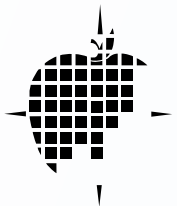


# GREENPOINT-WILLIAMSBURG INCLUSIONARY HOUSING PROGRAM



THE CITY OF NEW YORK  
Michael R. Bloomberg, *Mayor*  
Daniel L. Doctoroff, *Deputy Mayor for  
Economic Development and Rebuilding*



DEPARTMENT OF CITY PLANNING  
Amanda M. Burden, *Director*  
[nyc.gov/planning](http://nyc.gov/planning)



DEPARTMENT OF HOUSING  
PRESERVATION AND DEVELOPMENT  
Shaun Donovan, *Commissioner*  
[nyc.gov/hpd](http://nyc.gov/hpd)

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## INTRODUCTION



The comprehensive rezoning of Greenpoint-Williamsburg, approved in May 2005, sets the stage for the renewal of a vacant and underutilized stretch of the Brooklyn waterfront, and for the continuing revitalization of these vibrant neighborhoods. It reclaims two miles of long-neglected East River waterfront to create over 50 acres of open space, including a continuous public esplanade and a new 28-acre park surrounding the Bushwick Inlet. The plan creates new opportunities for thousands of units of much-needed housing, including affordable housing, within a detailed urban design plan that addresses the scale of the existing neighborhoods. The rezoning also facilitates local commercial development, and promotes light industrial activity in appropriate areas.

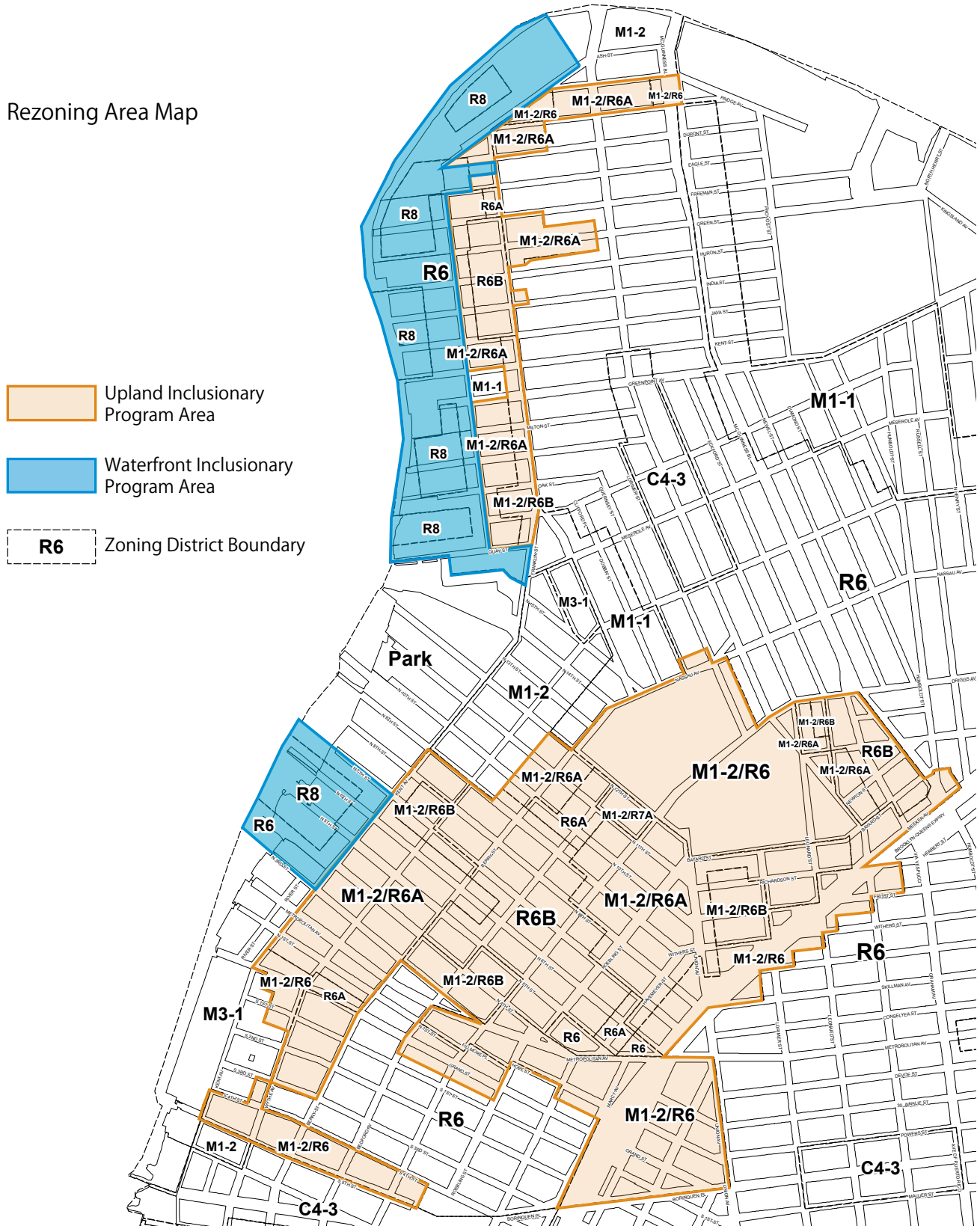
The zoning changes include a new Inclusionary Housing program, which represents a groundbreaking approach to the creation of affordable housing in Greenpoint-Williamsburg. Under this program, developments providing affordable housing are eligible to develop additional floor area, within height and bulk regulations tailored specifically to each district. Affordable units can be provided either on the same site as the building receiving the bonus, or off-site either through new construction or preservation of existing affordable units. City, State, and Federal programs can be used to build the affordable housing that generates the zoning bonus.

