



The Making of a Movement

How Organizing is
Transforming Housing
in New York City

An INCO Organizing Case Study



ASSOCIATION FOR
NEIGHBORHOOD &
HOUSING
DEVELOPMENT, INC.

Inclusionary Zoning: Remaking the Map

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In June 2003, the Bloomberg administration announced plans to rezone over twenty New York communities in one of the most ambitious development plans since the days of Robert Moses. That the city was facing a housing crisis was indisputable. Over the past ten years the city had gained about 500,000 new residents but added just 85,000 new houses and apartments. Almost half of all renters pay more than thirty percent of their income for housing, and twenty-five percent pay more than half. By converting manufacturing areas to residential use, increasing density by allowing taller residential and commercial buildings, and promoting mixed-use business districts, the administration's plan promised to unleash the power of the private market to generate over 50,000 units of new housing. Yet most of the proposed housing was slated as market-rate—units that would sell or rent to people earning over \$100,000 per year. Critics argued that the plan would do little to help ease the shortage of affordable housing for low- and moderate-income families, a prediction that came true as rezonings later that year in Park Slope and Long Island City yielded no new affordable housing.

The following year, the city announced plans to rezone two neighborhoods long prized by developers for their potential to draw top-dollar. The proposal for the Hudson Yards neighborhood on Manhattan's Far West Side targeted 59 city blocks between West 28th and 43rd streets and Seventh and Eighth avenues to the Hudson River. It called for an expansion of the Javitz Convention Center, an extension of the Number 7 subway line, a new stadium for the Jets, and higher density commercial and market-rate residential development. The plan for the Williamsburg/Greenpoint neighborhoods in North Brooklyn was even more ambitious. It called for opening up a nearly two-mile stretch of industrial properties to development of luxury high-rises. Further inland, the city would rezone the neighborhood's quirky mixed-used blend of warehouses, row houses, and manufacturing to permit residential buildings ranging in height from six-to-twelve-stories.

Gentrification had been growing in both neighborhoods over the past decade, and many residents felt rezoning would push out the remaining low- and moderate-income residents. If the city was going to use its zoning authority to unleash the market, tenants and housing advocates wondered, why couldn't it use the same powers to ensure private developers create new affordable housing in the rezoned districts? Over the next two years, "inclusionary zoning" became the rallying cry for a coalition of neighborhood residents, churches, community development organizations, policy experts, and housing organizers as they waged a successful city-wide campaign to persuade city officials to create affordable-housing set-asides for neighborhood rezoning plans. The final plans, approved earlier this year, include a strong package of building bonuses and tax incentives for private developers who set aside a certain percentage of units for affordable housing, with the city committing public land and financing for affordable housing as well. All told, 28 percent of the units in Hudson Yards, and 33 percent of the units in North Brooklyn, are slated for low- and moderate-income households. New provisions also protect existing residents against displacement as developers assemble sites. But equally important are the precedents the campaigns set and the constituency that now exists to ensure that future rezoning plans meet the housing needs of all New Yorkers.

Framing the Issue, Creating a City-Wide Platform

Although the struggle for inclusionary zoning was a city-wide campaign, the specific battles were fought at the neighborhood level. As Alison Cordero, an organizer with St. Nicholas Neighborhood Preservation Corporation, an INCO grantee in Williamsburg, noted, “The impetus for this fight wasn’t statistical. It wasn’t about ratios for affordable housing. It was about what we were seeing on the ground, what we were seeing in our ongoing organizing work.” St. Nicks has been organizing low- and moderate-income tenants for 30 years, but organizers had seen an uptick in displacement over the past decade as Williamsburg and Greenpoint, the adjacent neighborhood, steadily gentrified. As the market heated up, building owners sought an increasing number of zoning variances that would allow them to transform the neighborhood’s industrial buildings into lofts and apartments. As industrial space was converted, manufacturing jobs for the area’s working-class residents disappeared and rents went up as the neighborhood became even more desirable. “Inclusionary zoning began at the neighborhood level,” Cordero continued. “We were fighting all these zoning variances to get some percentage of affordable housing included in them, but we couldn’t get the community board to look at them in an organized way.”

