Proposed New Housing Policy

ANALYSIS & RECOMMENDATIONS FOR NEW ROCHELLE

October 20, 2020

HUDSON VALLEY
PATTERN *for* PROGRESS

Introduction

Market rate, rental housing is unaffordable for a vast majority of New Rochelle's low- and moderate-income households. The limited number of affordable rental housing units means a significant percentage of households are rent burdened (spend more than 30% of gross income on housing costs). The City of New Rochelle, with the use of a strong housing policy, aims to increase the range of housing options that is affordable to people with different incomes in order to maintain a socially and economically diverse population.

In order to create new affordable housing and to reduce the number of households burdened by housing costs, the City of New Rochelle has established an Affordable Housing Policy. Under this policy new developments with ten or more units, substantially renovated residential buildings and existing buildings converted to housing are required to include a set aside of affordable housing units.

This report and recommendations are for new development going forward. The housing policy recommendations made here are not meant to replace, substitute, alter or remove any existing legal conditions, agreements, contracts, deed restrictions, number of affordable units, rent or income limitations, PILOT agreements, or affordability periods related to the approved residential developments in the City of New Rochelle's Downtown Overlay Zones.

The Housing Policy Report (the report) is a research-based document that includes an analysis of the current housing development pipeline as a snapshot in time of current conditions. The report is not to be used as a calculation of a specific number of affordable rental housing units needed in the City or a fair share allocation of affordable housing units in any specific or designated neighborhood or zone.

The report is not to be used as an Assessment of Fair Housing, nor as an analysis to determine if a concentration of poverty exists in any one building, specific zone, or neighborhood. Further, this report does not provide a calculation or recommendation of a specific number or percentage of affordable rental units to be developed in any one specific neighborhood or zone in the City of New Rochelle. The last required submission of an Assessment of Fair Housing (AFH) to the US Department of Housing and Urban Development (HUD) was in 2017. This report recognizes the validation of the City's submission of the AFH to HUD based on the approval letter from HUD (November 21, 2017) to the City of New Rochelle, which accepts the AFH. Based on HUD's determination – this report makes the assumption there is no appearance of a concentration of low-income households.

The models and prototypical development of a 100-unit and 300-unit rental housing development are based the unit distribution derived from the percentages as provided in the City of New Rochelle's Generic Environmental Impact Statement (GEIS), which is as follows: Studios – 20%; 1BR – 50%; 2BR – 20%; and 3BR – 10%. The models and development scenarios are also based upon the current housing market rents, retail/commercial rents, and typical amenity and parking fees associated with a residential/mixed-use development as of November 2019. These conditions and the housing market fluctuate over time, as do rental pricing, lender underwriting requirements, interest rates and terms, cost of development, expenses related to maintenance and operations, and both residential and non-residential market supply and demand.

Executive Summary

Background

New Rochelle and other cities in Westchester and throughout the northeast have traditionally led robust affordable housing program efforts in comparison to nearby suburban communities whose residents participate in the same overall housing and labor market and rely on cities as hubs of commerce, culture and labor. City governments, by themselves, do not control many of the factors affecting people's ability to obtain housing they can afford, factors that are regional in scale and include, for example, unemployment rates, service sector salaries, real estate trends, demographics, and the frustrating absence of local capacity on affordable housing outside of urban areas. While meeting more than its fair share of affordable unit production on a countywide basis, the City of New Rochelle can and does take meaningful local action on housing affordability in the context of changing market conditions. This is especially important in the current context of an upswing in market-rate rental housing construction, high regional housing costs and the City's proactive economic development strategy.

In the fall of 2019, the City of New Rochelle commissioned a policy report by Hudson Valley Pattern for Progress (Pattern) to guide the City's policy to address the affordable housing challenge. Pattern for Progress is providing this written policy report to guide the City in how best to build upon its longstanding commitment to affordable housing in light of current housing and economic conditions.

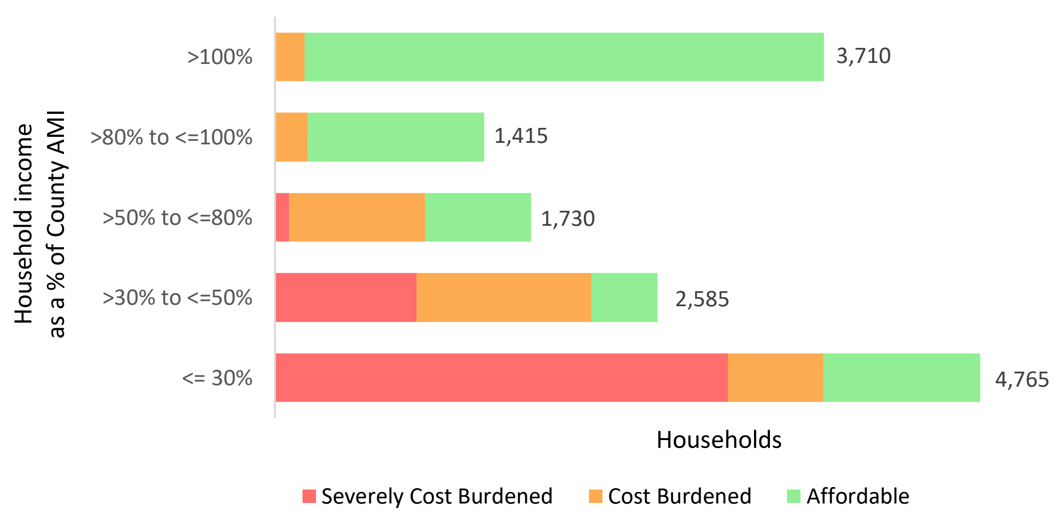
Hudson Valley Pattern for Progress is a regional, not for profit policy and planning organization established in 1965. Pattern has extensive experience advising local governments, housing agencies, and developers on affordable housing strategies and the providing analysis on labor markets, community and economic development, government efficiency and urban quality of life.

Defining Affordability

In 1969, the Brooke Amendment updated the 1937 Housing Act to create, for the first time, a benchmark for measuring housing affordability, setting a cap on public housing rent of 25% of a tenant's income, later raised to 30% in 1981. This "30% rule of thumb" is in wide use almost forty years on. Most experts define "Affordable" as housing that costs less than 30% of household income, and label families that pay over 30% as "Cost Burdened," and over 50% as "Severely Cost Burdened." The concepts apply to both rental and homeownership costs, which in the latter case include mortgage, taxes, insurance and utilities. Households paying more than 30% of their income for housing are probably unable to afford other critical elements of the "basket" of goods and services a household typically requires: food, transportation, health care, clothing, and education, for example. Their economic distress can create a negative cycle affecting educational outcomes, mental and physical health, property maintenance, property values, use of emergency services, financial mismanagement, and neighborhood deterioration that further decreases their ability to thrive, and imposes preventable and costly burdens on schools and other supportive services. Making housing more affordable for more people, by contrast, invokes the reverse cycle, a positive socio-economic dynamic that bolsters a city's overall prospects for attracting investment and talent in a competitive world.

Comprehensive Housing Affordability Strategy (CHAS) Data from the U.S. Department of Housing and Urban Development (HUD) shows that renter households in New Rochelle with lower household incomes tend to have higher housing cost burdens. In New Rochelle there are approximately 9,080 renter households that earn less than or equal to 80% of Westchester County Area Median Income (AMI) which represents 64% of all renter households in New Rochelle. Among these renter households that earn less than or equal to 80% AMI, 76% are cost burdened or severely cost burdened, and 45% are severely cost burdened. As depicted in the chart below, the majority of severely cost burdened households fall within the lowest income range of less than, or equal to, 30% of AMI.

