

EL BARRIO UNITE

info@ElBarrioUnite.org/ (212) 427-0555

On the Matter of: East Harlem Rezoning Proposal
Draft Scope of Work for an Environmental Impact Statement
CEQR No. 17DCP048M

Contact: Robert Dobruskin, Director (212) 720-3423
Environmental Assessment and Review Division,
New York City Department of City Planning, 120 Broadway, 31st Floor
New York, New York 10271

January 4, 2017 Final submission from El Barrio Unite:

El Barrio Unite is an East Harlem community initiative made of residents living the threat of the displacement pressures through gentrification as a direct result of the policies and practices being administrated by the City on New York. The threat is real to our community residents. Our testimony today is to object to and reject the Mayor's proposed Rezoning of East Harlem, with the subsequent Quality Housing Proposals because the subsequent Environmental Quality Review is incomplete and not satisfactory to make any further determinations in favor of this project. Enclosed find our 300 Petition Signatures we are submitting Opposing and Rejecting the CEQR No. 17DCP048M Proposal to Rezone East Harlem. We expect that the New York City Planning Commission will address our appeal to vote against this proposal and to mandate a real affordable housing program for NYC's poor based on a qualitative analysis of the impact any rezoning proposal will make to the community to address displacement. NYC DCP is submitting this is not necessary. We challenge that premises with our testimony today.

El Barrio Unite and our signatory supporters reject the entire specter of the proposed "Rezoning" in East Harlem being presented by the Mayor's office and along with the ancillary alternative "Rezoning" East Harlem Neighborhood Plan (EHNP). These neatly presented varieties of proposals for privately owned properties and city owned holdings both demand an increase to the zoning heights allowing for much larger, taller and bulkier buildings that will steeply acerbate the process of displacement of low income families and friends by gentrification. We know because this process has already begun; started by the 2003 "Rezoning" of East Harlem, which continues today with accelerated higher rents and fewer truly affordable apartments. This has caused a disappearance of 20% aggregate of our Hispanic and African American community since the 2003 "Rezoning" of East Harlem. That's 1 out of every 5 neighboring friends and families who have been displaced out of East Harlem because they now simply do not earn enough to stay and afford their own living space in the community once hailed as the Working Man's Manhattan (Columbia University, Graduate School of Architecture, Planning and Preservation. Historic Preservation Studio II: Spring 2011). This is a net effect that we blame on the previous 2003 Rezoning of East Harlem. It is evident, it is real, and we object to it. We request a rejection of this plan, which fails East Harlem's real need for real affordable housing. The NYC Area Median Income bands proposed for this program are not nearly enough to meet the great demand for poor people's housing. This plan does not address the 44% of EH

population who earn too little to participate in this ambition plan projected to cost the NYC public finance system \$ 48 Billion Dollars, thereby transferring valuable anticipated City revenue pretending to benefit the community with a veiled trickle down housing production model that will negate and take away from the community's existing affordable housing stock. It has already happened since 2003. NYC must address this issue with a complete and thorough Environmental Quality Study that will address our claim of further displacement detrimental to the legacy and fabric of this vibrant multicultural neighborhood that cannot withstand any further attacks. Increasing the building heights 3X fold will not create affordable housing for the poor. It will erase affordable housing for our poor. This proposal does not offer any real affordability to our residents now vulnerable to displacement since the last rezoning changes.

Since the 2003 zoning changes made to East Harlem, more than 17,000 new residential dwelling units have been developed in projects wherein the newly constructed buildings are now allowed to reach 12 stories rather than the 5-story height limitation of the previous 1963 (and earlier) zoning restrictions. Long time East Harlem 5 story buildings have been emptied and demolished and rebuilt to create these higher and bulkier buildings now reaching 10 to 12 stories high with many more apartments then before renting for much more. These larger buildings are being occupied by higher income earning new residents because; of the additional 17,000 apartments created since 2003, very few are available to households earning less than \$45,000 per year. These new units are unaffordable to more than half the current residents.

Since 2003, the Hispanic population has decreased 9%, while the Black population has gone down 11%. These families have been forced to move out by increasingly higher market rate rents, along with a disposal of remaining affordable apartments in buildings that are continually being razed for their increased value as emptied stock due to real estate speculation. Now, fewer truly once affordable East Harlem units are now available. Many buildings are now empty with units warehoused awaiting the disposition of the Mayor's future plan for East Harlem. These new 17,000 residential units have been developed for higher income households earning more than actual longtime residents increasing the community median income today to \$30,227 which is 35% more (only on paper) than it was in 2003, while 55% of East Harlem residents are now rent burdened with rents which have increased 49%. That is an overwhelming percentage increase considering the extremely low median income of the East Harlem neighborhood. Unfortunately, since 2003, 31% of neighborhood residents are now living in poverty. So, this influx of 17,000 apartments has not made anything better for the poorer sectors of our community. Instead, it has made a bad situation worse by exacerbating displacement pressure against the lower income earning households in our community now being gentrified by the increase in units being marketed to higher income earning individuals. Everybody knows this. It is not a secret. And the lower income sectors of East Harlem are threatened by this continually growing speculative influence menacing poor community residents with extremely low or fixed incomes (Pensioners, Senior Citizens, Disabled residents). Most East Harlem families are afraid of what they have already witnessed during the past 13 years. It is an unwelcomed reality.