When the city released the Hudson Yards and North Brooklyn rezoning proposals, organizers realized they needed to connect their neighborhood struggle to a city-wide campaign. A few years earlier, the Fifth Avenue Committee, a community development corporation in Park Slope, Brooklyn, lost a bitter struggle to include affordable housing mandates in the city’s rezoning plan for Fourth Avenue. “The rezoning was all luxury units,” said Brad Lander, who was FAC’s executive director at the time. “We lost, plain and simple.” Now executive director of the Pratt Center for Community Development, a think tank focusing on city planning and public policy, Lander was determined not to let a similar fate befall other communities.

In January 2004, Lander hosted an informal gathering of housing organizers and policy advocates, including representatives from North Brooklyn and Far West Side housing organizations, to discuss what might constitute a progressive housing agenda for New York City. “There was a consensus that we were going to need more aggressive tactics, the kind of things Housing First, (a broad, ANHD-initiated coalition of housing groups and financial institutions) as an umbrella organization, just couldn’t do.” Inclusionary zoning shot up the list. “People realized that this was an idea that could provide a broader platform for insisting that growth and development must insure affordable housing for a wider range of New Yorkers,” Lander recalls. In partnership with New York ACORN, the local chapter of national community organizing group, and Habitat for Humanity NYC, the Pratt Center hired an organizer and launched the Campaign for Inclusionary Zoning, an umbrella organization of over 70 community, labor, religious, and advocacy organizations. As zoning fights played out at the neighborhood level, the Campaign added policy depth, visibility, and a coherent message for neighborhood-based efforts.

“The Pratt Center was important in two ways,” Cordero explained. “First, they provided the policy framework for inclusionary zoning, a way to connect neighborhood activism to a city-wide campaign. But even more crucial was the political understanding that came out of the Fourth Avenue organizing, what it took to move an agenda. That was A, you have to start early enough in the process to get the language of rezoning into the debate; and B, you need to get the borough president and the community board behind you.”

Following the campaign’s launch, the Pratt Center commissioned a report that outlined how inclusionary zoning might work in New York City. “We realized that we needed to lay the policy groundwork, to bring the issues

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into the mainstream,” Lander said. Though city housing officials recognized the need for affordable housing, the administration took a fundamentally *laissez faire* approach to real estate development. “Deputy Mayor Doctoroff”—the deputy mayor for economic development and rebuilding—“started from the idea that you shouldn’t mess with real estate markets,” Lander continued. But as the inclusionary zoning report pointed out, rezoning itself was a public action, so the issue of giving the market free rein was moot. In some cases, property owners could realize a five-fold increase in their land’s value through what was essentially a bureaucratic fiat. So the political question became one of what the public could demand in exchange. “Private windfalls should provide thoughtfully crafted public benefits,” the report noted. “Inclusionary zoning is one way to capture some of this new value (created by public action) for public purposes.” It also creates—or in these cases retains—mixed income neighborhoods and enhances integration. And it does so by leveraging the power of the market.

Released in the Fall of 2004, the Pratt Center’s inclusionary zoning report provided the theoretical framework for a city-wide inclusionary zoning policy. “The Campaign provided the academic resources and city-wide policy analysis, but it was the neighborhood leaders who were in negotiations with city officials,” said John Raskin, an organizer for Housing Conservation Coordinators (HCC), a community-based housing organization, and INCO grantee, based in Hell’s Kitchen, just north of Hudson Yards. But each community faced a different rezoning plan, and it was at the neighborhood level that the city-wide campaign got real traction.

Manhattan’s Far West Side

With its proposed mix of luxury housing, high density commercial development, and \$600 million in state and city subsidies for a new sports stadium, the city’s rezoning and development plan for the Hudson Yards neighborhood generated immediate opposition from community residents when it was released in June 2004. “There was a strong feeling of people being pushed out,” Raskin said. In the past decade, real estate agents had given Hell’s Kitchen a new name—“Clinton”—a moniker more befitting the rising rents and swank restaurants that had come to dominate the neighborhood. “People were worried about themselves and their neighbors. The rezoning plan, especially with the stadium, just hit that point home.”