<u>Comprehensive Housing Affordability Strategy Data</u>



Household income as a % of County AMI	Severely Cost Burdened	Cost Burdened	Affordable	**Total (All levels of affordability)**
<= 30%	3,060	645	1,060	**4,765**
>30% to <=50%	955	1,185	445	**2,585**
>50% to <=80%	95	920	715	**1,730**
>80% to <=100%	0	220	1,195	**1,415**
>100%	0	200	3,510	**3,710**
Total (All Income levels)	**4,110**	**3,170**	**6,930**	**14,210**

Source: HUD CHAS, July 2019

The CHAS data illustrates that there is a significant demand for affordable housing in New Rochelle at deep levels of affordability. Approximately 30% of all renter households in New Rochelle are severely cost burdened, and 97% of those severely cost burdened households have a household income less than or equal to 30% AMI. The data also shows that there is relatively less housing cost burden for households earning above 80% of AMI. Among renter households earning more than 80% of AMI, 92% are affordable, 8% are cost burdened, and there are no severely cost burdened households.

Although transportation costs are not incorporated into the housing affordability calculation, it represents a large percentage of a monthly budget. In many high housing cost markets, the local workforce employed in service sector jobs are likely to live outside of the community in which they work. Transportation costs and additional commuting time has a direct impact on the daily routine and quality of life for those living paycheck to paycheck. It must be recognized that service sector employees are identified as the people we count on every day, which includes those working as a home healthcare aide, teachers, janitors, mechanics and those in the retail, and food services.

Therefore, developing a range of housing options located in close proximity to central business districts and downtowns is critically important for the health of the community and the overall quality of life for area resident employed in low paying jobs.

Housing Policy Overview

A healthy community is often defined as one that has a strong sense of diversity economically, socially, and culturally. Individuals and families residing in an economically diverse community provides a strong foundation for opportunities and upward mobility. Access to a quality education, safe neighborhoods, public transit, and a range of housing options is critical to the overall quality of life. A scarce supply or narrowly defined range of housing options may also create a homogeneous community with little diversity from both an economic and cultural perspective. Communities that only offer high end and luxury housing may lead to increased housing price and the potential displacement of area residents. Furthermore, in communities where a range of housing options is scarce, a barrier is created for new and existing businesses in terms of hiring and retaining a quality and dependable workforce.

It is critical that local housing policy and programs work in conjunction with the private market and the not for profit community. There is no “One Size Fits All” approach to housing, as every community is different. Housing policy must be consistent, meet the demands of the community, and recognize the current inventory and housing stock. Housing policy must somewhat be “fluid in nature” by design in order for an adequate and timely evaluation and possible revision based upon demographic and economic shifts as market demand changes. It must also be noted that no single municipality should shoulder the housing demands of lower income families for a larger geographical area such as a county or a region.

Therefore, a strong local housing policy must be established to guide growth, and a healthy and equitable trajectory of a community. Regulatory requirements, incentives and programs are an important component for the real estate community to develop new housing options. The key to a healthy community is to strike a balance and provide a range of housing options at affordable levels for the local workforce as well as those working outside of the city. This may not be ideal for every investment and development scenario, but taken together it is beneficial for the residents and businesses.

In order to incentivize and encourage residential development, municipalities typically offer density and height bonuses to leverage the construction of affordable housing options that meet the needs and local demand of households below 100% of the area median income (AMI). An affordable housing set-aside is a useful housing policy for communities to increase their supply and inventory of affordable units. These set-asides are typically established as a percentage of the overall number of housing units in a development and must be offered at a price point that reaches households under 100% of the AMI. Typically, a housing policy establishes a set-aside of 10% of the total number of allowable units offered to households earning 80% of the AMI.

The ability to develop affordable housing that reaches households below 50% of the AMI is extraordinarily difficult and requires a great deal of subsidy and grants, which is essentially debt free financing made available in the capital stack. The availability of these resources is scarce and the competition for these deep subsidies is extremely fierce. The rent structure to serve household below 50% of the AMI produces an insufficient cash flow to cover debt service, operations and maintenance costs even when a developer is able to secure deep subsidies and local incentives. These developments typically require a permanent rental subsidy, such as project based rental assistance, in addition to the capital subsidy in order to achieve a positive cash flow and properly maintain the buildings and grounds.

City of New Rochelle: Existing housing policy

The City of New Rochelle has an affordable housing policy associated with any new developments that opt into incentive packages related to density bonuses for residential units in the DOZ. New residential developments in the DOZ have the option to meet the affordable housing requirements with 10% of residential square footage at 80% AMI or to contribute funds into the Affordable Housing Fund. Developments that opt for the payment in-lieu fee contribute $90,000 per studio, $130,000 per 1 bedroom, $150,000 per 2 bedroom and $200,000 per 3 bedroom. The Affordable Housing Fund is to be used for the development of affordable housing opportunities for New Rochelle low- and moderate-income families.

Another component of the existing housing policy is the Community Benefits Program, under which developers are eligible to receive height bonuses for the provision of predefined community benefit, such as additional permanent affordable housing. To attain bonuses developers must provide up to 5% of units for 60% AMI and 5% of units at 80% AMI ***OR*** 11-20% of units at 80% AMI. At the discretion of the Planning Board, a project may achieve up to 25%, 50% or 100% of potential bonus based on the amount and depth of affordable housing included in a project. Determination of potential bonuses is based the corresponding overlay zone district of the project and the Development Standard achieved through the form-based code.

The New Rochelle Industrial Development Agency (NRIDA) Uniform Tax Exemption Policy (“UTEP”) offers development incentives to projects that support economic growth and recreational opportunities in the City. Incentives can include mortgage recording tax exemption, sales and use tax exemption on locally-sourced construction materials, and the potential for a Payment-In-Lieu-of Taxes (“PILOT”) property tax abatement. Projects that follow the goals set forth by New Rochelle’s policy documents, including the HUD Consolidated Plan among others, are given greater consideration for financial assistance. NRIDA has the discretion to increase public subsidy for projects that have an affordable housing component, among other factors that contribute to positive economic impact.

In addition to the DOZ affordable housing policy, New Rochelle’s Zoning Code Chapter 331-152 *Requirements for Affordable Housing* requires that when housing for households of low and moderate income is demolished, these units are replaced with new affordable units or payments are made to the Affordable Housing Fund.

Policy Recommendations

Methodology

This report and the following recommendations for a revised housing policy does not remove any existing contractual agreements, alter the number of dedicated units or rent structures, PILOT incentives or affordability periods. The following housing policy recommendations are based on:

- An examination of the housing development pipeline (as of November 2019)
- Interviews with developers and property managers
- An affordability analysis and evaluation of the existing affordable housing inventory
- An analysis of market demand based on the CHAS data (release date of July 2019)
- An examination of need based on the applications and housing lottery data, Westchester County Homeseeker data, and waiting lists

Pattern created an underwriting and cash flow analysis for two prototypical residential developments – a 100-unit low-rise and a 300-unit high rise. The average development costs and the operating and maintenance expenses were derived from a combination of the development proformas analyzed by the National Development Council for specific approved NRIDA applications, currently operating and recently closed development projects underwritten by the Community Preservation Corporation, and a number of market studies and appraisals.

Pattern also created a rental unit and income distribution spreadsheet to calculate the unit mix for prototypical developments of 100- and 300-unit complexes. The distribution of units is based upon the findings of the City of New Rochelle's Generic Environmental Impact Statement (GEIS). The GEIS has an overall distribution requirement for 20% Studios, 50% 1BR, 20% 2BR and 10% 3BR apartments. Although the GEIS stipulates the overall distribution – individual projects may vary from those exact percentages. There are an endless number of unit distribution scenarios, which can be influenced by many development factors including the lot/parcel size, building height, layout and design of residential units, commercial space, amenities, and parking. Therefore, the following 100- and 300-unit prototypes are underwritten using the unit distribution based on the final GEIS.

Overall Distribution of Unit Size (GEIS)			
Studio	1 - BR	2 -BR	3 – BR
20%	50%	20%	10%

The market rate rent structure is based on developer proformas for existing and new buildings in the DOZ, market studies and appraisals. The affordable rents are based on a household paying 30% of gross income toward housing at the various levels of Area Median Income, which is adjusted for household size. The regulatory requirements for affordable housing occupancy under HUD is as follows: Studio = 1-person; 1BR = 1.5-persons/bedroom (based on average of a 1- and a 2-person); 2BR = 1.5 persons/bedroom (3-person); and a 3BR = 1.5-persons/bedroom (based on average of 4- and 5-person).

