



The City of New York Office of the Comptroller Scott M. Stringer

TESTIMONY OF NEW YORK CITY COMPTROLLER
SCOTT M. STRINGER BEFORE THE NEW YORK CITY COUNCIL
SUBCOMMITTEE ON LAND USE, ZONING AND FRANCHISES

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Thank you Chair Weprin and members of the Subcommittee on Land Use, Zoning and Franchises for the opportunity to speak today on the proposed Astoria Cove Development.

The developer, Alma Realty, is before you seeking greater density, relaxed design guidelines and a text amendment that would allow them to construct a mixed residential and retail large-scale development.

In total, the actions before you would permit Alma Realty to construct over 2 million square feet, including over 1,700 units of housing, across five buildings. Without the rezoning, they can only build 200 units of housing and light manufacturing.

In exchange for this 1,500 unit windfall, Alma Realty is submitting a plan that would set aside 20% of its units as “affordable housing.”

Astoria Cove is the first privately-developed affordable housing plan to be subject to new, mandatory inclusionary zoning. As a result, this proposal will set a precedent for our city.

But a deeper analysis calls into question whether or not these units are truly affordable. The stakes are too high not to get this right.

Under the city's non-mandatory inclusionary housing program, 20% of all affordable units must be available to low-income New Yorkers.

The new mandatory rules, however, give the developer the option to reduce the number of low-income units to only 10%, or approximately 173 apartments. Under this scenario, the developer would need to make another 20% of the building affordable to middle-income tenants.

The difference is simple. Instead of the majority of the units being affordable to a single person making \$48,000 a year, the majority of the units would be affordable to a single person making over \$100,000 a year.

The potential rents would be as high as \$2,700. This is higher than the average market rate rents for Astoria and nearly two times higher than the rest of Queens.

The bottom line is that \$2,700 for a one-bedroom apartment is market rate for this neighborhood – not affordable.

If we are going to meet the city's goal to create 200,000 affordable housing units, it cannot be through this kind of deal.

To make matters worse, as Alma Realty is seeking this zoning approval, it is trying to deregulate 700 affordable units at Brooklyn Jewish Hospital Apartments.

While I recognize that from a strict land-use law perspective these issues are separate, it would be malfeasance to ignore what Alma Realty is doing in real time in Crown Heights, Brooklyn.

It must be on the record.

The residents of Brooklyn Jewish Hospital Apartments entered into a contract with Alma Realty in good faith - that deal should not be stripped away.

Alma Realty is running a shell game across this city – where they provide affordable units with one hand and take them away with the other.

We have to send a strong message today.

I ask the City Council to take a hard look at the proposed Astoria Cove affordable housing plan, where as few as 173 units could be truly affordable. The developer must dig deeper at Astoria Cove. We should increase the percentage of affordable units and set them at a rate New Yorkers can actually afford – and ensure that the development will provide good jobs this community deserves.

Moreover, I ask that you not ignore the tenants across this City, like those in Crown Heights, seeking a fair deal from Alma Realty.

We have a responsibility to hold this developer accountable in Queens, in Brooklyn, and wherever else shoddy tactics surface.

Let's not add 173 truly affordable housing units and lose 700. That is no way to reach our collective goal.

Thank you for the opportunity to testify today.