# What is Infill?

# Part of the NYCHA Real Talk series

This workshop can help you facilitate conversations about NYCHA's current plans to allow private developers to add new buildings to NYCHA campuses.

Once the group you're working with understands the basics, you can have a broader discussion about the best ways for NYCHA tenants to hold NYCHA accountable or what tenants want to prioritize fighting for.

Throughout the workshop, there are places to ask the participants questions. We suggest taking answers from a few audience participants. Depending on how much time you have for the workshop and how interactive you want it to be, you can have more audience members respond.

- Introduce yourself and the purpose of today's workshop. Ask everyone to introduce themselves, it helps warm people up for participating later on in the workshop!
- Make sure everyone has the workshop handout. Mention that it summarizes the main ideas, and also has contact information for people who can help.
- If this workshop is taking place virtually:
  - You can either send the handout to participants ahead of time, share it in the chat, or tell participants that the handout will be sent out afterward.
  - Remind participants to leave their camera on —so everyone feels like they're in the same room!



# [Slide 1: "What is Infill?"]

• Today we are going to run a workshop explaining how NYCHA is trying to fix their building maintenance issues. They have a few different plans for how to do this, and we will talk about what they are. We'll also talk about what NYCHA says are the benefits and drawbacks, so that we can decide whether we support these programs or not.



# [Slide 2: "NYCHA buildings need repairs"]

Note: If you are doing both the RAD/PACT and Infill parts of the workshop together, you only need to do the next two slides once.

- NYCHA manages public housing buildings in NYC. Around 400,000 600,000 people live in NYCHA buildings.
- NYCHA has serious funding problems. Some of the money that pays for NYCHA comes from the city and state governments. But most of it comes from the federal government in Washington DC.

Things you say out loud are in black.

Notes for facilitator in blue.

Participant questions in red.

- The problem is that, for decades, the federal government has been steadily reducing the amount of money they pay to NYCHA.
- Because of lack of funding, NYCHA buildings now need \$40 billion in repairs!



# [Slide 3: "What's NYCHA's plan?"]

- NYCHA has two ideas to raise funds.
- Has anyone heard of these ideas and know what they're called?
  - Depending on how they answer, say:
  - They're called "NYCHA 2.0" and "A Blueprint for Change." NYCHA 2.0 has been around since 2018 and A Blueprint for Change is from 2020. NYCHA wants to use these plans to try and get private developers and landlords to take over the responsibility of maintaining and repairing NYCHA buildings.



#### [Slide 4: "What's NYCHA's plan?"]

- There are a few different programs within NYCHA 2.0 that are designed to get private landlords and developers involved:
  - RAD/PACT,
  - Infill,
  - and Transfer of Development Rights (TDR).
- They all have some good parts and some bad parts.
- Today we are going to go through the basics of the Infill program so you can decide if you support it, or want to advocate against it.
  - If you plan on talking about other programs in addition to Infill, e.g. Blueprint for Change, you can introduce them here.



#### [Slide 5: "What is Infill?"]

- Raise your hand if you've heard of Infill as it relates to NYCHA.
  - Ask participants to raise hands if they have heard of the program.
  - Basically, Infill allows NYCHA to lease the open spaces around its buildings to developers so they can build new buildings on them.
  - You might also hear this called "Build To Preserve" by the city.
- The way this works is a little complicated. Let's break it down.



#### [Slide 6: "How does Infill work?"]

- There are three things to know about Infill:
  - NYCHA properties have land that is used for parking lots, playgrounds, and lawns not just buildings.
  - 2. NYCHA can lease this land, and the rights to build on it, to private developers.

3. Those leases can bring in money for NYCHA if the new buildings have some market rate housing. We'll go into more detail about this later.



