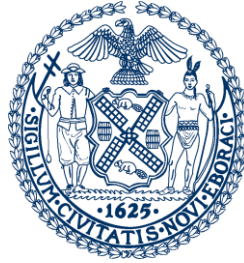


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## **Testimony before the Assembly Standing Committee on Housing and Cities**

### **Hearing on Affordable Housing Development: To examine programs supporting affordable housing development, including policies relating to building density**

Monday, November 25, 2019

The last thing New York City needs is more density for taller towers in the largely overbuilt borough of Manhattan. Raising or removing the 12 FAR cap in New York State's Multiple Dwelling Law (MDL) would displace immigrants and historic communities of color living in existing rent regulated housing that is actually affordable. That displacement would make way for luxury super tall buildings for billionaires living atop a handful of affordable units in their shadow.

I represent the Upper East Side, with the [three densest zip codes in America](#): 10162 with 151,835, 10028 with 126,068, and 10128 with 122,357 people per square mile. Only one residential zoning district in the City of New York has the maximum floor area ratio, and that is R10. More than 90% of those R10 lots, lot area, and buildable floor area are in Manhattan.

Counter-intuitively, the Upper East Side's Council District 5, which I represent, consists of more than three-quarters affordable and/or regulated housing. The district's housing stock consists of 60.5% rent stabilized, 17.3% subsidized, and 1.5% public housing for a total of 92,785 affordable homes, according to the [Displacement Alert Project](#). Manhattan Community District 8, which includes the entire Upper East Side, has a density of 109,960 people per square mile, spanning 2 square miles housing 219.9 thousand people, according to [City Planning](#). It is of note that given the high concentration of affordable housing in rent stabilized, four-to-six story walk ups, the path to building new housing includes demolishing many of these 100% affordable housing buildings, sometimes resulting in a net loss of affordable housing.

In contrast, Queens Community District 11, represented by Assembly Committee on Cities Chair Edward Braunstein, has a density of [12,386 people per square mile over 9.4 square miles, with 116.4 thousand total people](#). In Queens Community District 11, there is no public housing, 9,323 units of rent stabilized housing and 8,027 units of subsidized housing for a total of 17,350 affordable and/or regulated housing units. More than [two-thirds of residences are in homes of four units or smaller](#). The numbers don't lie. There is more affordable and/or regulated housing on the Upper East Side than in Queens Community Board 11, by a factor of more than 5 times.



It is roughly twice as expensive to build housing in high-rises as in mid-rise buildings, just accounting for labor and materials, according to a study on [reducing the cost of housing construction in New York City by the Furman Center in 1999](#). Increasing the residential floor area ratio in Manhattan above 10 or 12 with affordable housing will do little to build more affordable housing. This is due to the higher costs to build high-rise buildings, not to mention the higher cost of land.

<b>Housing Construction: Cost Per Unit</b>			
<b>Building Type</b>	<b>Labor</b>	<b>Materials</b>	<b>Total</b>
3 Story Townhouse	\$ 99,971.00	\$ 123,517.00	\$ 223,488.86
6 Story Mid-Rise	\$ 86,384.00	\$ 96,661.00	\$ 183,045.12
15 Story High-Rise	\$ 155,588.00	\$ 186,673.00	\$ 342,261.08

More than 150 square miles (or 4.3 billion square feet) of New York City is zoned for residential use, according to an analysis of [PLUTO data from September 2019](#). However, nearly three-quarters of our city is zoned low-density, covering some 100 square miles, or 3 billion square feet. In these low-density districts, the floor area ratio is a meager 0.5 to 1.35. Almost all of the low-density lots, a staggering 99.98%, are outside Manhattan.

