# Affordable Housing and Inclusionary Zoning Study for the C-2 District

## Village of Great Neck Plaza, New York

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# I. INTRODUCTION

## A. Study Purpose

The purpose of this study is to examine the need for affordable housing in the Village of Great Neck Plaza and to identify and develop appropriate standards and requirements for providing such housing in the C-2 zoning district (the study area).

While this study assesses the need for affordable housing villagewide, it focuses only on inclusionary zoning options and modifications for the C-2 District that would be applicable to new residential construction as well as to conversion from office use to residential use within the district.

The study first discusses the existing demographics, income and housing market conditions of the village to establish the extent of affordable housing need. Then the study examines the range of inclusionary zoning options that can be utilized to result in the production of affordable housing.

Lastly, the study identifies the parcels in the study area that are considered subject to change due to their current utilization or vacancy. These sites are examined to determine potential redevelopment in the study area and how any modifications to the C-2 District regulations would impact their development or redevelopment and their potential to generate affordable housing units.

## B. Study Area Location

The subject C-2 Zoning District is located in the southwestern portion of the Village of Great Neck Plaza in Nassau County. The village is situated in the northwestern section of the county, close to the border of Queens County in New York City. It is one of the county's North Shore communities although it has none of its own frontage on Long Island Sound. (See Regional Location Exhibit I-1.)

Regional access to the village is gained from the Long Island Expressway (I-495), Northern State Parkway, Lakeville Road, and Northern Boulevard. The Village of Great Neck Plaza is one of nine municipalities that make up the Great Neck peninsula and the C-2 Zoning District is in close proximity to the Village of Great Neck Estates and Russell Gardens as well as a portion of the Unincorporated Town of North Hempstead.

The C-2 District forms an east/west corridor with frontage on the two major east/west streets: Cutter Mill Road and Great Neck Road. The District is bisected by the Long Island Rail Road (LIRR) tracks.

The District is located directly west of Station Plaza, the Great Neck stop on the LIRR Port Washington line. It is also south of the downtown "Main Street" retail uses that line Middle Neck Road. See Exhibit I-2.

## C. Scope of Work

To develop the components of an inclusionary zoning ordinance compatible with the housing needs and resources, neighborhood character and public policy vision of the Village of Great Neck Plaza, Saccardi & Schiff, Inc. conducted a thorough review of primary and secondary data and sources.

Primary sources included a telephone interview with Peter Elkowitz, Jr. of the Long Island Housing Partnership, a non-profit housing organization whose mission is to increase affordable housing on Long Island, and Dr. Pearl M. Kamer, a Consulting Economist for the Long Island Housing Partnership. They provided insight into the Long Island communities that have enacted inclusionary zoning legislation and its outcome, and described services they provide to municipalities in implementing and maintaining affordable housing and related programs.

Saccardi & Schiff, Inc. conducted an interview with Susan Habel, AICP, Commissioner of Planning for the City of White Plains to discuss the City's renter and owner inclusionary housing legislation, how it was being implemented and the numbers and types of units it was generating.

Other primary sources included inclusionary and affordable housing legislation enacted by the following New York communities: Southold, Greenburgh, Briarcliff Manor, Bedford, Lewisboro, Port Chester, Southampton, and Orangetown, in addition to that of White Plains and the proposed DiNapoli enabling legislation in the New York State Assembly.

The United States 2000 Census and the report "Lack of Affordable Housing: Prescription for Economic Disaster" prepared for the Long Island Housing Partnership by Dr. Pearl M. Kamer were primary sources that provided information on affordable housing need in the village. Publications of the American Planning Association including the August 2003 issue of Zoning News "Zoning Affordability: The Challenges of Inclusionary Housing;" the September 2004 issue of Zoning Practice "Practice Inclusionary Housing Part One;" the October 2004 issue of Zoning Practice "Practice Inclusionary Housing Part Two;" "Affordable Housing Proactive & Reactive Planning Strategies" by S. Mark White, 1992; and, "Incentive Zoning: Meeting Urban Design and Affordable Housing Objectives" by Marya Morris, AICP, 2000, were secondary sources providing information on inclusionary zoning ordinances from communities across the country. "Long Island Index 2005," published by Long Island Index, provided additional information regarding housing trends in Long Island.