Westchester County Monthly Rent (30% of income for rent)

% AMI	1 - Person	2 - Person	3 - Person	4 - Person	5 - Person	6 - Person
100% AMI	$2,105	$2,406	$2,708	$3,008	$3,248	$3,489
80% AMI	$1,684	$1,925	$2,165	$2,406	$2,599	$2,791
70% AMI	$1,474	$1,684	$1,896	$2,106	$2,274	$2,442
60% AMI	$1,264	$1,444	$1,625	$1,805	$1,949	$2,094
50% AMI	$1,054	$1,204	$1,354	$1,504	$1,625	$1,745
40% AMI	$842	$962	$1,083	$1,203	$1,299	$1,396
30% AMI	$633	$723	$813	$903	$975	$1,048

Monthly Rent by Unit Size*

	Studio	1 - BR	2 -BR	3 -BR
Market Rate	$2,033	$2,486	$3,239	$3,750
100% AMI	$2,105	$2,256	$2,708	$3,128
80% AMI	$1,684	$1,805	$2,165	$2,503
70% AMI	$1,474	$1,579	$1,896	$2,190
60% AMI	$1,264	$1,354	$1,625	$1,877
50% AMI	$1,054	$1,129	$1,354	$1,565
40% AMI	$842	$902	$1,083	$1,251
30% AMI	$633	$678	$813	$939

Prototype Underwriting Scenario:

The following tables represent prototypical 100-unit and 300-unit developments based upon a revised housing policy for a sliding scale model, as more fully described in the recommendation section (Scenario B). The prototype scenarios are based on a 10% set-aside for households at 70% of the AMI. The 100-unit prototype has a 10-unit set-aside distributed as follows: (2) Studios; (5) 1BRs; (2) 2BRs; and (1) 3BR. The 300-unit prototype has a 30-unit set-aside distributed as follows: (6) Studios; (15) 1BRs; (6) 2BRs; and (3) 3BR.

Each of these prototypes provide a summary of revenues and expenses that result in positive cash flow and debt service coverage of at least 1.25. The underwriting includes revenues, operating and maintenance costs, real estate taxes, total development costs, and the resulting debt service and cash flow. These mixed-use buildings are typically structured with an equity position ranging between 25% and 35% with the remaining portion of the total development cost as a loan.

Operating and maintenance costs, exclusive of real estate tax, is estimated to be approximately $6,150 per unit in a low-rise building and approximately $6,075 for a high-rise building. The model recognizes a local PILOT through the IDA. Research has shown the average real estate tax per unit for a prototypical development is $2,325. The average total development costs for a low-rise building is approximately $325,000 per unit and $427,500 for a high-rise building per unit.

Prototypical 100-unit Low Rise Development

This analysis shows a 100-unit prototypical development with an 10% set-aside serving households at 70% AMI produces a sufficient cash flow to carry long term debt and a positive return to the investor. This model indicates there is sufficient cash flow to provide a larger number of affordable units or a smaller number of units, but reaching a lower median income. The balance of the units are underwritten at market rates.

# of BR	# of rooms	Total Rooms	# of Units	% of AMI	Monthly Unit Rent	Annual Rent
0	2	4	2	70% AMI	$1,474	$35,376
0	2	36	18	Market	$2,075	$448,200
1	3	15	5	70% AMI	$1,579	$94,740
1	3	135	45	Market	$2,490	$1,344,600
2	4	8	2	70% AMI	$1,896	$45,504
2	4	72	18	Market	$3,240	$699,840
3	5	45	9	70% AMI	$2,190	$26,280
3	5	5	1	Market	$3,750	$405,000
					Total Residential Income	**$3,099,540**
					Parking	**$48,000**
					Retail/Commercial	**$59,500**
					Total Income	**$3,207,040**
					Total Vacancy	**$163,327**
					Total Effective Net Income	**$3,043,713**
					Maintenance and Operating Expenses	**$842,900**
					Net Available Income	**$2,200,813**
					Debt Service Coverage of 1.25	**$1,760,650**
					Annual Cash Flow	**$440,163**

Expenses Per Unit	
Maintenance and Operating	$5,029
Real Estate Taxes (PILOT)	$2,325
Building Reserve	$250
Repairs and Replacement Reserves	$825
Total Operating Expenses	$8,429

The parking and other income for miscellaneous services and amenities are based upon average fees for low-rise buildings. The retail/commercial income is based on the average rate of $14/SF.

This prototypical model indicates sufficient income for the construction of a project with the total development cost of $325,000 per unit, which is $32,500,000 for 100-units. This assumes an equity position of about 20% to 25%.

Prototypical 300-unit High Rise Development

This analysis shows a 300-unit prototypical development with an 10% set-aside serving households at 70% AMI produces a sufficient cash flow to carry long term debt and a positive return to the investor. This model indicates there is sufficient cash flow to provide a slightly larger number of affordable units. The balance of the units are underwritten at market rates.

# of BR	# of rooms	Total Rooms	# of Units	% of AMI	Monthly Rent	Annual Rent
0	2	12	6	70% AMI	$1,474	$106,128
0	2	108	54	Market	$2,075	$1,344,600
1	3	45	15	70% AMI	$1,579	$284,220
1	3	405	135	Market	$2,490	$4,033,800
2	4	32	6	70% AMI	$1,896	$136,512
2	4	160	54	Market	$3,240	$2,099,520
3	5	15	3	70% AMI	$2,190	$78,840
3	5	135	27	Market	$3,750	$1,215,000
					Total Residential Income	**$9,298,620**
					Parking	**$540,000**
					Retail/Commercial and Amenities	**$586,000**
					Total Income	**$10,424,620**
					Total Vacancy	**$535,231**
					Total Effective Net Income	**$9,889,389**
					Maintenance and Operating Expenses	**$2,591,184**
					Net Available Income	**$7,298,205**
					Debt Service Coverage of 1.25	**$5,838,564**
					Annual Cash Flow	**$1,459,641**

Expenses Per Unit	
Maintenance and Operating	$5,237
Real Estate Taxes (PILOT)	$2,325
Building Reserve	$250
Repairs and Replacement Reserves	$825
Total Operating Expenses	$8,637

The parking and other income for miscellaneous services and amenities are based upon average fees for low-rise buildings. The retail/commercial income is based on the average rate of $14/SF.

This prototypical model indicates sufficient income for the construction of a project with the total development cost of $427,500 per unit, which is $128,250,000 for 300-units. This assumes an equity position of about 30% to 35%.

Recommendation #1: Options for Affordable Housing

Based on the methodology of an underwriting proforma for the development of a prototypical model of a 100 unit and a 300 unit residential building. These two models indicate that the proposed housing policy is scalable and financially feasible. Depending on the size of a development, the unit mix may need to be altered to ensure sufficient revenue streams. The following recommendations are provided for consideration:

Implement an affordable housing set aside requirement based on a system of "affordable housing credits." New rental developments are required to provide a number of affordable housing *credits* greater than or equal to 10% of the total number of units in the development. Affordable housing credits are assigned to housing units based on the level of affordability, as set forth in the schedule below.

Schedule of Affordable Housing Credit Values	
Level of affordability (target household AMI)	Affordable Housing Credits
80%	.5
70%	1
60%	1.5
50%	2
40%	2.5

Below are four examples of how a 100-unit development could satisfy its affordable housing requirement. Scenarios A, B, and C show example developments where all of the affordable units are at a uniform level of affordability (80% AMI, 70% AMI, and 60% AMI, respectively). Scenario D shows an example development where affordable units are available at varying levels of affordability. A 100-unit development is required to provide 10 affordable housing credits (10% of 100). Each of the scenarios satisfies this requirement.

