS BECOME THE 4TH MOST OVERCROWDED NEIGHBORHOOD IN NEW YORK CITY.

PATHS FORWARD

To address Sunset Park's housing crisis, practical, achievable solutions are required.

A combination of policies can be enacted to create housing for Sunset Park's growing population, fight the growing threat of displacement, and preserve the existing housing stock. These include targeted rezoning and land use actions, unlocking underutilized land, and further strengthening tenant protections to keep residents in their homes.

New York City must embrace additional strategies to create room for affordable housing and to strengthen the Sunset Park community to fight the threat of displacement. With limited land to redevelop, creative tools must be used to unlock land that is currently underutilized and to strengthen the community's ability to stop displacement.



PRESERVE EXISTING HOUSING STOCK

A core pillar of increasing access to affordable housing in Sunset Park is by preserving – and improving – housing stock that is already in the community. To achieve this, government financing programs to facilitate nonprofits acquiring multifamily properties to preserve their affordability and improve housing conditions for residents should be provided by fully implementing the City's Neighborhood Pillars Program, which had been delayed even prior to COVID-19. Additionally, financial incentives can be provided for homeowner-landlords who rent to low-income, formerly homeless, and/or senior households.

These financial incentives can take multiple forms, including repair resources, tax and water credits, and the forgiveness of late tax and water charges. Specifically, a hard look should be given to the Good Neighbor tax credit, which supports homeowners who provide affordable rental units. As the Center for NYC Neighborhoods has detailed, this tax credit would provide a tax abatement to owner-occupants of two-to-four family homes who rent apartments to eligible low- and moderate-income tenants at below market rates – both helping to stabilize vulnerable homeowners while providing much-needed affordable rental units.



CREATE A PIPELINE OF 100% PERMANENTLY AFFORDABLE HOUSING PROJECTS ON UNDERUTILIZED LAND

Government-owned land is found across Sunset Park. As government priorities have shifted over the past decades, much of this land is now underutilized. In communities across New York City, underutilized city- or state- owned land has been used as sites to create much-needed affordable housing, such as FAC's Sunset Park Library and Affordable Housing project. These properties range from empty lots to locations of government services like police precincts and firehouses that can be rebuilt to accommodate greater density, with municipal uses in their base and affordable housing units above. Land adjacent to transportation right-of-ways near train yards and highways should also be targeted for 100% affordable housing growth. Finally, the significant number of brownfield sites within Sunset Park, including the 200+ acre New York State Brownfield Opportunity Area awarded to FAC covering a number of these areas in Community Board 7, also offer chances to apply for government subsidies in the service of additional affordable housing growth and to meet other community needs.

FAC's South Brooklyn BOA Study
Area and Community Board 7

Blue = Community Board 7
Red = Proposed Study Area



Putting underutilized sites to work is an important tool that allows the City and State to directly alleviate housing pressures in Sunset Park without displacing existing homes and businesses. Partnering with mission-based nonprofits and affordable housing developers, government can create a steady pipeline of 100% permanently affordable developments – at affordability levels that serve long-time low- and moderate-income residents from the Sunset Park community – by tapping into this powerful resource. This is especially critical in a neighborhood like Sunset Park, where such a small percentage of available apartments are affordable to low- and moderate-income families and the median income is below the citywide average used to set affordable housing programs in the region, thus creating a gap for local families in need of housing affordable to access it.

The community should have an expanded say in redevelopment and the creation of more housing. To achieve this, parcels for redevelopment aligned with nonprofit, community-based missions and community needs should be prioritized. Simultaneously, community land trusts should be expanded as a tool and made more accessible to all Sunset Park residents.



THE COMMUNITY SHOULD HAVE AN EXPANDED SAY IN REDEVELOPMENT AND THE CREATION OF MORE HOUSING. TO ACHIEVE THIS, PARCELS FOR REDEVELOPMENT ALIGNED WITH NONPROFIT, COMMUNITY-BASED MISSIONS SHOULD BE PRIORITIZED.