Now the Mayor is considering a much higher zoning allowance with the proposed CEQR No. 17DCP048M to rebuild up to 35 stories in East Harlem to create additional housing for a higher income population that will change the social, cultural and political aspects of El Barrio. This rezoning to greater heights will cut down on the available sunlight able to reach the street

sidewalks, creating shadows and darkened pathways depriving residents of vital Vitamin D and limiting photosynthetic energy for park trees and grass. This overbuilding scale will encroach into every individual's space creating a bleak metropolis for its citizens warehoused stacked into larger, massive storied residential habitations. This is what the Mayor's Zoning for Quality and Affordability program is proposing for East Harlem. El Barrio Unite rejects this Proposal.

The rationale today being presented for this proposal is because it will:

“CREATE OPPORTUNITIES FOR REQUIRING PERMANENTLY AFFORDABLE HOUSING AND PRESERVE EXISTING AFFORDABILITY TO ENSURE THAT THE NEIGHBORHOOD CONTINUES TO SERVE DIVERSE HOUSING NEEDS.

The Proposed Actions would promote the development of permanently affordable housing and facilitate mixed-income communities by requiring affordable housing units to be included in any new residential development, which is not required by zoning today.

As asking rents continue to increase and wages remain stagnant throughout the City, East Harlem, like other neighborhoods, is experiencing a shortage of available affordable housing. In East Harlem, more than 30 percent of the population is living in poverty, approximately 12 percent of the population is unemployed, and nearly 50 percent of households are rent burdened.

These conditions have threatened the housing security of existing residents and affect the economic development potential of the neighborhood.”

The CEQR No. 17DCP048M document (pg. 1) admits that our housing security is threatened.

The Mayor's Mandatory Inclusionary Housing (MIH) Plan is being marketed as a complement to his proposed increased building size rezoning plan to create many more "Affordable Housing" units in East Harlem. Ironically, this plan for more apartments in much larger buildings discounts and "excludes" households earning less than \$30,000.00 (or 44% of the actual community affected). So, the phrase "Affordable Housing" is a misnomer in this instance in this plan. It is an outright scam. A plan to scam the poorer residents out of their affordable apartments and out of their affordable community because they earn less than the required income to participate in this \$48 Billion NYC Plan to create "Affordable Housing". No plan benefit is being offered by this City plan to the poor families of East Harlem earning less than \$ 30,000. These poor families make up 44% of the current population. This will soon change according to the Mayor's plan. This plan proposes to take away everything being relied on today by long time East Harlem families who have weathered the storms of past NYC austerity shrinkage programs, and replacing them with a new population of higher income earning people. So, the term "affordable" is a misnomer in both the Mayor's Proposal, and the EHNP because both proposals utilize a defined income band that is much higher than the average residential incomes to an outstanding degree thereby making most (44% of East Harlem) residents ineligible for these so called "affordable" units. This is a disgusting premise that we oppose because it fails the poor.

Furthermore, The Regional Planning Association (RPA) published their report "Preserving Affordable Housing in East Harlem this year (2016) with the following comments:

“31.4% East Harlem individuals live under the poverty standard of the United States with gentrification accounting for a 9% decline of the Hispanic population between 2003 and 2013 from 60,939 Hispanic persons to 55,617, with Blacks Households also declining 11%.

Interestingly; between 2002 and 2015, 17,000 new residential units were developed in East Harlem where now 55% of East Harlem residents pay more than 35% of their gross total income in rent. Between the 2000 and 2013 period the number of "Rent Burdened Households" increased by more than 3,000." This is a significant increase illustrated by the fact that the Median Rent in East Harlem increased dramatically by 44% between 2005- 2007, and 2011- 2013. This is the net effect of displacement currently occurring since 2003 through the process termed gentrification which was started by Rezoning in 2003, and will become worse with this Rezoning proposal for East Harlem in 2017.

The new taller buildings that will be allowed to be constructed under this proposed city plan will rely on massive public financing utilizing 25-year Tax Abatements that will deprive the city of necessary moneys to pay for shrinking city services while also utilizing Tax Credits which serves effectively as tax shelters for the rich, who again will deprive the government of necessary revenue to pay for programming and services that poorer residents rely on. This Rezoning Plan offers nothing to the poor community of East Harlem but a continued increase of displacement pressure with an economy of shrinking housing opportunities.

Consequently, we can thank our elected officials who campaigned earlier as city reformers responsive to the growing disparity between NYC's rich and poor for nothing. However; and since then, they have revealed themselves as powerless against the Real Estate lobby of New York who will ultimately benefit from this projected \$48 Billion windfall. We are now witnessing the administration of city planners and real estate speculators who have initiated the displacement of low income families from East Harlem by gentrification in a text book manner being applauded by the unsuspecting. And it's time for this maddening momentum being perpetuated against East Harlem's poor to be stopped in its track before more harm than good can be committed. Where are the poor folk of East Harlem to be disposed? This issue requires a new paradigm for our city's housing economy that has to be able to offer more than just misdirected public funds to justify a manipulation of a grossly overpriced housing supply that fails to meet the actual demand of East Harlem residents for true "Affordable Housing".