	Number of affordable units and level of affordability				**Affordable housing credits**		**Total affordable housing credits**
Scenario A	20 units	at	80% AMI	x	.5	=	10 ✓
Scenario B	10 units	at	70% AMI	x	1	=	10 ✓
Scenario C	7 units	at	60% AMI	x	1.5	=	10.5 ✓
Scenario D	6 units	at	80% AMI	x	.5	=	3
	4 units	at	70% AMI	x	1	=	4
	2 units	at	60% AMI	x	1.5	=	3
	12 units	at	a mix of affordability				10 ✓

Opt-Out Scenario: Modify the Fee-In-Lieu schedule for affordable housing

Develop a fee-in-lieu schedule that is based on area median income, as calculated every year by HUD. This approach provides a dynamic buy-out fee that change with local economic conditions. Pattern recommends the following schedule.

If a developer elects to pay the fee-in-lieu instead of building affordable units, the number of units they are required to pay for will be calculated as 10% of total units in the development. The unit mix must adhere to the generic impact state for the DOZ, 20% Studios; 50% 1BR; 20% 2BR; 10% 3BR

Schedule of Fee-In-Lieu		
Bedroom	**Calculation**	**Fee (FY 2019)***
Studio	1.5 x Area median income for a family of 4	$180,450
1-BR	1.6 x Area median income for a family of 4	$192,480
2-BR	1.7 x Area median income for a family of 4	$204,510
3-BR	1.8 x Area median income for a family of 4	$216,540

* 2019 AMI for a family of 4 is $120,300

Recommendation #2: Long Term Affordability

The City may also want to consider extending or issuing a new PILOT at the end of the initial regulatory period. The City would be required to re-evaluate the maintenance and operating expense, income and revenue streams, and the capital improvement needs for a housing development toward the end of the regulatory period. Based on the operating proforma and capital needs the City may extend or issue a new PILOT for an additional 20 years. The City may also provide low interest loans or grants to the developer to cover the capital improvements in exchange for a commitment to extent the provision of affordable housing units for another 20 years.

Recommendation #3: Revise the requirements for Off-Site Construction of Affordable Housing units

There are various pros and cons in terms of affordable housing units being constructed off-site in lieu of incorporating the residential units serving lower income households within the market rate building. The City would incur long-term costs associated with monitoring the affordable housing inventory to ensure fair housing requirements are met – in terms of income qualifications and tenant selection. Off-site housing for low-income households does not allow for the same environment opportunities as those living in a market rate building, as the finishes, fixtures, and amenities may result in a lesser quality.

The option to build affordable units off-site has advantages, the most significant of which is that it often results in the creation of additional units with deeper affordability. However, there are also disadvantages that must be considered. The website inclusionaryhousing.org provides the following table as a summary of the advantages and disadvantages of allowing developers the option of building affordable housing units off-site:

On-site	Off-site
Advantages	Advantages
Ensures access to high-opportunity neighborhoods	Can be more cost efficient (i.e., can often produce more total units)
Is easier to enforce design quality	Can leverage other affordable housing subsidies to produce additional units or serve lower-income residents
Has low risk of ongoing maintenance problems	Can design and operate properties to meet the needs of the local population (family units, amenities, social services, etc.)
Provides integration in the same building, which can be symbiotically important and help build public support	

On-site	Off-site
Disadvantages	Disadvantages
Can be difficult to monitor scattered units	May concentrate affordable units in lower-income areas
May produce fewer family sized units	May produce lower-quality buildings
May not be economically feasible for all project types	May lead to lower-quality long-term maintenance
Is harder to incorporate very low-income or special-needs residents	Presents risks of "double dipping," whereby developers reduce their costs by relying on scarce affordable housing subsidies

Source: inclusionaryhousing.org/designing-a-policy/off-site-develop

Considering the risks and disadvantages associated with allowing developers to build off-site, as summarized above, Pattern recommends an affordable housing policy that does not allow for the construction of off-site affordable housing.

Recommendation #4: Create a CLT for the City of New Rochelle focused on permanent affordable rental and homeowner units in the City

There must also be local housing policy to preserve the affordable housing inventory for future demand beyond the initial 20- or 30-year compliance period. One recommendation is to establish a Community Land Trust (CLT) tasked with creating and maintaining permanently affordable rental and owner occupied housing units. The recommendation of establishing a CLT was also made in Patterns' Westchester Housing Needs Assessment report. Therefore, it is recommended the City work in conjunction and/or on a parallel track with the County to establish a CLT.

RATIONALE: The cost of rental apartments and homes for purchase is unaffordable to a large percentage of New Rochelle residents. Community Land Trusts (CLT) offer a means toward permanent affordability for rental units and a vehicle to promote homeownership while reducing the cost of entering the market.

What is a CLT?

- CLTs are nonprofit organizations governed by a board of CLT residents, community residents and public representatives;
- CLTs provide lasting community assets including permanently affordable rental units and shared equity homeownership opportunities for families and communities;
- CLTs typically focus on the creation of homes that remain permanently affordable, providing successful homeownership opportunities for generations of lower income families.

A community land trust that offers affordable rental units operates as follows:

1. The CLT purchases rental units at market rate using a public subsidy
2. Rental units are offered to renters who meet income, employment and credit requirements
3. The CLT offers free classes to renters on topics like credit improvement, homeownership through a CLT, and how to own a home
4. Some CLT programs also offer a savings program for renters
5. Some CLT renters are offered a rent to own option on their rental apartment or house

A typical community land trust that offers affordable homeownership operates as follows:

1. A family or individual purchases a house that sits on land owned by the community land trust.
2. The purchase price is more affordable because the homeowner is only buying the house, not the land.
3. The homeowners lease the land from the community land trust in a long-term (often 99-year), renewable lease.
4. The homeowners agree to sell the home at a restricted price to keep it affordable in perpetuity, but they may be able to realize appreciation from improvements they make while they live in the house.

According to Community-Wealth.org, "Community land trusts play a critical role in building community wealth for several key reasons:

- They provide housing stability, whether with affordable rents or homeownership opportunities
- They provide low-and moderate-income people with the opportunity to build equity through homeownership and ensure these residents are not displaced due to land speculation and gentrification.
- Land trust housing also protects owners from downturns because people are not over extended; as a result, foreclosure rates for land trusts have been as much as 90 percent less than conventional home mortgages.
- Most commonly, at least one-third of a land trust's board is composed of community residents, allowing for the possibility of direct, grassroots participation in decision-making and community control of local assets.
- In addition to the development of affordable housing, many land trusts are involved in a range of community-focused initiatives including homeownership education programs, commercial development projects, and community greening efforts."

Community-Wealth.org provides a valuable set of resources in their on-line toolbox, which can be found at www.community-wealth.org/content/community-land-trust-clt-tools

Best Practices from other CLTs:

Albany Community Land Trust – The Albany CLT offers both affordable homeowner opportunities as well as affordable rental options. Renters are offered classes on credit improvements, as well as how to own a home through the CLT. The CLT collects rent, is responsible for maintenance and repairs, does home inspections, connects renters to social services and offers guidance for households in challenging situations such as loss of household income. Renters are also given a rent to own option. Owners of CLT homes own their house and pay a $25 monthly land lease fee.