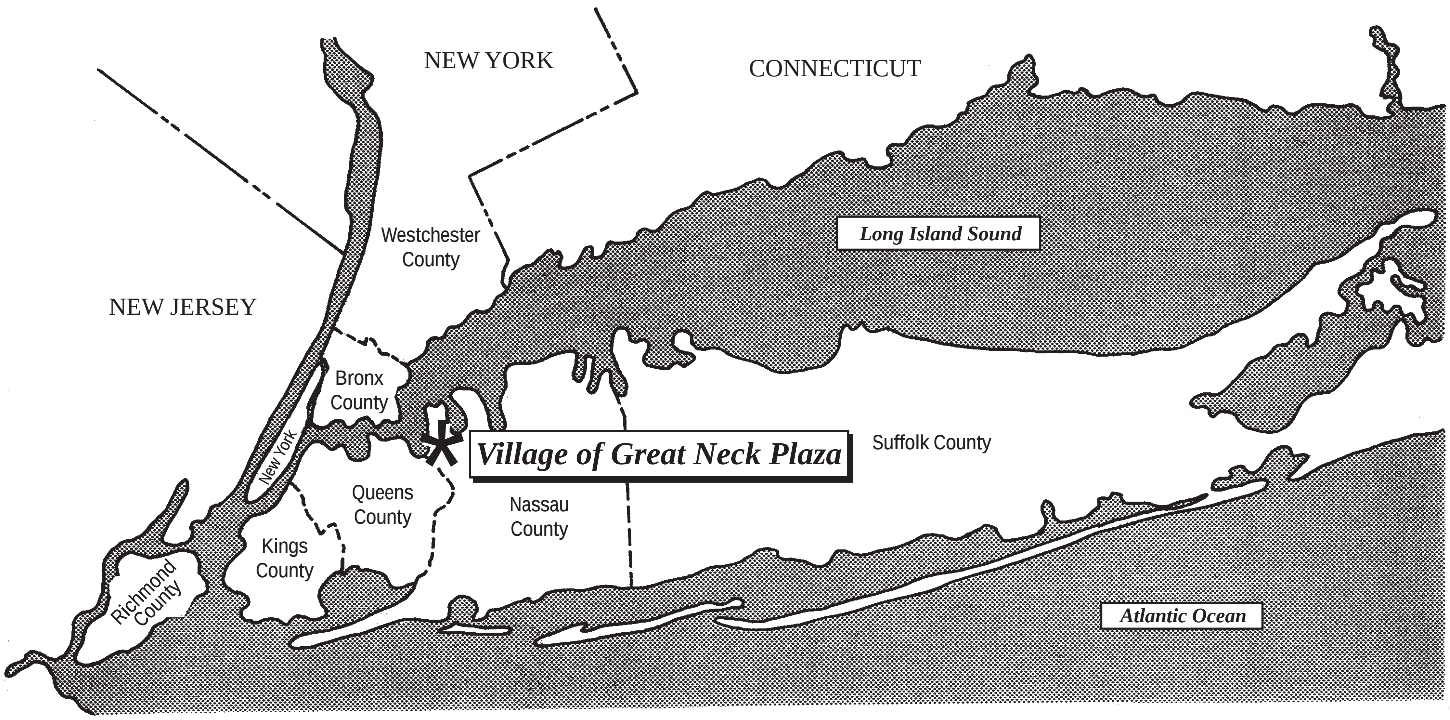


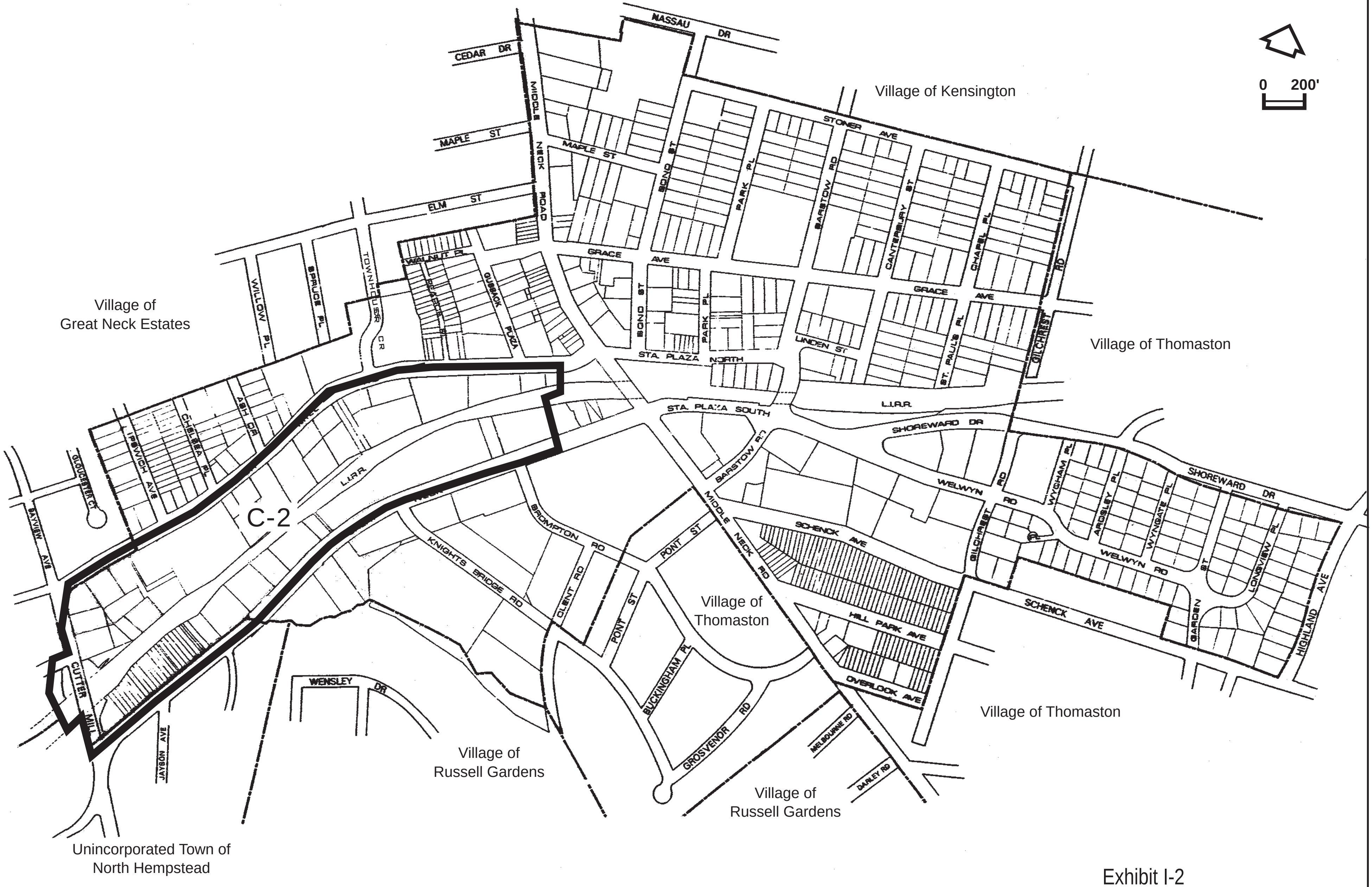

Exhibit I-1

**REGIONAL LOCATION**

AFFORDABLE HOUSING ZONING STUDY

Village of Great Neck Plaza, New York

***Saccardi & Schiff, Inc. - Planning and Development Consultants***




**Study Area Boundary**

Exhibit I-2

**STUDY AREA LOCATION**

AFFORDABLE HOUSING ZONING STUDY
Village of Great Neck Plaza, New York

*Saccardi & Schiff, Inc. - Planning and Development Consultants*

# II. EXISTING CONDITIONS

## A. Demographics and Housing

*Population*

After a period of decline between 1970 and 1980, the population of the Village of Great Neck Plaza has increased steadily between 1980 and 2000. At 6,433, the population as of the year 2000 is greater than the population of 5,921 in 1970. Both the Town of North Hempstead and Nassau County experienced population decline from 1970 to 1990 and only now are they experiencing modest growth. Year 2000 population figures for the town and county still lag behind their respective populations in 1970.

**Table 1**
**Population Growth, 1970-2000**

| | 1970 | 1980 | % Change '70-'80 | 1990 | % Change '80-'90 | 2000 | % Change '90-'00 |
|---|---|---|---|---|---|---|---|
| Village of Great Neck Plaza | 5,921 | 5,604 | -5.4% | 5,897 | 5.2% | 6,433 | 9.1% |
| Town of North Hempstead | 235,007 | 218,624 | -6.9% | 211,393 | -3.3% | 222,611 | 5.3% |
| Nassau County | 1,428,838 | 1,321,582 | -7.5% | 1,287,348 | -2.6% | 1,334,544 | 3.7% |

Source: U.S. Census Bureau, 2000

The number of households in the village also grew, by 10.5%, between 1990 and 2000. Average household size, however, slightly decreased by 0.6%, from 1.75 persons per household to 1.74 persons per household.