The Greenpoint-Williamsburg rezoning and the new Inclusionary Housing program respond to the issues targeted by Mayor Bloomberg's *New Housing Marketplace Plan*, created to meet the changing housing needs of the City's communities by committing to the new construction or rehabilitation of 68,000 homes and apartments in five years. Today New York City faces an increasing demand for housing, a growing population, a scarcity of developable sites, and an aging housing stock. This rezoning will help to meet these challenges by making new land available for development, and by creating and preserving permanently affordable housing through a powerful combination of zoning incentives, housing programs, and the commitment of public and partner land. In Greenpoint-Williamsburg, about one-third of the projected units are expected to be affordable to low and moderate income households.

# INCLUSIONARY HOUSING ZONING BONUS

New developments in the Greenpoint-Williamsburg rezoning area that provide affordable housing are eligible for a floor area bonus. This bonus program applies in both upland (non-waterfront) and waterfront areas, with regulations tailored to each area. (See rezoning area map for the boundaries of these areas).

Rezoning Area Map



## Upland (Non-Waterfront) Area

The Inclusionary Housing program for upland portions of Greenpoint-Williamsburg establishes a zoning bonus subject to contextual height limits. In districts where substantial housing development is possible – R6A, R6 (on wide streets), and R7A districts – a 33% floor area bonus is available to sites providing 20% affordable housing to low-income households either on-site or off-site. (For detailed information on income limits, see “Income Limits and Maximum Rents,” on page 6.)

The following table outlines the Floor Area Ratio (FAR)<sup>1</sup> and height limits applicable to upland housing developments in each zoning district under the Inclusionary Housing program:

District	Max. FAR w/o Bonus	Max. FAR w/ Bonus	Max. base height	Max. total height
R6B, M1-2/R6B	2.0	2.2	40'	50'
R6, M1-2/R6 (narrow street*)	2.2	2.42	45'	55'
R6A, M1-2/R6A R6, M1-2/R6 (wide street*)	2.7	3.6	60'	70'
M1-2/R7A	3.45	4.6	65'	80'

\* A wide street is any street 75 or more feet in width.

Within the upland area where the Inclusionary Housing program applies, the maximum total FAR for a mixed building (containing residential and other uses) developed pursuant to the Quality Housing Program or in Special Mixed Use District MX-8 is limited to the maximum FAR without bonus listed in the table above, unless this development participates in the Inclusionary Housing program.<sup>2</sup>

For upland sites utilizing the Inclusionary Housing bonus, 1 square foot of low-income housing must be provided for each 1.25 square feet of bonus floor area.