<b>Residential Density</b>	<b>Zoning District</b>	<b>FAR Range</b>	<b># of Lots</b>	<b>Sum of Lot Area</b>	<b>% of Lot Area</b>	<b>Sum of Available Building Area</b>	<b>% of Building Area</b>	<b>Sum of Residential Area</b>	<b>% of Residential Area</b>
Low	R1 - R5	0.5 - 1.35	607,502	3,043,372,990	71.4%	1,604,458,232	32.3%	1,289,256,798	37.7%
Medium	R6 - R8	2.0 - 6.02	207,169	1,113,248,507	26.1%	2,358,626,055	47.5%	1,730,164,358	50.6%
High	R9 - R10	7.52 - 10	9,994	103,395,573	2.4%	1,003,259,467	20.2%	399,068,167	11.7%
<b>All</b>	<b>R1 - R10</b>	<b>0.5 - 10</b>	<b>824,665</b>	<b>4,260,017,070</b>	<b>100.0%</b>	<b>4,966,343,755</b>	<b>100.0%</b>	<b>3,418,489,323</b>	<b>100.0%</b>

Nearly half of New York City’s residential area (44%) is zoned at the lowest possible density of 0.5 FAR — covering 1.9 billion square feet and spanning 67 square miles — amounting to only 659 million square feet of buildable space.

If this Committee is looking for a serious solution to build affordable housing, it could start by simply doubling the density from single family homes to two- to four-family homes, adding more than 3 billion square feet for new housing. This would create approximately as much buildable area as is currently available from every medium and high density district in the New York City.

Based on evidence presented today, these low-density multi-family homes would still be more expensive than medium-density low-rise homes. New York City could get the most affordable housing with the least need for taxpayer subsidies through an increase to a minimum of 2.0 FAR. This would create more than 6 billion buildable square feet, roughly 150% of all the current buildable residential area in New York City.



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We can and must produce affordable housing in Manhattan too, even in the areas where land prices make doing so more expensive but lifting the FAR cap simply will not do that. Towers that use up 12 FAR, let alone more, are extremely expensive to build, requiring high projected revenues from rent or sales to finance them. Allowing them to be built even larger will not produce more affordable housing because the current FAR cap already allows for larger buildings than makes financial sense for affordable housing development. Even the Educational Construction Fund project, being built across the street from my district on East 96th Street spanning a whole city block featuring mixed income housing of up to 1,200 units, 300 of which will be permanently affordable, with 3 new schools, and topping out as the tallest building in the neighborhood at 760 feet will only use 9.7 of its allowable 12 FAR.

To produce more affordable housing in Manhattan, we should start by fixing the R10 Inclusionary Housing Program. As it currently stands, this program allows residential developments that would be limited to 10 FAR to build instead to 12 FAR, in exchange for creating or preserving affordable housing. The exchange rate for this 20% density bonus in 2015, however, was a meagre [4% of affordable housing](#). From 1987 to 2013 this program only created [1,753 units of affordable housing](#), just 67 units per year. With or without a change to the FAR cap, this program needs to be rewritten so that developers in dense districts will be incentivized to build substantive amounts of affordable housing.

The Affordable Housing NY Program (formerly 421-a) should also be amended to require the construction of affordable housing on site. Furthermore, while the program admirably requires at least as many units as were otherwise displaced, it does not require the creation of any “new” affordable housing in order to receive this generous benefit. This can be amended to require replacement of existing affordable units and the

Albany can also pass A5026A/S3820A, introduced by State Assembly Member Linda Rosenthal and State Senator Robert Jackson to limit the mechanical void exemption, address floor-to-ceiling heights, and count certain outdoor spaces as floor area. I have sponsored New York City Council Resolution 895 co-sponsored by Council Member Powers in support of this legislation which is also supported by countless advocates here today.

All of this can be done without lifting the cap on residential density in Manhattan, which would only go towards building super tall towers for billionaires.

That being said, there are reasons why we might not want to increase density in neighborhoods throughout our city. Many neighborhoods with single family homes face challenges of infrastructure, including non-existent public transportation and overcrowded schools, to name a few. However, these infrastructure challenges exist not only in low-density districts but also high-density districts, where even with multiple options for public transit and public schools, the challenge of overcrowding can bring service quality down to zero.



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Please do not lift the residential density cap in Manhattan for developers who would rather build empty voids for billionaires than build affordable housing that New Yorkers need. To climb our way out of the affordable housing crisis, we must continue to pass rent reforms, which can only come from Albany, rezone low-density districts with Mandatory Inclusionary Housing on the city level, and fully fund public housing which requires city and state government. At the same time, we must work together to expand public transit infrastructure, provide the long promised funding for public education and new schools, build supportive housing and shelters, and fund a host of other infrastructure improvements to support new affordable housing throughout our city.