

New York must address its housing affordability crisis before it's too late | Opinion

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In her executive budget, Gov. Kathy Hochul proposed streamlined, as-of-right zoning legislation for both accessory dwelling units and transit-oriented development. The bills were criticized by many quarters as an assault on local control and they were pulled. Withdrawal notwithstanding, this draft legislation, coupled with other budget initiatives such as funding targeting affordable housing, have placed the issue front and center.

There is a resurgent conversation surrounding statewide fixes to this serious problem and New York needs to act.

New York is behind on housing

New York's housing challenges — particularly acute in Westchester County — are often cited and beyond debate. The county's most-recent study identifies a present-day need for greater than 11,700 new units of affordable housing to meet demand. Meanwhile, over 20 percent of Westchester households are severely cost-burdened — spending more than half their income on a place to live. Although New York shares this issue with many other states, we stand alone in the inability to marshal statewide solutions. All our peers — coastal states with expensive housing and strong economies — have adopted state-level reforms to promote housing in high-cost areas such as Westchester. Only New York lacks the statutory tools to promote land-use reform and housing production in its suburban communities. The result is fewer homes than needed, higher rents, and starker segregation.

Our state government has an essential role in ensuring healthy housing markets and it needs to step up to the task. The economic, social and environmental costs of inadequate housing extend far beyond local boundaries and affect the entire region. When people can't afford to live where they work, they look for work elsewhere. Jobs go unfilled, talent leaves the area, the

economy stagnates, and taxes rise. A lack of adequate housing is bad for our economy, our businesses, and our communities.

Left to themselves, local governments lack the urgency and proper incentives to meet the challenge. Even well-meaning communities can face overwhelming financial and political pressure that prevents them from adopting inclusionary housing policies. These obstacles include inflated fears of overtaxed services — sometimes called “fiscal zoning” — and overcrowded schools as well as pressure from neighborhood groups. Because the benefits of new housing tend to be more geographically diffused than the perceived burden, the current land-use system with its numerous approval stages gives the loudest voice to its fiercest opponents. In the face of loud opposition from neighborhood defenders, no matter whether the objection is based on concrete data or the ubiquitous “ghost stories,” the safest choice for many local boards is a delay, adding time and money even to projects with an unambiguous public benefit. Moreover, substantive land-use reforms like updating comprehensive plans, removing inefficiencies in the process, or re-examining outdated ordinances can take years or even decades. Unsurprisingly, those same individuals who profess a strong belief in values like civil rights, climate change, stronger mass transit, and smart growth development often oppose projects in their neighborhood that would help make progress. If we are committed to these values, we will need well-crafted state intervention to push past inertia at the local level.

If not zoning by right, then what?

There are other approaches besides mandatory zoning for accessory dwelling units and transit oriented development. Carve-outs can be used to insulate local governments from these types of requirements where those communities meet (or work towards) inclusionary housing benchmarks. With such “safe harbors”, local governments retain control if they are dedicated to addressing the issue themselves. Development impact fees can work around fiscal zoning concerns. Planning grants and programs incentivizing zoning reform are unobtrusive and uncontroversial. The governor’s budget also includes substantial funding for adaptive reuse of defunct hotels and office buildings in

New York City into housing. This program should be extended to Westchester. However, carrots alone will not overcome local inertia. In some West Coast states, even mandatory land use planning with state review and approval has achieved only mixed results.

The most productive solution is a usable appeals process to combat local exclusionary zoning decisions. Right now, local land use decisions enjoy extremely broad discretion and are difficult to challenge even when highly suspect. However, states like Massachusetts offer mixed-income and affordable housing developments state review from local zoning decisions requiring actual proof — rather than a presumption — of validity. As a result, development cannot be obstructed without good reason. Not a high bar, at least where land-use decisions are well-intentioned. The Massachusetts law is effective and has withstood statewide referendum by comfortable double-digit margins. All that is required is accountability. Variations on the appeals-based model also exist in Connecticut, Rhode Island, and Illinois.

The Westchester County Association and the Building and Realty Institute are working together with other representatives from the business, real estate, construction, and nonprofit communities to bring the importance of this issue to our state lawmakers. Among this comprehensive array of interests, there is broad agreement. Decades of experience with a piecemeal, jurisdictional approach to the housing crisis has failed to yield the results we need to remain economically viable and affordable for millennials, young families, seniors, and so many other residents. It is not going to work. New York is playing catchup and we need action from Albany.

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