A group of nonprofit developers, neighborhood associations, elected officials, and housing advocates came together as the Hell’s Kitchen/Hudson Yards Alliance to oppose the plan. Over the years, HCC, one of the alliance’s key partners, had built a strong base of tenant organizations and neighborhood associations, so the organizing infrastructure was already in place. In the late 1990s, HCC had also played a pivotal role in the campaign to insert anti-harassment provisions and demolition protections into the proposed rezoning of the Clinton Special District, a historic district that stretched from 8th Avenue to the Hudson River and from 34th to 59th Streets. “We had experience with land-use and zoning and how we could use those procedures to create affordable housing,” Raskin said.

Although the rezoning and the mayor’s proposal for a new stadium were technically separate issues—the stadium plan required the approval of state officials, while rezoning was a city affair—HCC and its allies linked the issues together, framing them as a referendum on public priorities. When contrasted with other possible uses for public expenditures—salaries for teachers, new schools, raises for firefighters—the mayor’s proposed \$600 million public subsidy for a new football stadium became a symbol of the city’s misplaced priorities.

"The comprehensive message we used was to ask, Who is all this development for?" Raskin said. "It wasn't rational development on a human scale. The housing was not going to be affordable, and the stadium was this behemoth monstrosity that will suck up all this public money that could be better used for other public purposes, like schools and firefighters."

As the campaign heated up, HCC and its partners found an unexpected ally in James Dolan, the head of Cablevision, the company that owned Madison Square Garden. The new stadium would be in direct competition with The Garden, and Dolan spent millions of dollars on commercials attacking the plan. But he also worked with local groups to sharpen their message. "Cablevision put a lot of money into helping figure out what the message should be," Raskin said. "I think Dolan realized that he needed us to frame the stadium issue." It was the grassroots organizing and the local message development, Raskin continued, that gave the city-wide message its resonance. With opposition to the stadium firmly rooted in local organizing, questions of housing, land use, and public priorities developed into defining political issues for the upcoming election season.

But it was the mobilization of community residents that really got things started. Through the summer and into the fall, Hudson Yards Alliance members turned out hundreds of residents to speak out against the plan at community board meetings and public hearings. Daytime hearings typically drew 50 or so residents, while evening attendance numbered in the hundreds. "Turnout provided legitimacy for what people were saying at the hearings," Raskin continued. "We heard back later that turnout and public testimony really changed perceptions." Eventually, both community boards in the affected areas came out against the city's plan, as did Chris Quinn, the local City Council representative.

In January 2005, the City Council adopted a rezoning plan that was quite different from the one originally proposed. The new plan gave developers a range of inclusionary zoning incentives. Most notably, builders got the right to build bigger, more profitable buildings if they set aside 20 – 30 percent of the units for low- and moderate-income households. Builders also have access to the "80-20" tax break, a tax subsidy given to developers who set aside 20 percent of their units for households making less than 60 percent of the area's median income. Unlike previous 80-20 subsidies, which allow set-asides to convert to market-rate after 20 years, new units will be permanently earmarked for affordable housing. Overall, the rezoning is projected to create 3,400 units of affordable housing.

Williamsburg/Greenpoint

The city's rezoning plan for Williamsburg/Greenpoint, two adjacent neighborhoods in North Brooklyn, was even more far-reaching than its plan for the Far West Side. Certified in October 2004, the plan called for redeveloping a nearly two-mile stretch of waterfront populated with vacant lots, factories, and warehouses. In place of these industrial sites, which industrial-retention advocates claimed were still viable for light-manufacturing, the city envisioned a 1.6 mile-long esplanade lined with high-density market-rate buildings. But there were no mandates for affordable housing. City officials insisted that the administration's existing commitment of \$3 billion in public subsidies would spur private-sector development of affordable housing. "Developers will gladly develop properties using these programs," a city planning spokesperson told *City Limits* magazine, "because there is no sweeter deal."

Local residents viewed the proposed rezoning as the culmination of a decade-long struggle against industrial flight and residential displacement. As on the Far West Side, the North Brooklyn campaign emerged from an established base. "We had been organizing against harassment and displacement for years before the zoning plan came out," said Barbara Schliiff, organizing director of Los Sures, a local housing and community develop-

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