*Age*

The fastest growing age group in the village, town and county from 1990 to 2000 is the demographic cohort 75 years and over. This age group grew by 54.9% (from 768 to 1190 people) in the village. The age group 55 to 64 years old decreased by 3.6%, although the cohort 65 to 74 years old increased by 8.3%. The recent construction of the Mayfair and Atria senior assisted living housing projects has likely contributed to this overall increase in senior population. The two projects combined have a total of 290 assisted living units, which house approximately 329 seniors (1.13 persons per unit).

**Table 2**
**Population by Age Group, 1990-2000**

| Village of Great Neck Plaza | | | | | |
|---|---|---|---|---|---|
| **Age Group** | **1990** | **% of Total Population** | **2000** | **% of Total Population** | **% Change** |
| 0 to 19 Years | 649 | 11.0% | 801 | 12.4% | 23.4% |
| 20 to 34 Years | 1,543 | 26.2% | 1,400 | 21.7% | -9.3% |
| 35 to 54 Years | 1,513 | 25.7% | 1,586 | 24.7% | 4.8% |
| 55 to 64 Years | 726 | 12.3% | 700 | 10.9% | -3.6% |
| 65 to 74 Years | 698 | 11.8% | 756 | 11.8% | 8.3% |
| 75 Years and Over | 768 | 13.0% | 1,190 | 18.5% | 54.9% |
| **Town of North Hempstead** | | | | | |
| **Age Group** | **1990** | **% of Total Population** | **2000** | **% of Total Population** | **% Change** |
| 0 to 19 Years | 49,009 | 23.2% | 57,644 | 25.9% | 17.6% |
| 20 to 34 Years | 44,170 | 20.9% | 37,125 | 16.7% | 15.9% |
| 35 to 54 Years | 58,463 | 27.6% | 68,007 | 30.6% | 16.3% |
| 55 to 64 Years | 25,301 | 12.0% | 22,800 | 10.2% | -9.9% |
| 65 to 74 Years | 21,480 | 10.2% | 18,754 | 8.4% | -12.7% |
| 75 Years and Over | 12,970 | 6.1% | 18,281 | 8.2% | 40.9% |
| **Nassau County** | | | | | |
| **Age Group** | **1990** | **% of Total Population** | **2000** | **% of Total Population** | **% Change** |
| 0 to 19 Years | 314,594 | 24.4% | 358,923 | 26.9% | 14.1% |
| 20 to 34 Years | 296,845 | 23.1% | 230,766 | 17.3% | -22.3% |
| 35 to 54 Years | 346,214 | 26.9% | 418,057 | 31.3% | 20.8% |
| 55 to 64 Years | 146,796 | 11.4% | 125,957 | 9.4% | -14.2% |
| 65 to 74 Years | 115,327 | 9.0% | 105,961 | 8.0% | -8.1% |
| 75 Years and Over | 67,572 | 5.2% | 94,880 | 7.1% | 40.4% |

Source: U.S. Census Bureau, 2000

Children age 0 to 19 years are also a growing age group in the village. This cohort grew by 23.4%, which is a greater increase than that of the town and county. The age group 20 to 34 years old, however, decreased by 9.3%, in keeping with changes in the town (decreased by 15.9%) and the county (decreased by 22.3%). The rising costs of both owner-occupied housing and rental housing may be contributing to this decrease.

The demographic cohort 35 to 54 years old increased by only 4.8%, but still remains the largest percentage of the population in the village.

*Housing*

The number of housing units in the village grew by 7.8% between 1990 and 2000, which is greater than the growth in the town (2.2%) and the county (2.7%). Renter-occupied housing within the village grew slightly faster than owner-occupied housing so that renter-occupied housing now comprises more than 50% (50.3%) of all occupied units. This share of rental units is much greater than the number of renter-occupied housing units in the town (21.5%) or the county (19.7%).