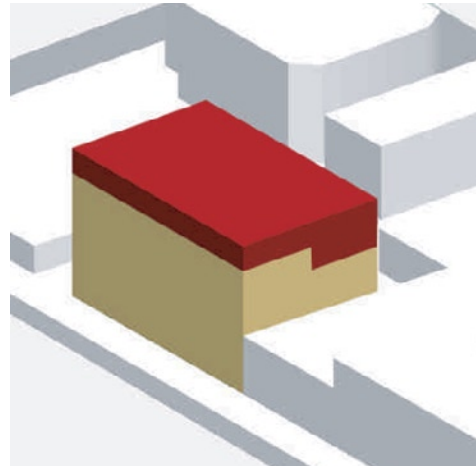
### Example: Inclusionary Housing Bonus on an Upland Site

Sample site:  
100' x 200' = 20,000 SF lot area

Zoning: R6A

54,000 SF without bonus  
+ 18,000 SF bonus  
= 72,000 SF total with bonus

Required: 14,400 SF affordable (20% of floor area)



R6A, R6 (wide street)

Base FAR: 2.7  
 With Bonus: 3.6

<sup>1</sup> Floor Area Ratio (FAR) is total floor area on a zoning lot divided by the area of that zoning lot. Each zoning district classification contains an FAR control which, when multiplied by the area of the zoning lot, produces the maximum floor area allowable on that lot. For instance, on a 5,000 square foot lot with a maximum permitted FAR of 2.0, a total of up to 10,000 square feet of floor area can be built.

<sup>2</sup> See Sections 24-161, 35-31, and 123-64 of the New York City Zoning Resolution.

## Waterfront Area

On the large waterfront sites in Greenpoint-Williamsburg, an Inclusionary Housing bonus has been tailored to the urban design plan for this waterfront area, and designed to facilitate the creation of affordable housing on large sites that will undergo phased development.

The following table outlines maximum Floor Area Ratios and maximum heights in different zoning districts with and without the Inclusionary Housing bonus:

District	<i>Without Bonus</i>		<i>With Incl. Housing Bonus</i>	
	Max. FAR	Max. height	Max. FAR	Max. height
Blended R6/R8	3.7	150'/230'/330'	4.7	150'/300'/400'
R6	2.43	150'	2.75	150'
R8	4.88	230'/330'	6.5	300'/400'

Sites within the area governed by the Greenpoint-Williamsburg Waterfront Access Plan (WAP) are subject to special regulations for height, bulk, floor area distribution, streetscape, and waterfront access. For instance, development on a waterfront parcel requires the construction and maintenance of public access areas in accordance with the Greenpoint-Williamsburg WAP. (The adopted zoning text is available from Department of City Planning website at <http://nyc.gov/planning>).

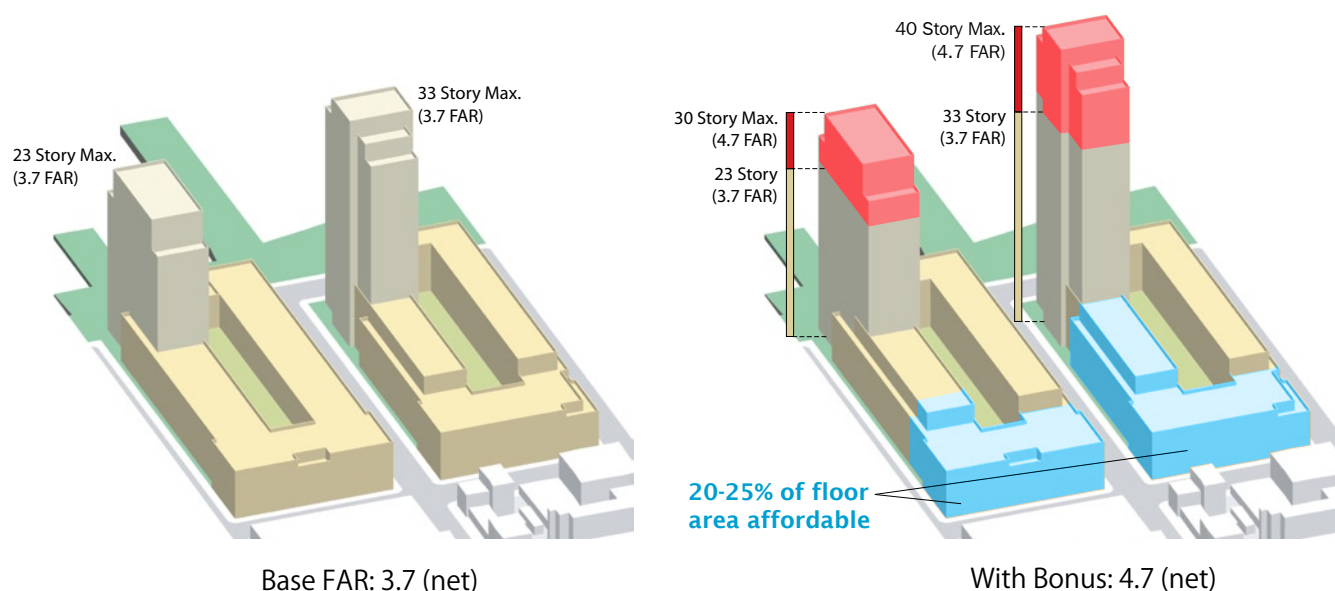
Waterfront developments on blended R6/R8 sites are eligible for a floor area bonus as well as a height bonus of up to 70 feet in R8 districts. On a site located within both R6 and R8 districts, developments must provide the following amount of affordable housing to earn the bonus:

- 20% of floor area affordable to low-income households (below 80% of Area Median Income (AMI)); or
- 10% of floor area affordable to low-income households (below 80% AMI), plus 15% of floor area affordable to moderate-income households (below 125% AMI).

On a site located entirely within an R6 district, a development must provide the following amount of affordable housing to earn the bonus:

- 7.5% of floor area for low-income households; or
- 5% for low-income households, plus 5% for moderate-income households.

### Illustration: Inclusionary Housing Bonus on a Blended R6/R8 Waterfront Parcel



## AFFORDABLE HOUSING

### Affordable Housing Options / Location of Affordable Units

Both upland and on the waterfront, developments may provide affordable units in one of the following ways:

- Development of new affordable units on-site;
- Development of new affordable units off-site; or
- Substantial rehabilitation or preservation of existing affordable units off-site.

Off-site affordable units must be located either within the same Community District (Brooklyn Community District 1) as the site receiving the bonus, or within 1/2 mile in an adjacent community district in the borough of Brooklyn.

Available City, State, and Federal housing finance programs may be used to create or preserve the affordable units.

The Inclusionary Housing program requires the following:

- Registering units into rent stabilization
- Ensuring that rents will be affordable in perpetuity and that future occupants meet maximum income guidelines
- An Administering Agent, typically a non-profit, be responsible for marketing, lease up, and re-rentals.
- For the Substantial Rehab and Preservation Options:
  - Substantial Rehabilitation involves buildings in which any residential portion has been entirely vacant for at least three years.
  - Preservation involves occupied units where rents must meet, on average, the affordability guidelines for the inclusionary option. Existing occupants are not required to meet the income thresholds, but upon re-rental, future occupants must meet applicable income limits. Applicants must demonstrate that no harassment occurred that resulted in removal of previous tenants.
  - For both options, HPD may require building improvements. Owners may not take Major Capital Improvement rent increases or vacancy allowance rent increases.

## Tax Incentives

### *Waterfront area*

Waterfront developments are eligible for a 25-year 421-a tax exemption if either 20% of the on-site units are provided for low-income households or 25% of the on-site units are provided for low- and moderate-income households. Developments meeting the requirements of the Inclusionary Housing program on site thus also meet these 421-a eligibility requirements. In this waterfront area, “on-site” eligibility for extended 25-year tax benefits has been expanded to the “development parcel” as defined in the zoning text (affordable units do not need to be located in the same building as market-rate units receiving the tax benefits). In addition, a cumulative total of up to 200 off-site affordable units can generate 15-year 421-a tax benefits for developments on the Greenpoint-Williamsburg waterfront. Waterfront sites are not otherwise eligible for 421-a benefits.