City First Homes - Part of a family of companies that work together to serve the needs of low and moderate-income residents of the DC metro area, City First Homes aims to expand opportunity for working families and individuals, drive neighborhood stabilization, and preserve affordable housing near transit centers and in gentrifying and challenged communities. To do so, the nonprofit relies on the land trust housing model and further lowers barriers to homeownership by requiring a low cash payment at the time of purchase and reducing monthly mortgage payments. Since its establishment in 2010, City First Homes has created over 217 permanently affordable homes, an investment of $4 million. www.cfhomes.org

Sawmill Community Land Trust - The Sawmill Community Land Trust formed in 1996 to purchase and remediate 27 acres on the site of a former particleboard factory in an effort to preserve affordability for working families near downtown Albuquerque. Sawmill now manages 34 acres of reclaimed industrial land where it has constructed 93 affordable single-family ownership homes and three affordable rental apartment complexes complete with community gardens, playgrounds and a plaza. Additional affordable rental housing is planned, as are community-driven economic development projects and a few other projects on other sites. By separating the ownership of the buildings from the ownership of the land, the land trust makes it possible for homeowners and other residents to benefit from secure housing without the risk of rising costs of escalating land value. http://www.sawmillclt.org

First Homes - Founded in 1999, First Homes provides an innovative example where a large community anchor institution, Mayo Clinic, used a Community Land Trust model to meet the employer's workforce housing objectives. Since 1999, $14 million has been raised and 650 new residences have been built. The total includes more than 420 new single-family homes (including nearly 50 Community Land Trust properties) and more than 225 new below-market-rate rental units. http://www.firsthomes.org

Monitoring Risk

When creating a housing policy and developing new housing options in a community there are certain practices that need to be avoided in terms of fair housing. Although this report is not, nor does it claim to be a fair housing assessment – it is important to provide the following information in terms of monitoring risk in fair housing. As an entitlement city under the US Department of Housing and Urban Development – the city is required to conduct Fair Housing Assessment, which was done in 2017. It is important to provide the direct responses to a few of the questions from HUD:

Discuss whether there are any demographic trends, policies, or practices that could lead to higher segregation in the jurisdiction in the future.

In its most recent plans and policy documents, the City has advocated a number of initiatives – transit-oriented development, environmental sustainability, downtown revitalization, inclusionary housing, and others – that would collectively increase and concentrate new residential development, and rental development in particular, *in and around Downtown. These initiatives in and of themselves represent worthwhile planning goals and significant potential benefits for the community. In all likelihood, they will also decrease the overall level of segregation in the City by introducing more market-rate housing into the City's lowest-income area. However, these policies will not decrease segregation by assisting protected classes in accessing other parts of the City, and may instead heighten the economic pressure for displacement already being felt in New Rochelle. The City should continue to monitor measures of segregation as conditions change and be open to modifying their policies and HUD grant programs if necessary and feasible.*

Beyond the HUD-provided data, provide additional relevant information, if any, about segregation in the jurisdiction and region affecting groups with other protected characteristics.

Currently, a substantial number of college students in New Rochelle live off-campus in multi-bedroom, market-rate housing. All three colleges in the City (Iona College, Monroe College, and The College of New Rochelle) are undergoing some level of student housing construction. These new housing projects will theoretically relieve pressure on the housing market and create new opportunities for lower-income families with children to obtain affordable housing, which could potentially alter the level of segregation throughout the community.

The program participant may also describe other information relevant to its assessment of segregation, including activities such as place-based investments and geographic mobility options for protected class groups. Other factors considered

• Community opposition: Although public opposition to affordable housing development does occur in New Rochelle, according to local developers it has not completely derailed many major projects. Opposition has caused some developments to be modified in size or other characteristics, though, or to face delays. In particular, community opposition can force a developer to comply with stricter requirements for environmental studies, traffic and parking studies, etc., that increase the costs and time necessary for development.

• Lack of private investments in specific neighborhoods: Most new housing development in New Rochelle is taking place near the City's most segregated area for of both practical and policy reasons. However, the City has also been seeking opportunities to increase private development activity outside of this area, such as leveraging HOME funds for new construction projects and passing a new Senior Housing Overlay Zone in the northern half of the City.

• Land use and zoning laws: New Rochelle's zoning ordinance was reviewed for potential impediments to housing choice and affordability as part of the AI in 2012 based on the following five topics raised in HUD's Fair Housing Planning Guide: the opportunity to develop various housing types; the opportunity to develop alternative designs; minimum lot size requirements; dispersal requirements and regulatory provisions for housing facilities for persons with disabilities (i.e. group homes) in single family zoning districts; and, restrictions on the number of unrelated persons in dwelling units. That analysis found no significant barriers to fair housing in the ordinance. Since then, the introduction of new elements such as the Downtown Overlay Zone and Single Family Senior Citizen Overlay Zone have only increased.

The City of New Rochelle takes displacement very seriously. To that end, the City has established the following preference list for new affordable housing units in the Downtown Overlay Zones. The preferences are as follows:

1) Existing eligible residents living on sites that have opted into the DOZ
2) Existing eligible residents of the DOZ
3) Members of the workforce of New Rochelle
4) Eligible New Rochelle Residents
5) Other Eligible Individuals

Additionally, the City has contracted directly with a local housing organization Housing Action Council ("HAC") to develop and implement an overall marketing plan for the City's inclusionary affordable housing units in the downtown through workshops, community organizations and other venues. Additionally, develop standardized Expression of Interest and application forms along with a description of the Affordable Housing Program, eligibility requirements, priorities and its administration. HAC will also manage the marketing of the affordable units by project and work with each developer to fully inform them of the requirements and processes. HAC will manage the qualification of the applicants on a project by project basis. Lastly, HAC will prepare an annual report to the City regarding its marketing efforts, and the status of lease-up for individual projects. HAC will conduct annual monitoring of a minimum of 20% of the affordable housing files in each development.

Examples of Fair Share Housing Issues

In an effort to provide evidenced based concerns in fair housing, the following examples are provided as policy decisions to avoid.

The City of San Francisco accused of racist housing policies

HUD is currently undergoing an investigation to determine is San Francisco's housing policy for the approval and permitting of multifamily developments are discriminatory. The city has a neighborhood preference program under which 40 percent of affordable units in new developments are reserved for residents within a half mile of the project or within the same supervisorial district. Defenders of the program say it offers protection against displacement of people from their neighborhoods. HUD however, is concerned that the program is a continuation of racist housing policies similar to redlining[1]. The question is whether the program is exacerbating fair housing and segregation issues.

Inclusive Communities Project sues the Texas State Housing Department over policies that promote segregation

In 2015, the nonprofit Inclusive Communities Project (ICP), which works to find affordable housing for low-income families, filed a suit that the Texas State's Housing Department promotes segregation by concentrating subsidized rental in low-income minority neighborhoods. The Department has the responsibility to distribute federal Low Income Housing Tax Credits (LIHTC). In the suit, ICP claims that the way the credits have been handed out reinforces racial segregation by giving too many to developers for projects in inner city, predominately black neighborhoods. Statistical evidence was used to show that there is a disparate impact. The ICP litigation is now a cited case study for the Fair Housing Act (FHA).

San Diego accused of failing to meet Fair Housing laws

In 2019, residents of a southeastern San Diego neighborhood filed a lawsuit against the city for failure to comply with the FHA. The residents allege that the city's housing policies have led to the concentration of low-income housing in already poor neighborhoods that are also predominantly minority majority. The residents are asking for a building moratorium of low-income housing and quicker collection of developer fees for the provision of services in these neighborhoods, as well as an annual affordable housing study.