**Table 3**
**Total Housing Units, Owner-Occupied Housing Units, Renter-Occupied Housing Units**

| **Village of Great Neck Plaza** | **1990** | **% of Total** | **2000** | **% of Total** | **% Change** |
|---|---|---|---|---|---|
| Housing Units | 3,612 | 100.0% | 3,892 | 100.0% | 7.8% |
| Owner-Occupied | 1,637 | 50.2% | 1,776 | 49.7% | 8.5% |
| Renter-Occupied | 1,625 | 49.8% | 1,794 | 50.3% | 10.4% |
| **Town of North Hempstead** | | | | | |
| Housing Units | 77,263 | 100.0% | 78,927 | 100.0% | 2.2% |
| Owner-Occupied | 59,156 | 79.3% | 60,270 | 78.5% | 1.9% |
| Renter-Occupied | 15,399 | 20.7% | 16,508 | 21.5% | 7.2% |
| **Nassau County** | | | | | |
| Housing Units | 446,292 | 100.0% | 458,151 | 100.0% | 2.7% |
| Owner-Occupied | 347,675 | 80.6% | 359,257 | 80.3% | 3.3% |
| Renter-Occupied | 83,840 | 19.4% | 87,944 | 19.7% | 4.9% |

Source: U.S. Census Bureau, 2000

The median owner-occupied housing value for all homes in the village was $191,400, $336,500 in the town, and $242,300 in the county in 2000. (The median value of owner-occupied housing for all homes is unavailable for 1990.) The median owner-occupied housing value for single-family homes in the village increased from $295,000 to $398,700 between 1990 and 2000, or 35.2%. Housing values in the town and county grew by 22.5% and 16.2%, respectively. The median owner-occupied housing value for single-family homes in the village, however, remains higher than values for the town and county ($354,100 and $242,300, respectively). Median renter-occupied gross rent (contract rent plus utilities) grew much faster than owner-occupied housing values. The village's gross rent increased by 53.9%, the town's by 39.9% and the county's by 30.1%

between 1990 and 2000. Median gross rent in the village is $1,057 per month, which is very similar to rents in the town and county.

**Table 4**
**Median Owner-Occupied Housing Value and Median Renter-Occupied Gross Rent**

| | Median Owner-Occupied Housing Value | | | | Median Renter-Occupied Gross Rent | | |
|---|---|---|---|---|---|---|---|
| | Single Family | | | All Homes | | | |
| | 1990 | 2000 | % Change | 2000 | 1990 | 2000 | % Change |
| Village of Great Neck Plaza | $295,000 | $398,700 | 35.2% | $191,400 | $687 | $1,057 | 53.9% |
| Town of North Hempstead | $289,000 | $354,100 | 22.5% | $336,500 | $776 | $1,086 | 39.9% |
| Nassau County | $208,500 | $242,300 | 16.2% | $240,200 | $741 | $964 | 30.1% |

Source: U.S. Census Bureau, 2000

*Average Family Size and Median Family Income*

The average family size in the village was 2.48 persons per family in 1990 and 2.54 persons per family in 2000.

Median income (2000 census) in the village increased by 16.6%, from $60,695 to $70,781 between 1990 and 2000. However, income in the village, as of 2000, is still notably lower than median family income in the town ($94,156) and the county ($81,246). This could reflect the increased percentage of retired persons 65 years of age and older living in the village on fixed incomes.

**Table 5**
**Median Family Income**

| | 1990 | 2000 | % Change |
|---|---|---|---|
| Village of Great Neck Plaza | $60,695 | $70,781 | 16.6% |
| Town of North Hempstead | $68,631 | $94,156 | 37.2% |
| Nassau County | $60,619 | $81,246 | 34.0% |

Source: U.S. Census Bureau, 2000

## B. Housing Affordability

Housing affordability is a significant issue affecting the economic health of Great Neck Plaza and Long Island in general. The lack of affordable housing in the communities of Long Island has been documented in the study, *Lack of Affordable Housing: Prescription for Economic Disaster*, prepared by Dr. Pearl M. Kamer for the Long Island Housing Partnership. According to the study, from 1997 to 2001, home prices on Long Island increased 81 percent while household incomes rose by 14 percent. The inability to house workers near their place of employment results in significantly increased commute times and reduced quality of life. Employers are unlikely to locate to an area or expand if their employees must face long commutes from more affordable areas. Unless the affordable housing stock is expanded, the communities of Long Island will be unable to generate the labor supply needed by growing businesses. The result will be labor shortages and less than robust economic growth.

The 2000 census defines an almost even division between rental (50.3 percent) and owner-occupied (49.7 percent) units in the village. Of the owner-occupied housing, multi-family units predominate throughout the village and are characterized by cooperative/condominium multifamily buildings.

*Great Neck Plaza Housing Expenditures.* Based on U.S. Department of Housing and Urban Development (HUD) guidelines, homes may be considered unaffordable if rent or owner costs consume 30 percent or more of a family's income. There are 1,794 rental units in Great Neck Plaza with a median rent of $1,057. Forty-two percent of renters in the village spend 30 percent or more of their income on housing, and 28 percent spend 50 percent or more, based on 2000 census reported income.