#### [Slide 7: "How does Infill work?"]

- It starts with zoning. Can anyone tell me what zoning is, and what it does?
  - The zoning laws say how much you can build on any piece of land.
  - The limit to how much you can build is called your "as-of-right" development rights.
- Raise your hand if you've heard the term "as-of-right" before.
  - It's just a technical term for the limit to how much you can build without having to go through a special process with the city to get your zoning changed. Even NYCHA properties have an as-of-right development limit.
  - But most NYCHA properties aren't built up to anywhere near their limit.



#### [Slide 8: "How does Infill work?"]

- The difference between what is actually built and the maximum amount of building that <u>could</u> be built is called the "unused development rights."
- Sometimes this is just called "development rights," since a developer has the right to build it, but hasn't built up to the limit yet.



# [Slide 9: "How does Infill work?"]

- So with 'Infill' the idea is that NYCHA could lease their unused development rights to private developers and let them build new buildings on NYCHA land.
- Where do you think those new buildings might go?
  - Take a few responses from participants. Depending on what they say, add: the open spaces around NYCHA buildings.
- If you picture NYCHA buildings, most of them have a LOT of open space around them. What kinds of things are those open spaces being used for right now?
  - Take a few responses from participants. Depending on what they say, add: lawns, parking lots, maybe even playgrounds.



#### [Slide 10: "Does NYCHA really make money from it?"]

- As you all know, land in NYC is worth a LOT of money. In some places, NYCHA land is located near some of the most expensive real estate in the country.
- NYCHA's original plan with Infill was to lease this valuable land to developers for a lot of money. The developers would build housing that's partly affordable and partly full price market rate. The market rate apartments would be rented to wealthier people, and that's how the developers would make a profit.

- However, what's happened so far is that most of the buildings that are being built are 100% affordable, and they're being leased for almost nothing.
- This means that NYCHA currently isn't making money from infill.



# [Slide 11: "How hard is it to do this?"]

- If NYCHA wants to lease a part of its development, it has to go through the U.S. Department of Housing and Urban Development (HUD) approval process.
- This means that they have to show HUD that a few things are true:
  - 1. The plan to lease the land is in the best interests of current residents.
  - 2. Leasing the land won't cause any difficulties or mess with how the development functions.
  - 3. NYCHA has developed its plans after talking with residents about them.
- This means NYCHA has to listen to resident input! If you disagree with their plans to lease land, make sure your voice is heard.



#### [Slide 12: "NYCHA says residents will benefit from..."]

- This is how NYCHA says the programs will benefit residents.
- Does anyone want to take a guess at what they say will be the benefits?
  - Take a few responses from participants. Depending on what they say, add:
  - NYCHA said the main benefit of this plan would be that it would allow them to raise money through mixed-use housing.



[Slide 13: "How could NYCHA residents lose out?]

- What are some of the things you might worry about with this program?
  - Take a few responses from participants. Depending on what they say, add:
  - Loss of open space, including green spaces, parking, and playgrounds.
  - Another thing we might worry about is how much money it actually makes for NYCHA. The more expensive the apartments are, the more money NYCHA (and the developer) will make. But the more affordable they are required to be, the less money NYCHA will get from this program. Currently, they're leasing 100% affordable buildings for only \$1.
  - Right now, the new buildings on NYCHA property are mostly affordable housing. But in the long run, the city might decide to start leasing NYCHA's open spaces to developers for market-rate housing—with no affordable housing requirements—as a way to raise money from the program. This means more housing for wealthy people.

- If new buildings for wealthier people are built near NYCHA buildings, wealthier people will be moving into those apartments and the neighborhood.
  - Local stores might charge more because wealthier people can pay more.
  - Businesses for wealthier people might replace the businesses you are familiar with.
  - Even in old buildings rents might go up as wealthier people move into the neighborhood.
  - There might be pressure in rent-stabilized buildings for residents to move out.
- Depending on what kind of affordable housing gets built, it's possible that the new "affordable" units won't be affordable to most NYCHA residents.



[Slide 14: "Are there other ways for NYCHA to benefit from their unused development rights?"]