[1] https://www.sfchronicle.com/politics/article/Feds-open-investigation-into-SF-affordable-14339593.php

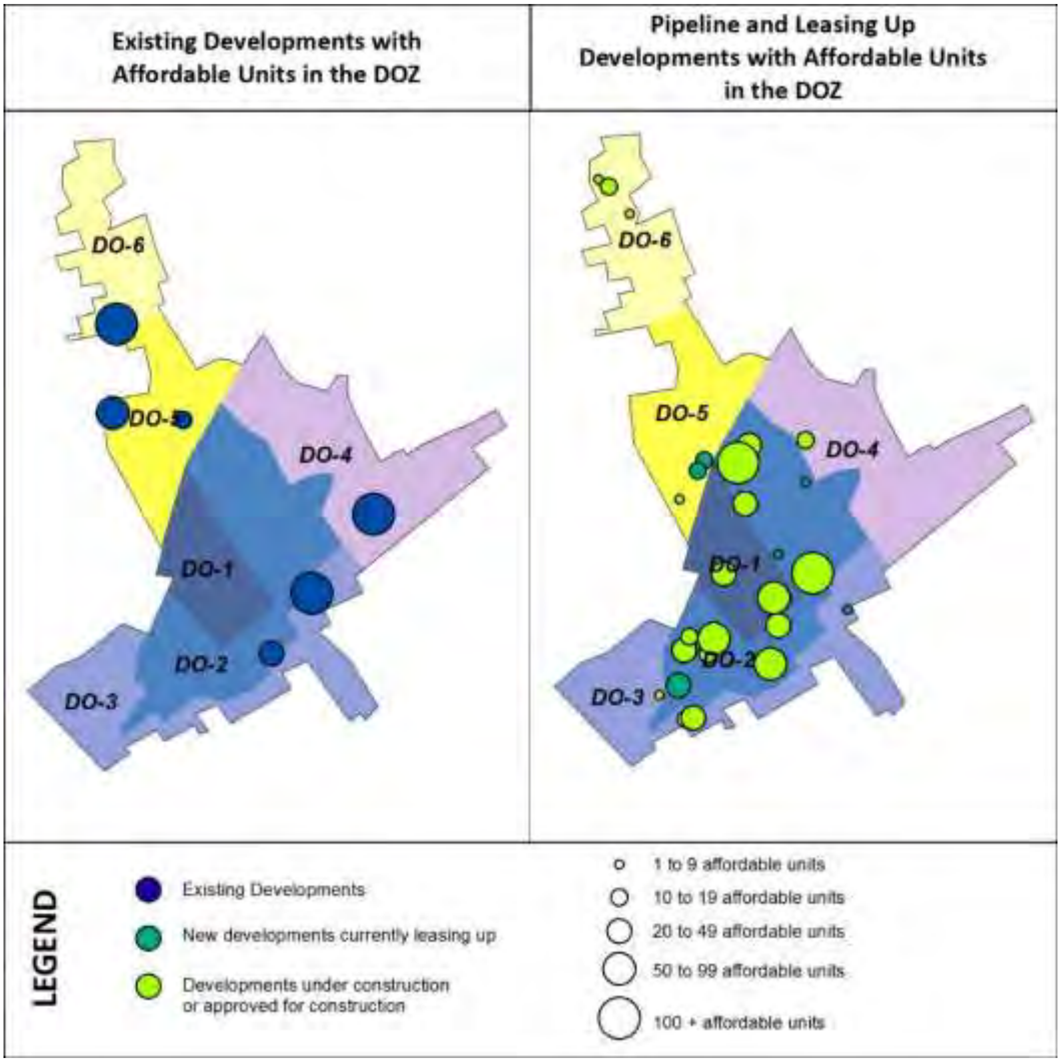
Residents also seek to halt a planned development for a community and health center in the southeastern neighborhood, which they claim will add to the racial segregation of the city. The suit points to public data showing of all new affordable units in the city, 83 percent were in low-income neighborhoods for a combined 4,488 units, whereas more affluent neighborhoods like La Jolla and Ocean Beach had no low-income units.

The suit asserts that the San Diego Housing Commission has not adjusted its payment amount to align with the fair market rents in certain ZIP codes. Under the commission rules, persons using Section 8 vouchers pay up to 50 percent of their income to rent whereas this percent is only 30 in lower-income areas.

Geographic Distribution of Affordable Housing in the DOZ

As Illustrated in the above examples, the concentration of affordable housing units, whether by design or by accident, is an ongoing housing policy issue throughout the country. For this reason, it is important to consider how housing policy affects the distribution of affordable housing throughout neighborhoods and the community at large.

The maps below depict the distribution of housing developments that contain affordable housing units in the DOZ. The map on the left shows the location of existing housing developments with affordable units, including developments that existed before the creation of the DOZ. The map on the right shows newly constructed developments and developments in the pipeline with affordable units (approved for construction or currently under construction). For both maps, the size of the dot represents the number of affordable units in the development. These maps indicate that New Rochelle’s existing housing policy and development pipeline does not appear to create a concentration of affordable housing units in any one particular neighborhood.


Existing Developments with Affordable Units in the DOZ
Pipeline and Leasing Up Developments with Affordable Units in the DOZ
DO-6
DO-5
DO-4
DO-1
DO-2
DO-3
DO-6
DO-5
DO-4
DO-1
DO-2
DO-3
LEGEND
Existing Developments
New developments currently leasing up
Developments under construction or approved for construction
1 to 9 affordable units
10 to 19 affordable units
20 to 49 affordable units
50 to 99 affordable units
100 + affordable units

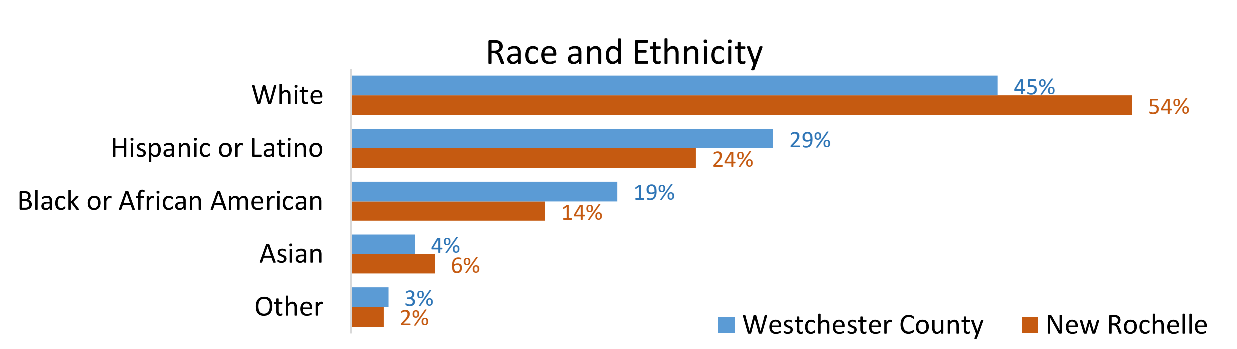
Demographic Overview

According to data from the 2017 American Community Survey from the US Census Bureau, the City of New Rochelle has a population of approximately 80,000. The median age of city residents is 39. The median in New Rochelle is comparable to the region; it is slightly lower than the median age of Westchester County, and slightly higher than the median age in New York City and New York State.

	New Rochelle	Westchester County	New York City	New York State
Total Population	79,877	975,321	8,560,072	19,798,228
% younger than 18	21%	23%	21%	21%
% 18 to 64	63%	61%	65%	64%
% Older than 64	16%	16%	14%	15%
Median Age	39	41	36	38

Source: 2017 American Community Survey 5-Year Estimates

The population of New Rochelle is approximately 45% White, 29% Hispanic or Latino, 19% Black or African American, 4% Asian, and 3% all other. Relative to Westchester County, a larger share of the New Rochelle population is Hispanic or Latino and a smaller share of the population is White. Additionally, a larger share of the New Rochelle population is Black or African American.



Source: 2017 American Community Survey 5-Year Estimates

Median household income in New Rochelle is approximately $77,000. This is higher than the median income of New York City and New York State, but lower than the median income of Westchester County. The same is true for Average Income and Per Capita income in New Rochelle relative to these other geographies.

	New Rochelle	Westchester County	New York City	New York State
Median Income	$77,320	$89,968	$57,782	$62,765
Average Income	$121,268	$143,304	$93,196	$93,443
Per Capita Income	$44,440	$52,049	$35,761	$35,752

Existing affordable housing stock

The following is an inventory of existing affordable housing provided by the City housing authorities. These housing projects include 100% affordable units and are most often accessed through the Section 8 housing voucher program. This program is design to assist very low-income families, the elderly, and the disabled to afford decent, safe and sanitary housing in the private market.

The local public housing agencies (PHAs) administer the housing choice vouchers using federal funds. Often the demand for assistance with affordable housing surpasses the supply and so interested applicants are put on a waiting list. When units are made available federal guidelines are to give preference to homeless families, disabled persons, seniors, people paying more than 50% of income for rent and those who are involuntarily displaced.