There are 145 single-family homes in Great Neck Plaza, with a median home value of $398,700 and median monthly costs (including insurance, taxes, etc.) of $1,835. Forty-one percent of single-family homeowners spend 30 percent or more of their income on housing costs, and 26 percent spend 50 percent or more of their income on housing. 2000 census data is limited regarding owner-occupied multi-family housing, but it is likely that, similar to renters and single-family homeowners, many multi-family homeowners spend 30 percent or more of their income on housing.

**Table 6**
**Great Neck Plaza Housing Statistics (2000 Census)**

| | **Rental** | **Owner-Occupied Housing** | |
|---|---|---|---|
| | | **Single-Family** | **Multi-Family[1, 2]** |
| Units | 1,794 | 145 | 1,631 |
| Median Home Value | NA | $398,700 | $191,400 |
| Median Monthly Cost[3] | $1,057 | $1,835 | NA |
| % Spending 30+% of Income | 42 | 41 | NA |
| % Spending 50+% of Income | 28 | 26 | NA |

Source: U.S. Census Bureau, 2000
[1]2000 census data does not indicate the number of owner-occupied *multi-family* units. Figure (1,631) is calculated by subtracting the number of owner-occupied single-family units (145) from the number of all owner-occupied units (1,776).
[2]2000 census data does not include the median home value for owner-occupied multi-family housing. $191,400 includes single-family homes but is a fairly close indicator of home value in this category given that single-family homes comprise only 8 percent of total owner-occupied housing in the village.
[3]Includes all renter/homeowner costs associated with housing (rent/mortgage, utilities, insurance, taxes, etc.).

*Great Neck Plaza Family Income.* Income eligibility requirements for affordable housing vary according to community. However, a family income of 80 percent or less than the median family income of an area, as based on annually established HUD criteria, is a common qualification for affordable housing. The median family income of the Nassau-Suffolk area is $88,850 (HUD, 2005) and that of Great Neck Plaza is $70,781 (2000 census); 80 percent of the Nassau-Suffolk area median family income is $71,080 and that of Great Neck Plaza is $56,625. Approximately 51 percent of Great Neck Plaza families earn $71,080 or less, and approximately 39 percent earn $56,625 or less. This high percentage could partly be attributable to the large elderly population in the village living on fixed incomes.

**Table 7**
**Great Neck Plaza Family Income**

| Income Level | # Families |
|---|---:|
| Less than $10,000 | 43 |
| $10,000 to $14,999 | 49 |
| $15,000 to $24,999 | 169 |
| $25,000 to $34,999 | 139 |
| $35,000 to $49,999 | 112 |
| $50,000 to $74,999 | 315 |
| $75,000 to $99,999 | 174 |
| $100,000 to $149,999 | 276 |
| $150,000 to $199,999 | 105 |
| $200,000 or more | 157 |
| TOTAL | 1,539 |

Source: U.S. Census Bureau, 2000

*Rental Housing.* For rental housing, a common criterion for determining if a unit is affordable is the unit's gross rent (contract rent plus utilities) compared to the fair market rent for the area. Fair market rent is established by the U.S. Department of Housing and Urban Development for all metropolitan areas and non-metropolitan area counties and is the gross rent that would need to be paid for decent housing of a modest (non-luxury) nature. While this affordability measure varies according to community, frequently a rental unit is considered affordable if the gross rent is 80 percent or less than the fair market rent for the area.

An indication of the availability of affordable rental housing in Great Neck Plaza is provided in the table below. For studio apartments, between 61 and 70 percent of all units exceed the threshold of 80 percent of fair market rent to be considered affordable. For one- and two-bedroom units, between 57 and 86 percent and 53 to 93 percent, respectively, exceed the affordability threshold. (Median gross rents, as shown in the table below, correspond to the median gross rent ranges of the 2000 census, which do not exceed $1,000+.)