Simultaneously, community land trusts should be expanded as a tool and made more accessible to all Sunset Park residents.

Rendering of FAC's 84-unit 100% affordable senior housing project, which is currently in construction at 6309 4th Avenue. The project will also provide universal pre-K classrooms on the ground floor. The site was a long-vacant Lutheran church.





REZONE FOR AFFORDABILITY AND OPPORTUNITY

More affordable housing must become available in Sunset Park to adequately fight the threat of displacement. The creation of more affordable housing and market-rate housing is a cornerstone of Mayor de Blasio’s housing strategy laid out in Housing New York 2.0. While City-sponsored neighborhood wide rezonings in predominately low- and moderate-income communities of color have raised legitimate concerns about increased gentrification and displacement pressures given their broad impacts on the local real estate market, more limited land use actions that redevelop underutilized sites and result in the creation of deeply and permanently affordable housing units through Mandatory Inclusionary Housing (MIH) without any taxpayer subsidy should be considered.

Additionally, rezonings and other land use actions in more middle income, predominantly white communities could incentivize the creation of affordable housing, further integration, and advance NYC’s fair housing goals.

The prolonged affordable housing crisis in New York City and in Sunset Park requires a focus on targeted development without displacement that includes Mandatory Inclusionary Housing and projects that exceed MIH requirements to better meet local community need.

VOLUNTARY & MANDATORY INCLUSIONARY HOUSING

The City of New York’s Inclusionary Housing Program (IHP) is designed to preserve and promote affordable housing within neighborhoods where zoning has been modified to encourage new development. Voluntary Inclusionary Housing (VIH) promotes economic diversity and integration by offering an optional floor area bonus in exchange for the creation, rehabilitation, or preservation of permanently affordable housing for low-income households. The City of New York mapped Voluntary Inclusionary Housing in Sunset Park when much of the neighborhood was rezoned in 2009. Mandatory Inclusionary Housing, enacted in March 2016, requires a share of new housing in medium- and high-density areas that are rezoned to promote new housing production—whether rezoned as part of a city neighborhood plan or a private rezoning application—to be permanently affordable.

MIH is a powerful tool to incentivize developers to create a mix of affordable and market-rate residential units – and deliver the units immediately as they are not beholden to additional discretionary subsidies or approvals like other affordable programs offered by government that require developers to wait for highly coveted allocations of tax credits or capital contributions. Given COVID-19's strain on City and State budgets, not needing to rely on scarce government subsidies and tax credits to produce new affordable housing is all the more important. Units created through MIH in targeted circumstances could be an important source of permanently and deeply affordable housing in Sunset Park that help to alleviate housing pressures in the community.

Over the long run more significant land use actions could be taken to unlock specific areas to allow for more affordable housing. While Fourth Avenue's transit corridor has seen significant development of market-rate housing in other communities, that development has happened with no requirement for affordable housing to be included (2003 North Park Slope rezoning) or only through voluntary actions (2007 South Park Slope and 2009 Sunset Park rezonings), which haven't led to new deeply and permanently affordable housing in these mid-rise areas which also contain a high concentration of existing rent stabilized housing which must be preserved.

Mapping Mandatory Inclusionary Housing in areas along this transit corridor especially in areas that were not rezoned in the last 17 years, taking care to protect existing rent stabilized housing, is a vital step in promoting housing affordability in the community.

MANDATORY INCLUSIONARY HOUSING BASIC OPTIONS

Option	Affordable housing set-aside	Area Median Income (AMI)	Maximum annual income (example for family of three)
1	25% with 10% required at 40% of AMI	60% of AMI on average or lower	\$61,440 (60% of AMI on average) with 10% at \$40,960 (40% of AMI on average)
2	30% with 10% requirement at 40% of AMI	80% of AMI on average or lower	\$81,920 (80% of AMI on average) with 10% at \$40,960 (40% of AMI on average)
3*	20%	40% of AMI on average or lower	\$40,960 (40% of AMI on average)

* The "Deep Affordability Option" may be made available, while Option 1 or 2 must always be made available. Similarly, a "Workforce Option" at 115% of AMI or lower may be made available.

