

LONG ISLAND WORKFORCE HOUSING LEGISLATION

ASSEMBLY BILL 8060 BY ASSEMBLYMAN THOMAS DINAPOLI SENATE BILL 4899 BY SENATOR MICHAEL BALBONI

The Long Island Workforce Housing Bill establishes the Long Island Workforce Housing Initiative, and applies only to Nassau and Suffolk counties. Workforce housing is defined as housing that a family of four at or below 80 percent of Long Island's median income can afford. **Currently, that 80 percent figure stands at \$67,000.**

The bill mandates that when a local government on Long Island approves a subdivision plat, site plan, or mixed-use development for 5 or more residential units, the local government must require that the developer set aside 10 percent of the units for workforce housing, which must be designed consistently with the rest of the development. In return, the bill requires the local government to grant the developer a density bonus (which allows more units to be built) unless the local government makes a written finding, based upon substantial evidence, that the density bonus is either not required to provide workforce housing or it would have a specific adverse impact on health, safety, or the environment, which cannot be avoided.

The bill also provides alternatives to the 10 percent set aside. First, if a local government makes a written finding that the set aside would adversely impact health, safety, or the environment in a way that could not be avoided, the developer can pay a fee based upon the value of the additional density. The fee would go into a trust fund that must be used exclusively by the local government **to buy land for, or create, workforce housing.**

Second, if a local government finds that workforce housing cannot be provided on the site in question, **it can require the developer to provide other land for the purpose of providing workforce housing.**

The bill gives Long Island's local governments one year to adopt a local law or ordinance specifying how they will comply with the bill, what procedures they will use, and how they will provide density bonuses. Those local laws and ordinances must ensure that the workforce housing remain affordable under the 80 percent of median income standard for at least 30 years. The bill also requires the state to provide any technical assistance local governments need to comply with the bills requirements.

ASSEMBLY BILL 8060 BY ASSEMBLYMAN THOMAS DINAPOLI
SENATE BILL 4899 BY SENATOR MICHAEL BALBONI

AN ACT to amend the general municipal law, in relation to creating the Long Island workforce housing incentive program

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Legislative findings. The legislature hereby finds that it
2 is the public policy of the state of New York to foster the goal of home
3 ownership and the provision of affordable workforce housing in areas of
4 the state, such as Long Island, where there is a shortage of such hous-
5 ing. It is further found by this legislature that local governments have
6 a responsibility to assist in the providing of a fair share of the
7 regional need for affordable housing. Further, each local government has
8 the responsibility to establish a land use plan for its community that
9 provides balanced and diverse housing options for all segments of the
10 community.

11 This act shall provide that when five or more residential units or
12 mixed-use development with five or more residential units are seeking
13 approval to be built, Long Island's local governments require that as a
14 condition of approval for such site plans and subdivisions the provision
15 of affordable workforce housing in an amount equal to at least ten
16 percent of the housing units be set aside. In the alternative, where a
17 local government determines that the provision of suitable affordable
18 workforce housing may not be provided on site, that in lieu of said

19 requirement, either a payment may be made of a reasonable sum to be
20 determined by the local government for the purpose of affordable work-
21 force housing, which sum shall constitute a trust fund for that purpose
22 or land may be provided off-site for said purpose. It is the intent of
23 the legislature that the density bonus or other incentives offered by

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1 local governments pursuant to this act shall contribute significantly to
2 the economic feasibility of affordable workforce housing in new residen-

3 tial or **mixed-use developments.**

4 § 2. The general municipal law is amended by adding a new article 16-A
5 to read as follows:

6 **ARTICLE 16-A**

7 LONG ISLAND WORKFORCE HOUSING INCENTIVE PROGRAM

8 Section 699. Definitions.

9 699-a. Long Island workforce housing incentive program.

10 699-b. Technical assistance for Long Island workforce housing
11 incentive program.

12 § 699. Definitions. As used in this article the following terms shall
13 mean:

14 1. "Affordable workforce housing" means housing for individuals or
15 families at or below eighty percent of the median income for the Nassau

16 Suffolk **primary metropolitan statistical area as defined by the federal**
17 **department** of housing and urban development. For the purposes of this
18 section, the affordable workforce housing units shall be of consistent
19 design to those of the rest of the development.

20 2. "Density bonus" means a density increase of at least ten percent,
21 unless a lesser percentage is elected by the applicant over the other-
22 wise maximum allowable residential density or floor area ratio if part
23 of a mixed-use development under the applicable zoning ordinance and
24 comprehensive plan as of the date of application by the applicant to the
25 local government. All density calculations resulting in fractional units
26 shall be rounded up to the next whole number. The granting of a density
27 bonus shall not require, in and of itself, a comprehensive plan amend-
28 ment, zoning change or other discretionary approval. The density bonus
29 shall not be included when determining the number of affordable work-
30 force housing units that constitute ten percent of the total.

31 3. "Local government" means the counties of Nassau or Suffolk, or any
32 village, city or town within such counties.

33 § 699-a. Long Island workforce housing incentive program. 1. When a
34 local government approves a subdivision plat or site plan for five or
35 more residential units or a mixed-use development that incorporates five
36 or more residential units, such local government shall require:

37 a. the set aside of at least ten percent of such units for affordable
38 workforce housing; or
39 b. upon the local government making a finding that the set aside of at
40 least ten percent of such units for affordable workforce housing would
41 have a specific adverse impact upon health, safety or the environment
42 for which there is no feasible method to satisfactorily mitigate or
43 avoid the specific adverse impact, the payment of a reasonable fee to
44 the local government that shall constitute a trust fund to be used
45 exclusively by the local government for the purpose of providing afford-
46 able workforce housing by acquiring land for the specific purpose of
47 providing affordable workforce housing or constructing affordable work-
48 force housing; or rehabilitating structures for the specific purpose of
49 affordable workforce housing. All fees collected by the local govern-
50 ment as provided in this section, shall be deposited in a single trust
51 fund for the local government and shall be kept in trust and separate
52 and apart from all other monies. Moneys in such trust fund shall be
53 deposited and secured in the manner provided by section ten of this
54 chapter. Pending expenditures from such trust fund, moneys therein may
55 be invested in the manner provided in section eleven of this chapter.