- One more thing we might consider is another way for NYCHA to make money from their unused development rights.
- This is called "Transfer of Development Rights" (TDR).
- The city might also call this "Transfer To Preserve." Others might know of this idea as selling "air rights."
- Instead of building on NYCHA property, the unused development rights are sold to developers to use on other properties next to the NYCHA property.
- This "transfers" the development rights to the private developer, and then they can build more on their property, while the NYCHA campus stays the same.
- This is another option included in the NYCHA 2.0 plan.



[Slide 15: "What's the difference between the programs of NYCHA 2.0?"]

Note: If you are doing both the RAD/PACT and Infill parts of the workshop, you only need to do these next three slides once after you have gone through both.

- If you remember at the beginning, we talked about the three main programs of NYCHA 2.0. They were: RAD/PACT, Infill, and Transfer of Development Rights.
- This slide shows the basic differences between the three, in case you want to advocate for one over another.

Walk people through the highlights of each of the programs.

- RAD/PACT:
  - You will live in a building managed by a private landlord instead of NYCHA.
  - Building is converted from public housing (Section 9) to privately managed Section 8 housing.

- Ongoing payments from the government and the tenants will go to the private landlord instead of NYCHA.
- Infill also called, "Build to Preserve":
  - If your development gets a new "infill" building, NYCHA will still manage your property.
  - A new building replaces land on your NYCHA campus that might be a playground or parking lot or lawn right now.
  - NYCHA says that money raised will be used to make repairs to your NYCHA building, but money isn't being raised right now
- Transfer of Development Rights also called, "Transfer to Preserve":
  - NYCHA still manages your building, and no new buildings are built on NYCHA property.
  - NYCHA makes money by selling unused development rights to private developers to build new buildings near NYCHA property
  - One time payment from the developer is used to make repairs to your NYCHA building.



# [Slide 16: "What's going on in your development?"]

- These programs are going into place in NYC and other parts of the US.
- For example, RAD has been done in cities like Chicago, Philadelphia, and San Francisco. The NYCHA Annual Plan and NYCommons.org are both places you can find out more about what's planned for your development.

Fill in here what's going on in any of the participants' developments.

• Has anyone heard about this? If so, would you like to share more details?



# [Slide 17: "What can you do to get involved?"]

- Here are a few ways that NYCHA residents can get involved in organizing around Infill and other NYCHA 2.0 programs:
  - Get involved in your NYCHA resident association. This is a good way to find out if the city or NYCHA plans to bring any of these programs to your development.
  - Talk to your neighbors.
  - If NYCHA holds public meetings about these programs in your NYCHA development, show up and make your voice heard!
  - Contact local community organizations that are organizing around these NYCHA strategies.

• Contact your City Council Member and let them know if you think RAD/PACT, Infill, or TDR are good things for NYCHA to do.

Fill in here the name of the local City Council member or local community organizations that can help.



[Slide 18: "Questions/Discussion"]

Note: If you are doing both the RAD/PACT and Infill parts of the workshop, you only need to do this section once after you have gone through both.

- Let people know what your organization is doing about infill. Do you support it? Let participants know why. Are you against it? Help participants understand the drawbacks.
- Ask the participants if they have any more questions and answer them.
- Give participants information so they can follow up with your organization, or get involved in any organizing efforts you have planned.

Depending on how much time you have for the workshop, you could break participants into groups for discussion, and then have everyone come back together and tell the whole group their thoughts.

- Has NYCHA already proposed one of these programs for your building or campus? Which one? Do you think it's a good idea?
- If you had to pick one of the NYCHA 2.0 programs for your campus, which one would you pick, and why?
- Which of these do you think are good programs for NYCHA in general? Which ones are worth the trade-off of creating enough money versus NYCHA giving up resources?
- Would you prefer NYCHA didn't try any of these programs? What are other ways NYCHA might be able to find funding?