Given the high percentage of CB7 residents at or below 60% of AMI, MIH Options 1 and 3 would expand the number of affordable housing units to local residents. CB7's Median Income was \$63,490 in 2018 (in 2019 dollars).

RESIDENTIAL CONSTRUCTION PROJECTS IN COMMUNITY BOARD 7 (2014 – PRESENT)



● Total Market Rate Residential

- 51 Projects
- 949 Units

● Voluntary Inclusionary Housing

- 5 Projects
- 108 Units

○ Mandatory Inclusionary Housing

- 0 Projects
- 0 Units

Source: NYCityMap via DoITT

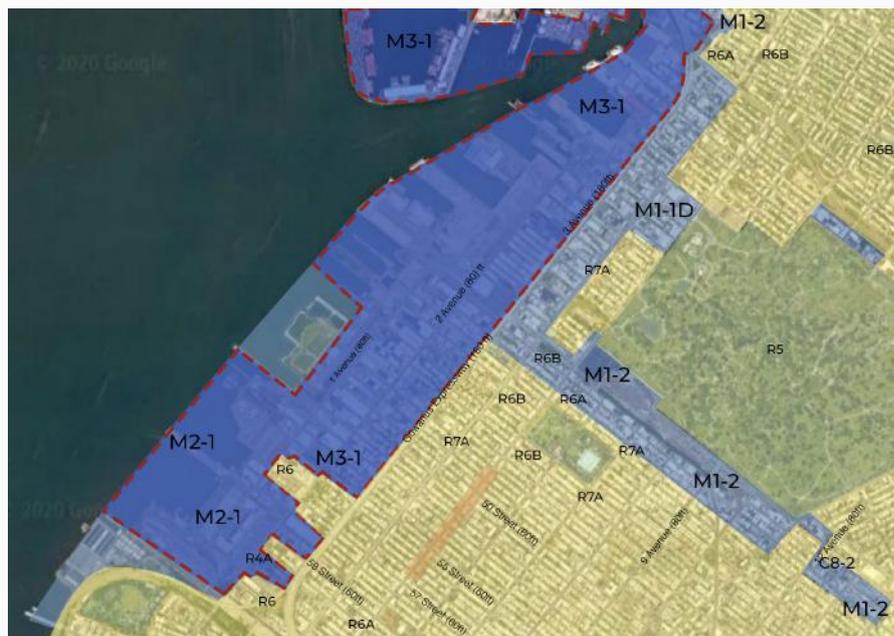
STUDY AREA	NEW CONSTRUCTION UNITS	IH UNITS	% IH OF NEW CONSTRUCTION
ALL BROOKLYN (EX-CD38)	28,503	4,693	16.48%
ALL BROOKLYN (EX-CB7)	28,452	4,699	16.52%
COUNCIL DISTRICT 38	898	82 (100% VIH)	9.13%
COMMUNITY BOARD 7	949	108 (100% VIH)	11.38%

Source:NYC DOB/NYC HPD

INDUSTRIAL BUSINESS ZONE & OTHER INDUSTRIAL SITES

The Southwest Brooklyn Industrial Business Zone (IBZ) is among the largest in NYC and home to hundreds of industrial and manufacturing businesses that provide family-supporting jobs. As local nonprofit Southwest Brooklyn Industrial Development Corporation (SBIDC) highlights, as wage disparity in New York City continues to grow, retaining and increasing quality working class jobs is key to diversifying and stabilizing the local economy. These jobs, including manufacturing and other forms of industrial employment, help to stabilize the regional economy by providing a secure source of tax revenues and employment that is less susceptible to market fluctuations than other industry sectors. Additionally, manufacturing has traditionally served as the first rung of opportunity on the social and income ladder for newly-arrived immigrants.