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1 Any interest earned or capital gain realized on the moneys so deposited
2 or invested shall accrue to and become part of such trust fund; or
3 c. the provision of other lands for the purpose of providing afford-
4 ble workforce housing that are not part of the site plan or subdivision
5 plat where it is determined by the local government that suitable
6 affordable workforce housing cannot be provided on site.
7 2. The local government shall provide an applicant, subject to the
8 provisions of this article, a density bonus and/or other incentives for
9 providing the required affordable workforce housing units. The local
10 government shall grant the additional density bonus and/or incentive
11 unless such local government makes a written finding, based upon
12 substantial evidence, that the density bonus or incentive is not
13 required in order to provide affordable workforce housing or that the
14 density bonus or incentive would have a specific adverse impact upon
15 health, safety or the environment for which there is no feasible method

16 to satisfactorily mitigate or avoid the specific adverse impact.

17 3. Within one year of the effective date of this article, the local
18 government shall adopt an ordinance or local law that specifies how the
19 local government shall implement this article, including provisions
20 specifying how density bonuses, and other incentives will be provided.
21 The local government shall also establish procedures for waiving or
22 modifying development and zoning standards that would otherwise inhibit
23 the utilization of density bonuses on specific sites. The local govern-
24 ment's ordinance or local law shall ensure the continued affordability
25 of all affordable workforce housing units for a period of thirty years,
26 or a longer period of time if required by a mortgage financing assist-
27 ance program, a mortgage insurance program or a rental subsidy program.

28 § 699-b. Technical assistance for Long Island workforce housing incen-
29 tive program. The department of state shall provide, through its office
30 of local governments services, technical assistance to local governments
31 that are drafting ordinances and local laws to comply with the
32 provisions of this article.

33 § 3. This act shall take effect the first of November next succeeding
34 the date on which this act shall have become a law.

SPONSORS MEMO:

**NEW YORK STATE SENATE
INTRODUCER'S MEMORANDUM IN SUPPORT
submitted in accordance with Senate Rule VI. Sec 1**

BILL NUMBER: S4899A

SPONSOR: BALBONI

TITLE OF BILL: An act to amend the general municipal law, in relation to creating the Long Island workforce housing incentive program

PURPOSE: Amends the General Municipal Law by adding a new Article 16-A establishing the Long Island Workforce Housing Incentive Program.

SUMMARY OF PROVISIONS: Section 1 establishes legislative findings and intent

Section 2 adds a new Article 16-A to the General Municipal Law, entitled

"Long Island Workforce Housing Incentive Program."

* A new section 699 of the General Municipal Law establishes definitions.

* A new section 699-a provides that, when a local government approves a subdivision or site plan for more than five residential units, such local government shall require that (a) the developer sets aside a mini-

mum of 10% of such units for affordable workforce housing; or (b) in the

case that a local government makes a finding that the set-aside of 10% of units would have a specific adverse affect on public health, safety or the environment, the developer makes the payment of a fee to the

local government to be used exclusively for the purpose of providing affordable workforce housing; or (c) other lands be provided for the purposes of providing affordable workforce housing if the local government determines that suitable affordable workforce housing cannot be provided on site. This section 699-a also provides for local governments

to award density bonuses to developers as an incentive to provide affordable workforce housing. Lastly, this section directs local govern-

ments in the counties of Nassau and Suffolk to adopt an ordinance or local law within one year of the effective date of this act to specify how each government shall implement this Article.

* A new section 699-b directs the Department of State to provide technical assistance to local governments in developing local laws or ordinances to adequately implement the provisions of this Article.

Section 3 establishes an effective date.

JUSTIFICATION: More than one out of four households in the country, almost 24 million, confront housing cost burdens. According to the United States Department of Housing and Urban Development (HUD), shelter

costs should consume no more than approximately one-third -- in high costs areas such as Long Island, **35% is sometimes used as the standard -- of total income. It is estimated that more than one out of ten house-**

holds spend more than one-half of their incomes on housing with renters even more likely to have affordability difficulties. This problem is particularly acute in Nassau and Suffolk Counties.

The Nassau-Suffolk Primary Metropolitan Statistical Area as defined by HUD has been ranked the seventh least-affordable area in the nation for middle-income housing, according to a Washington, D.C.- based affordable

housing organization. In the last four years, **housing prices have risen 81% while household incomes have only increased 14%.** This has put affordable **homes and rental** units out of reach for more and more individuals and families. Approximately 80% of Nassau and Suffolk's housing stock is owner occupied single-family homes, leaving an estimated 20% as

rental units.

On Long Island, more than 25% of households -- and one-third of renters -- pay more than 35% of their gross monthly income on their rent or mort-

gage. In fact, according to a study, Lack of Affordable Housing: Prescription for Disaster, which was recently conducted for the Long Island Housing Partnership, ratios of gross rent-to-income that exceed 50% are commonplace. Unless Long Island can expand its stock of affor-da-

ble workforce housing, employers will face perpetual labor shortages and

the region could face constricted economic growth.

LEGISLATIVE HISTORY: This is a new bill.

FISCAL IMPLICATIONS: None to the state.

EFFECTIVE DATE: This act shall take effect on the first of November.