### *Upland area*

In upland areas of Greenpoint-Williamsburg, developments are eligible for 15-year as-of-right 421-a tax benefits. If at least 20% of the units in a building are affordable to low- income households, the building can receive 25-year extended 421-a benefits..

	Waterfront 421-a Tax Benefits	Upland 421-a Tax Benefits
No Affordable	0 Years	15 years
On-site affordable	25 years – on same development parcel	25 years – in same building
Off-site affordable	Affordable units provide 15 year benefit for waterfront development parcel – limited to cumulative total of 200 units (certificates)	15-year benefit for compensated building; 25 years for affordable building

## Lower Income Housing Plan

A development utilizing the Inclusionary Housing bonus must file a Lower Income Housing Plan application with the Department of Housing Preservation and Development (HPD), setting forth the developer's plans for creating and maintaining the lower income housing required under the program. Affordable units used to earn the bonus must be created no later than the development receiving the bonus, and must remain affordable in perpetuity.

### Procedures

- Determine the square footage, rents, income targets, and unit distribution of the affordable development
- If off-site, identify the market-rate development which will receive the zoning bonus
- If an existing building is to be preserved as affordable, estimate the scope of work
- Determine the project financing, including any subsidy or tax incentives
- Submit a Lower Income Housing Plan application, along with the required documents outlined in the application such as the following:
  - Schematic (and/or existing) floor plans and site plan of the lower income building.
  - If an existing building is to be preserved as affordable, a scope of work indicating the extent of rehabilitation.
  - Completed sponsor review forms for entities and individuals.
- If the financing sources require a declaratory ruling for tax exemption, file a request along with the application

Upon approval of the application, the developer or landlord will enter into a written agreement with HPD that will ensure affordability in perpetuity. HPD will direct the Department of Buildings to allow a zoning bonus. Tenant selection must comply with HPD marketing guidelines, and initial rent-up will be conducted through a lottery supervised by HPD.

## Income Limits and Maximum Rents

The following tables outline the current maximum rents (as of 2005)<sup>3</sup> that may be charged for affordable units:

### Low Income Units - households with incomes at or below 80% of AMI

# of Bdrms	Maximum Income	<i>(if gas &amp; electric are included in rent)</i>	<i>(if gas &amp; electric are not included)</i>
		Maximum monthly rent per unit	Maximum monthly rent per unit
0	\$35,150	\$879	\$821
1	\$37,675	\$942	\$877
2	\$45,200	\$1,130	\$1,057
3	\$52,250	\$1,306	\$1,227
4	\$58,300	\$1,458	\$1,373

### Moderate Income Units - households with incomes at or below 125% of AMI

# of Bdrms	Maximum Income	<i>(if gas &amp; electric are included in rent)</i>	<i>(if gas &amp; electric are not included)</i>
		Maximum monthly rent per unit	Maximum monthly rent per unit
0	\$54,950	\$1,374	\$1,316
1	\$58,875	\$1,472	\$1,407
2	\$70,650	\$1,766	\$1,693
3	\$81,639	\$2,041	\$1,962
4	\$91,056	\$2,276	\$2,191

<sup>3</sup> For the most up-to-date information on maximum rent and income limits, please visit HPD's website at <http://www.nyc.gov/hpd>.



## FOR MORE INFORMATION

For more information on the Department of City Planning, on the Department's recent zoning changes to facilitate housing, mixed use, and waterfront open space in Greenpoint-Williamsburg, or on the New York City Zoning Resolution, please visit the DCP website:

<http://nyc.gov/planning>

Or contact the Brooklyn Office of the Department of City Planning, at (718) 643-7550.

For more information about the Inclusionary Housing Program, HPD financing programs, and HPD tax incentives, please visit the HPD website:

<http://www.nyc.gov/hpd>

Or contact HPD, at (212) 863-6263.

For more information on HDC financing programs for affordable housing, please visit:

<http://www.nychdc.com>

For more information on affordable housing development financing programs available through the New York State Division of Housing & Community Renewal, please visit:

<http://www.dhcr.state.ny.us>

For more information on affordable housing development financing programs available through the New York State Housing Finance Agency, please visit:

<http://www.nyhomes.org>

For more information on federal affordable housing programs, please visit:

<http://www.hud.gov>