The local housing agency has the discretion as how to determine further preferences to meet the local community and housing needs. In New Rochelle, preference goes to New Rochelle residents, veterans, families with no federal housing subsidy and families with minor children.

SENIOR 100% AFFORDABLE RENTAL HOUSING					
Development	**Address**	**Management**	**Maximum income**	**Total Units**	**Year Built**
Huguenot House	16 Locust Ave	Community Housing Management Corp	50% AMI	152	1980
La Rochelle Manor	111 Lockwood Ave	New Rochelle Municipal Housing Authority	30% AMI	112	1971
Lincoln Towers	64 Lincoln Ave	Community Housing Management Corp	50% AMI	89	1983
Maple Center	35 Maple Ave	Community Housing Management Corp	60% AMI	108	1971
Maple Terrace	55 Maple Ave	Community Housing Management Corp	60% AMI	100	1982
Queen City Towers	50 Sickles Ave	New Rochelle Municipal Housing Authority	30% AMI	91	1971
Rockwell Terrace	129 Lockwood Ave	Community Housing Management Corp	30,40,50% AMI	73	
Soundview Apartments Low Savin Residence	40 Willow Dr	United Hebrew	80% AMI	135	1978
Garito Manor	180 Union Ave	NDR Group	60% AMI	102	2008
Washington House	60 Union Ave	Community Housing Management Corp	50% AMI	211	1981
Shiloh Senior Housing	47 Kess Ave	Westhab Inc.	50% AMI	39	2012
Lawn Avenue Townhomes	20A-30A Lawn Ave	NDR Group		10	1998
TOTAL				**1,210**	

GENERAL FAMILY, 100% AFFORDABLE RENTAL HOUSING					
Development	**Address**	**Management**	**Maximum income**	**Total Units**	**Year Built**
Carrington Arms	33 Lincoln Ave	Community Housing Management Corp	60% AMI	105	1969
Parkside Place Apts	550-570 Fifth Ave	NDR Group	60% AMI	180	
Bracey House	345-361 Main St	New Rochelle Municipal Housing Authority	30% AMI	100	1963
Heritage Homes *	Horton Ave	MacQuesten Development	50-60% AMI	229	
Clinton Place Apartments	41 Clinton Pl	Westhab Inc.	80% AMI	25 (6 @ 58 YRS +)	2007
			TOTAL	**639**	

The following developments include existing affordable rental units within a mixed-income residential building that also has fair market rate units.

DEVELOPMENTS WITH A COMPONENT OF AFFORDABLE RENTAL HOUSING					
Development	**Address**	**Management**	**Maximum income**	**Total Affordable Units**	**Year Built**
Hammel #1	32 Burling Lane	Equity Land Developers LLC	60% AMI	3	2012
Hammel #2	48 Burling Lane	Equity Land Developers LLC	60% AMI	4	2017
The Lombardi	11 Park Place	RMA Development LLC	80% AMI	5	2016
New Housing Developments in the DOZ currently leasing up (also counted in the new housing inventory in the next section of this report)					
The Millennia Apartments	22 Burling Ln	Millennia Residence	80% AMI	11	
The Printhouse	165 Huguenot Street	Megalith Capital Management	80% AMI	7	
NewRo Studios	11 Burling Ln	Equity Land Developers LLC	80% AMI	11	
360 Huguenot	360 Huguenot	RxR Realty	80% AMI	28	
			TOTAL	**69**	

New Rochelle currently has 1,918 affordable rental housing units including 57 in new leasing up developments. The majority (63%) of existing affordable rental units are reserved for housing seniors. Of the affordable units available for general families, 639 (90%) are in buildings with 100% affordable units.

Pipeline of projects

The following is an inventory of new development projects and housing that is in the pipeline. There is a table for each of the following:

- Developments that are currently leasing up (or will begin leasing in the next month)
- Developments for which construction began in 2018
- Developments for which construction began in 2019 or will begin in the last few months of this year
- Developments that have been approved and will begin construction in 2020 or 2021

All projects included in the inventory use a net gain of units as the count. The net is determined by subtracting the number of existing units before a project from the number of units in the project.

CURRENTLY LEASING OR PRE-LEASING UNITS (as of November 2019)

Apartment Name	Address	Developer Manager	DO	Restaurant SF	Office Non Medical SF	Retail SF	Studio	1 BR	2 BR	3 BR	Total Units	Affordable Studio	Affordable 1 BR	Affordable 2 BR	Affordable 3 BR	Affordable Total
The Millennia Apartments (soon to be leasing up)	22 Burling Ln	ELD Properties/ Mellennia Residence	5	0	0	0	27	65	14	0	106	3	6	2	0	11
360 Huguenot	360 Huguenot/587 Main	RxR	2	-813	-10,687	-15,269	54	125	101	0	280	5	13	10	0	28
NewRo Studios	11 Burling Ln	The Residence NR LLC	5	0	0		73	-1	-6	0	66	10	0	0	0	10
The Standard*	251 North Ave	Capelli Organization	2	0	0	3,791	13	92	7	0	112	0	0	0	0	0
										TOTAL	**564**					**49**

***** The required 10% set aside of affordable units associated with The Standard are located off-site at 14 LeCount

CONSTRUCTION BEGAN 2018

Apartment Name	Address	Developer	DO	Restaurant SF	Office Non Medical SF	Retail SF	Studios	1 BR	2 BR	3 BR	Total Units	Affordable				
												Studio	1 BR	2 BR	3 BR	Total
The Rockwell	583 North Ave	The Young Companies	6	-8260	0	15,962	20	51	22	3	96	2	6	3	0	11
The Huguenot	387/393 Huguenot St	381-383 Huguenot LLC	3	0	0	-3479	20	37	1	0	58	3	4	0	0	7
										TOTAL	**154**					**18**

CONSTRUCTION Began 2019

Apartment Name	Address	Developer	DO	Restaurant SF	Office Non Medical SF	Retail SF	Studios	1 BR	2 BR	3 BR	Total Units	Affordable				
												Studio	1 BR	2 BR	3 BR	Total
14 LeCount Ph. I	14 LeCount Place	Wilder Balter	2	0	1,315	7,367	83	204	83	0	370	21	53	21	0	95
14 LeCount Ph. II	14 LeCount Place	Wilder Balter	2	0	0	9,657	38	76	57	0	171	0	0	0	0	0
26 Divison Tower A*	26 Division St	RXR	2	0	0	13,617	55	142	151	4	352	0	0	0	0	0
27 Divison Tower B*	26 Division St	RXR	2	0	0	12,054	-	-	-	-	376	0	0	0	0	0
277/285 North Ave	277/285 North Ave	Fisher Brothers	2	0	0	13,208	110	201	128	3	442	6	17	15	0	38
64 Centre Ave**	64 Center Ave	Allstate Ventures	2	740	1,480	2,600	48	72	24	0	144	0	0	0	0	0
10 Commerce	10 Commerce	BRP Dev.	4	0	-36,000	0	53	64	55	0	172	5	6	6	0	17
26 Garden St	26 Garden St	Stagg Group	2	0	16,310	3,000	32	99	56	0	187	3	10	6	0	19
										TOTAL	**2,214**					**169**

*The required 10% set aside of affordable units associated with Division Tower A will be located off-site at 11 Church

** The required 10% set aside of affordable units associated with 64 Centre Ave will be located off-site at 8 Westchester Place

APPROVED CONSTRUCTION 2020-2021 (as of November 2019)