**Table 8**
**Rental Statistics**

| | Nassau-Suffolk Counties[1] | | Great Neck Plaza[2] | | | |
|---|---|---|---|---|---|---|
| | Fair Market Rent | 80% of Fair Market Rent | Median Gross Rent | Total Units | # Units above 80% of Fair Market Rent* | % Units above 80% of Fair Market Rent |
| Studio | $798 | $638 | $750 - $999 | 261 | 152 - 173 | 61 - 70% |
| 1 bedroom | $962 | $770 | $1,000+ | 983 | 529 - 800 | 57 - 86% |
| 2 bedroom | $1,173 | $938 | | 492 | 240 - 420 | 53 - 93% |
| 3 bedroom | $1,633 | $1,306 | | 58 | NA | NA |
| 4 bedroom | $1,749 | $1,399 | | | NA | NA |

Source: [1]U.S. Department of Housing and Urban Development, 2001
[2]U.S. Census Bureau, 2000

*Owner housing.* For owner-occupied housing (multi- and single-family homes), a frequently used measure of the home's affordability is its sales price expressed as a multiple of the maximum annual family income for a moderate income family. Moderate family income is defined by an income level 50 to 80 percent of the community's median family income. A standard rule is that a home is affordable if its sales price is no more than 3.3 times annual family income for a moderate-income family. For Nassau-Suffolk Counties, maximum moderate family income is $71,080 (HUD, 2005) and $56,625 (2000 census) for Great Neck Plaza. Therefore, the sales price for an affordable home should be between approximately $235,000 and $187,000.

However, the mortgage payments on houses at these sales prices result in a moderate-income family spending 43 percent of its income in housing costs. HUD guidelines indicate that for housing to be affordable, no more than 30 percent of a family's income should be spent for housing. For moderate-income families spending 30 percent of their income on housing, the maximum affordable housing price in Nassau-Suffolk counties is $164,000 and in Great Neck Plaza is $130,000.

**Table 9**
**Maximum Affordable Home Price by Percentage of Family Income Spent on Housing**

| | Nassau-Suffolk Moderate Income Families | | Great Neck Plaza Moderate Income Families | |
|---|---|---|---|---|
| Annual Income[1] | | $71,080 | | $56,625 |
| % of Income Spent on Housing | 43 | 30 | 43 | 30 |
| Monthly Mortgage Payment[2] | $2,524 | $1,761 | $2,008 | $1,396 |
| Max. Affordable Home Price | $235,000 | $164,000 | $187,000 | $130,000 |

[1]Source: Nassau-Suffolk income: U.S. Department of Housing and Urban Development, 2005; Great Neck Plaza income: U.S. Census Bureau, 2000
[2]Source: Mortgage Bankers Association of America. Assumes a 30-year mortgage fixed at 7 percent interest with 20% down payment, annual tax payments equivalent to 5% of home price, and annual homeowner's insurance equivalent to 1.5% of home price. Payments in early years of loan would likely include principal mortgage insurance and would thus be 0.5% higher.

Given the median home value in Great Neck Plaza of $191,400 for all owner-occupied housing (multi- and single-family homes) and $398,700 for single-family homes, there is a notable gap between actual home prices and prices affordable to families with moderate and below incomes. Based on the 2000 census, of 1,776 owner-occupied housing units in Great Neck Plaza, approximately 26 percent are valued at less than $130,000, approximately 38 percent are valued at less than $164,000, approximately 48 percent are valued at less than $187,000, and approximately 59 percent are valued below $235,000. It is likely that no affordable units are single-family homes. Therefore, depending on how *affordable housing* is defined and the income levels considered, between 41 and 74 percent of the housing in Great Neck Plaza can be considered unaffordable for moderate-income families.

It should be noted that cooperative and condominium units at the low end of the price range are likely to have high maintenance and assessment fees, making them less affordable than would appear from sales price alone. As described by the Village, many buildings are poorly managed and financed and have low sales prices to offset these shortcomings.

In conclusion, based on the various measures described above, affordable housing is clearly needed in Great Neck Plaza. More than 40 percent of renters and homeowners spend more than 30 percent of their income on housing, and more than a quarter spend more than 50 percent. Based on the income levels in the village, a substantial majority of rental housing and a large portion of owner housing is considered unaffordable, and at least a third of village families would be considered eligible for affordable housing.

# III. INCLUSIONARY ZONING OPTIONS

## A. Introduction

The interest by municipalities nationwide to create a more diverse and affordable range of housing options through municipal regulations has been accomplished through what has become known as inclusionary zoning. Inclusionary zoning can take many forms but generally the "inclusion" or provision of affordable units is required as part of market rate residential developments, with or without incentives. The definition of affordable housing varies by community, but often means housing for families who earn 80 percent or less of the area's median income. Affordable housing is also referred to as "workforce" housing.