Simultaneously, Sunset Park is home to a range of undervalued and underused industrial sites outside of the IBZ that no longer meet the demands or needs of the community, like the 4th Avenue and 39th Street corridors. These sites should be identified and prioritized for rezonings that incentivize the creation of affordable housing or meet other community needs.



SOUTHWEST BROOKLYN
INDUSTRIAL BUSINESS ZONE
("IBZ")



ENHANCE AND PROMOTE TENANT PROTECTIONS FOR ALL TENANTS

In addition to unlocking land in the community for more affordable housing, tenants must know their rights as renters, and further protections should be offered for all tenants across Sunset Park. Efforts must be made to confront predatory equity and tenant harassment by rolling back a landlord's ability to easily obtain unnecessary rent increases, cracking down on harassment, immediately expanding the Tenant Right to Counsel law to Sunset Park zip codes, and implementing programs to rescue buildings where predatory investments by speculators who were hoping for quick profits are now leading to tenant harassment, reductions in service, and other harmful consequences.

First and foremost, existing rent-stabilized housing and project-based Section 8 housing must be protected and preserved.

While New York State's 2019 updated rent stabilization law allows for further protection of rent-stabilized housing, Sunset Park residents must be educated on what this means to them and given the tools to navigate the rent-stabilization process and we must be vigilant that the tenant protections that took decades to win aren't rolled back.

Additionally, many tenants in Sunset Park live in buildings where no rent protections exist. Tenant advocates across New York State are fighting to pass Good Cause Eviction in Albany. The bill would give every renter the right to renew their lease with a limited rent increase; it would prevent landlords from evicting renters without good cause.

EXPAND EXISTING PROGRAMS TO PROTECT TENANTS IN SUNSET PARK

In 2018, following years of advocacy by tenant leaders and advocates, the de Blasio administration announced the implementation of the Certification of No Harassment (CONH) Pilot Program, a new law that requires landlords to meet certain certifications that ensure no harassment has taken place, before they can obtain construction permits to make major alterations. In addition to the implementation, the City has also published a list of more than 1,000 buildings with roughly 26,000 apartments that will be subject to the pilot program.

The buildings are primarily located in neighborhoods considered vulnerable, ones that were recently rezoned, or are slated for rezoning in the near future. The purpose of the law and the pilot is to ensure that property owners don't harass tenants into leaving their homes. If the City's Housing Litigation Division feels the need to investigate, they will do so, and if it is determined that harassment has occurred, the property owner could be denied a permit to alter or demolish the building for a specified number of years or mandated to create permanently affordable housing.

Given the extreme displacement pressures in Sunset Park and the impact of one of the largest private land use actions in New York City – Industry City – the Certificate of No Harassment program should be extended to Sunset Park. Further, the City can revisit building regulations that stymie housing production. As a result of the housing pressures in Sunset Park, the community has seen an increase in illegal basement apartments. These spaces are unregulated, posing potential safety hazards, and lack tenants protections. The City has made efforts to legalize basement apartments in other communities, including three-year pilot programs in East New York and Cypress Hills in Brooklyn. FAC recommends the use of such a pilot program in Sunset Park to turn illegal basement apartments into safe and legal affordable housing.

CONCLUSION

THE TIME TO ADDRESS THIS CHALLENGE IS NOW.

With all the back and forth on the Industry City rezoning and the long-term impacts of COVID-19 still unclear, it is hard to predict what will happen. However, what is not in doubt is the impact of the neighborhood's lack of affordable housing options and the proliferation of market rate development without permanently affordable housing requirements. The time to address this challenge is now – before the area's growth and changes cause even more displacement. Industry City will grow with or without a rezoning. The campus will continue to attract more jobs and more residents. We cannot pretend these changes aren't occurring. Sunset Park must vigorously preserve the affordable units it has and begin to support development without displacement that creates truly and permanently affordable housing.





Fifth Avenue Committee

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