Apartment Name	Address	Developer	DO	Office Non Medical SF	Retail SF	Institutional	Studios	1 BR	2 BR	3 BR	4 BR	Total Units	Affordable				
													Studio	1 BR	2 BR	3 BR	Total
500 Main	500 Main	BRP	2	0	2,100	23,139	110	218	149	0	0	477	11	22	15	0	48
Garden Street Affordable	11 Garden	Georgica Green Ventures	2	0	0	0	48	105	65	1	0	219	48	105	65	1	219
339 Huguenot (SouthTower)	339 Huguenot St	DHA Capital/ Louis Cappelli	2	0	0	0	66	132	87	0	0	285	7	13	9	0	29
327 Huguenot (North Tower)	327 Huguenot St	DHA Capital/ Louis Cappelli	2	0	8,697	0	50	150	49	0	0	249	5	15	5	0	25
316 Huguenot	316 Huguenot	Allstate Ventures	2	1,214	3,276	0	82	80	28	0	0	190	0	0	0	0	0
600 North Avenue	600 & 616 North Ave	The Young Companies	6	0	7,135	0	16	40	15	3	0	74	2	4	2	0	8
Maple Avenue Parking Lot Site*	25 Maple Ave (Maple Ave Lot)	Jim Wendley/Bill Balter	3	0	0	0	48	104	28	0	0	180	0	0	0	0	0
Modera New Rochelle	24 Maple Ave	Mill Creek	3	0	0	-52,911	8	201	125	0	0	334	1	20	12	0	33
265 Huguenot	DSF Tower II (2 Sherwood Pl)	DSF Group	1	0	0	0	54	141	89	17	0	301	5	14	9	2	30
2 Hamilton Ave	2 Hamilton Ave	Spiritos Properties LLC	6	0	10,500	0	17	24	13	2	0	56	2	2	2	0	6
8 Westchester Pl	8 Westchester Pl	Allstate Ventures	2	0	3,212	-2	25	36	11	0	0	72	25	36	11	0	72
The Grand	57 Grand St	Hammell Brothers	5	0	0	0	14	35	4	7	0	60	1	4	1	1	7
Chase Bank Site	11 Lawton St	RXR Realty	1	0	13,000	0	174	205	148	66	3	596	17	21	15	7	60
											TOTAL	**3,093**					**537**

** The required 10% set aside of affordable units associated with the Maple Ave Parking Lot Site will be located off-site at 14 LeCount

SUMMARY OF HOUSING UNITS CONSTRUCTION DATES

	All Housing Units	Affordable Units
Currently Leasing Or Pre-Leasing Units	564	49
Construction Began 2018	154	18
Construction 2019	2,214	169
Approved Construction 2020-2021	3,093	537
Total Units	**6,025**	**773**

New residential projects that are currently leasing up, soon to lease up, under construction, or approved and slated to begin construction in the next couple of years will add a significant number of market rate and affordable housing rental units to New Rochelle's downtown.

Currently leasing projects (and those that will be leasing within the next month or two) add 564 new units, 49 of which are affordable housing.

Projects that began construction in 2018, but are not yet in the lease-up stage, will add another 154 new units, 18 of which are affordable units.

Residential housing projects that began construction this last year or will begin before the year's end will add another 2,214 units.

New approved housing developments that will not begin construction until 2020 or 2021 will add the bulk of new units to New Rochelle's downtown. These developments will create 3,093 new units with 537 of them set aside as affordable. Two of the projects slated to begin construction in this period are 100% affordable: The Garden Street Apartments and 8 Westchester Place.

District Overlay Zone	DO1	DO2	DO3	DO4	DO5	DO6	Total
Affordable Units	90	573	40	17	28	25	773

All projects in the pipeline including those approved, those under construction as well as those now leasing up, total 6,025 new units. The new development will create 773 new affordable units, which is 14% of all new units – above the City's required 10% set aside.

The majority of pipeline affordable units (573 of 773) are in the DO2. This area of the DOZ has a higher density and is near the train station so it is not surprising that the bulk of units are in this overlay zone.

There are several projects currently in the planning phase that have not yet received planning board approval and are subject to major changes before plans are finalized. These projects have the potential to add to the number of affordable housing units in the downtown area.

There are several recent housing projects that are not part of the DOZ and are therefore not included in the above inventory. These projects are in the downtown area, however, and so will add to the significant increase of units in there. The projects include Hammell II at 48 Burling Ln with 36 units, 5 Anderson Ln with 38 units, the Printhouse with 71 units, and the Lombardi I at 371 North Avenue with 48 units. Another project, the seven story Craft Building which will provide senior housing, is just outside the DOZ area.

All Project Estimated Timeline

Apartment Name	Address	Unit Count	Affordable Units	DO	Construction Start	Est. date of Completion	Complete Lease up
360 Huguenot	360 Huguenot/587 Main	280	28	2	2018	Q2 2019	Q2 2020
NewRo Studios	11 Burling Ln	66	10	5	2018	Q4 2019	Q4 2020
The Rockwell	583 North Ave	96	11	6	2018	Q2 2020	Q2 2021
The Standard	251 North	112	0	2	2018	Q2 2020	Q4 2021
The Millennia Apartments	22 Burling Ln	106	11	5	2018	Q4 2020	Q4 2021
26 Garden St	26 Garden St	187	19	2	2019	Q3 2020	Q3 2021
The Huguenot	387 Huguenot	58	7	3	2019	Q3 2020	Q3 2021
10 Commerce	10 Commerce	172	17	4	2019	Q4 2020	Q4 2021
14 LeCount Ph. I	14 LeCount Place	370	95	2	2019	Q4 2021	Q4 2022
14 LeCount Ph. II	14 LeCount Place	171	0	2	2019	Q4 2021	Q4 2022
26 Divison Tower A	26 Division	352	0	2	2019	Q4 2021	Q4 2022
27 Division Tower B	27 Division	376	0	2	2019	Q4 2021	Q4 2022
277/285 North Ave	277/285 North Ave	442	38	2	2019	Q4 2021	Q4 2022
64 Center Ave	64 Center Ave	144	0	2	2019	Q4 2021	Q4 2022
Garden Street Affordable	11 Garden	219	219	2	2020-2021	Q3 2021	Q3 2022
600 North Avenue	600 & 616 North Ave	74	8	6	2020-2021	Q3 2021	Q3 2022
Maple Avenue Parking Lot Site	25 Maple Ave (Maple Ave Lot)	180	0	3	2020-2021	Q3 2021	Q3 2022
Blessed Sacrament Site	24 Maple Ave	334	33	3	2020-2021	Q3 2021	Q3 2022
339 Huguenot South Tower	339 Huguenot St	285	29	2	2020-2021	Q4 2021	Q4 2022
327 Huguenot (North Tower)	327 Huguenot St	249	25	2	2020-2021	Q4 2021	Q4 2022
316 Huguenot	316 Huguenot	190	0	2	2020-2021	Q4 2021	Q4 2022
The Grand	57 Grand St	60	7	5	2020-2021	Q4 2021	Q4 2022
265 Huguenot	DSF Tower II (2 Sherwood Pl)	301	30	1	2020-2021	Q4 2021	Q4 2022
2 Hamilton Ave	2 Hamilton Ave	56	6	6	2020-2021	Q4 2022	Q4 2023
500 Main	500 Main	477	48	2	2020-2021	Q4 2022	Q4 2023
8 Westchester Pl	8 Westchester Pl	72	72	2	2020-2021	Q4 2022	Q4 2023
Chase Bank Site	11 Lawton St	596	60	1	2020-2021	Q4 2022	Q4 2023

LEASE UP TIMELINE SUMMARY

Complete Lease Up	Q2 2020	Q4 2020	Q2 2021	Q3 2021	Q4 2021	Q3 2022	Q4 2022	Q4 2023
Total Unit Count	280	66	96	245	390	807	2,940	1,201
Affordable Unit Count	28	10	11	26	28	260	224	186

The leasing up timeline is based on an assumption that following an estimated construction date, a building will be completely leased up within twelve months. According to these estimates, by the end of 2020 there will be 346 leased up units, 38 of which will be affordable. By the end of 2021, 731 more units will be leased up, 65 of which will be affordable. The end of 2022 will see 3,747 new units, 484 of which will be affordable. The year 2023 will see another 1,201 new units, 186 of which will be affordable. The bulk of new units expected to enter the market in 2022.

District Overlay Zone	DO1	DO2	DO3	DO4	DO5	DO6	total
Affordable Units	90	573	40	17	28	25	773