El Barrio Unite is already on record defending the housing requirements of our very low and extremely low income families, friends, and neighbors. We will not support a proposal that discounts and undermines our requirement for increased lower income housing opportunities.

What will happen when East Harlem is taken out of the Mayor's Rezoning Proposal?

Table 1a

2027 RWCDS No-Action and With-Action Land Uses

Land Use	No-Action Condition	With-Action Condition	Increment
Total Residential	2,561 DU	6,055 DU	+ 3,494 DU
		Residential	
Commercial Retail	401,465 sf	511,598 sf	+ 110,133 sf
Hotel	32,974 sf	0 sf	- 32,974 sf
Office	82,853 sf	221,181 sf	+ 138,328 sf
Auto-related	10,592 sf	0 sf	- 10,592 sf
Storage	53,834 sf	0 sf	- 53,834 sf
Total Commercial	581,718 sf	732,779 sf	+ 151,061 sf
		Other Uses	
Total Community Facility	7,395 sf	106,317 sf	+ 98,922 sf
Total Industrial	22,777	155,171 sf	+ 132,394 sf
		Population¹	
Residents	6,173	14,593	+ 8,420
Workers	1,800	3,279	+ 1,479

Notes:
1. Assumes 2.41 persons per DU for residential units in Manhattan Community District 11. Estimate of workers based on standard industry rates, as follows: 1 employee per 250 sf of office; 3 employees per 1,000 sf of retail; 1 employee per 25 DU; 1 employee per 2.67 hotel rooms (400 sf per hotel room); 1 employee per 1,000 sf of industrial; 1 employee per 15,000 sf of warehouse uses; 1 employee per 11.4 students in Pre-K school uses; 3 employees per 1,000 sf of all other community facility uses; 1 employee per 50 parking spaces; 1 employee per 200 sf restaurant; 1 employee per 250 sf grocery store; and 1 employee per 25 dwelling units (residential).

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By rejecting this current proposal, we hope to focus our needs as essential to any negotiations our elected officials propose with the big development real estate interests. We will not allow ourselves to be discounted out of our own neighborhood by an inequitable plan nobody wants.

The Proposal is not a popular citywide solution to NYC’s housing needs:

- 1.) It has been extensively criticized by affordable housing advocates and widely rejected by the city’s 59 neighborhood community boards and five borough boards for setting the definition of what was affordable far too high for large numbers of city residents.
- 2.) The areas designated for implementation of the proposed plan are among the city’s poorest. East Harlem is seen as the principal Bulls Eye in Manhattan.
- 3.) A large segment of the population of this impoverished area will; therefore, be excluded from even the lowest “affordable” housing tier. That is inconsistent and objectionable.
- 4.) Developers of below market rate housing steal construction worker wages and operate without proper oversight, while failing to provide truly affordable housing.
- 5.) Representatives have openly stated that unless real estate developers receive sufficiently lucrative “incentives” (i.e. make enough profit to attract them), no affordable housing will be built. The need of the working class for decent and truly affordable housing is entirely secondary and subordinate. That is objectionable.
- 6.) As a sweetener for the real estate industry, the proposed Zoning for Quality and Affordability program includes loosening of height restrictions in portions of Manhattan, where builders of already grotesquely tall luxury buildings would then be able to make even greater profits.
- 7.) There are even more reasons to doubt that the proposed new programs will substantially ameliorate the affordable housing crisis in New York.

- 8.) The lax enforcement of existing regulations makes it doubtful that things will change when developers and landlords are given new opportunities to cheat the system and gouge tenants.
- 9.) The city has done an abysmal job of policing the tax breaks already given to developers.
- 10.) The city has not only abandoned the construction of new public housing, but allowed the existing facilities to fall into disrepair, leaving roughly four hundred thousand tenants living in squalid conditions.
- 11.) The very idea that the city should take responsibility to ensure decent and truly affordable housing for its citizens has become anathema. Instead, the naked domination of the private real estate industry over city policies has been reestablished with full force.

We need a real affordable housing plan that will maintain and preserve East Harlem's affordable profile of today, with community leaders and gov't entities working together to renew the necessary housing maintenance and operational programs in order to maintain their affordability restrictions, ensure their affordability without renewal, or otherwise replace them with new affordable units with similar affordable rents for extremely low and very low income families. A shift to meet the real priorities of East Harlem is now being focused on. Who will meet this challenge? Who will not? This is the paradigm we are confronting today.

We reject **CEQR No. 17DCP048M**. We support Real Affordability for All New York! Join us in opposing this unconscionable plan to displace poor people and demand an environmental impact report that is honest, and accountable for determining a sound plan to end homelessness and overburdened households. www.ElBarrioUnite.org