For this report, the inclusionary zoning provisions of several municipal zoning codes and American Planning Association publications highlighting provisions of such codes have been reviewed to have an overview and understanding of the inclusionary zoning trends throughout the country and more specifically, in Nassau, Suffolk and Westchester Counties. Included are reviews of affordable housing provisions for eight urban communities, eight suburban communities, three counties, and the proposed New York State enabling legislation for Nassau and Suffolk Counties known as the DiNapoli bill, currently under consideration by the State Legislature. While none of the communities studied has the unique urban/suburban characteristics of Great Neck Plaza, they utilize a wide variety of options that are instructive for developing affordable housing guidelines and legislation for Great Neck Plaza. While the study area for this report is the C-2 District, these analyses and recommendations may also be applicable at a future time to the RE, RT, and RD Districts, those districts that also permit multifamily housing.

## B. Inclusionary Zoning Key Characteristics

There are at least eight key characteristics that need to be addressed when developing inclusionary zoning regulations. These eight characteristics are defined below and are seen in the Inclusionary Zoning Options Chart. A description of each characteristic is presented, followed by the options that are preliminarily recommended as being most fitting for the Village of Great Neck Plaza.

### *Definitions*

**Threshold –** Threshold refers to the minimum development size expressed as number of units or site acreage at which affordable housing is to be provided either as a requirement or an option depending on local legislation. As an example, the Town of Southold requires the provision of 25 percent affordable units with every residential development of five or more lots, so the threshold would be five or more lots. In some municipalities, the threshold is all residential development, or all residential development in specified districts.

**Density Bonus** – Some municipalities provide density bonuses to developers in exchange for the construction of affordable units while some municipalities require it with no provision of additional density. The magnitude of bonuses from the studied communities ranged from 10 percent to up to 50 percent.

**Other Bonus Incentives** – Municipalities can offer other bonuses or incentives to developers for the provision of affordable units. Examples include the waiver of various development fees or the expedition of permit processes.

**Affordable Housing Requirement**

*Overall* – This category refers to the total amount of affordable housing that is required by an inclusionary zoning ordinance and is usually expressed as a required percent of all units to be provided.

*On-Site or Off-Site* – This category refers to the location of required affordable units. Affordable units can either be located within the proposed residential development or constructed separately at a different location.

*Fee-in-Lieu* – Some municipalities will permit developers to pay a fee instead of constructing the required affordable units. This "fee-in-lieu" is paid to the municipality who must then use the funds to provide affordable housing. The municipality can construct units or it can use the fees for programs that provide housing assistance for income eligible households. The dollar amount of fees and how they are determined varies by community.

**Contract Period** – In inclusionary zoning regulations, municipalities must determine how long the affordable units remain affordable. This length of time is referred to as the contract period.

**Definition of Affordable Housing/Eligibility** – Each inclusionary zoning regulation provides a definition of affordable housing eligibility that determines who qualifies for affordable housing. Typically, eligible income is expressed as a percent of median HUD or county income (often based on HUD figures) and can range in percent and vary for rental or ownership housing. In the Town of Greenburgh, eligibility is defined as a family income that does not exceed 80 percent of Westchester County's median income. Some municipalities establish a limit on the percent of family income that can be used for housing costs. To this end, Greenburgh further requires that rent or annual homeowner's costs for eligible families cannot exceed 30 percent of the family's income.

## C. Inclusionary Zoning Options for the Village of Great Neck Plaza

The options describes below are characteristics from the inclusionary zoning regulations as shown in the Inclusionary Zoning Options Chart. Sections IV and V of this report provide the recommendations for the Village.

### *1. Threshold – Unit Count or Site Size*

The threshold at which affordable housing is either required or an option varies widely by community. As seen on the Inclusionary Zoning Options Chart, the following categories were used as the requirement thresholds in ordinances reviewed:

- Minimum unit count – 10-50 units;
- Minimum number of lots – 5 or more lots;
- Minimum number of acres – 5-6 acres;
- Selected multifamily districts;
- All multifamily development;
- Selected floating zones;
- All residential development.

### *2. Density Bonus Granted*

Of the 19 communities studied, 13 granted density bonuses for providing affordable housing. Additional density is the most common incentive provided in inclusionary zoning laws. The density bonus allows the developer to build greater than the maximum density permitted in the particular zoning district. Density bonuses are utilized differently in various communities. Where affordable units are required, density bonuses can accommodate the affordable units, thereby reducing the economic impact on the private sector for provision of a public need. Density bonuses can be used to provide an incentive for developers to build affordable units in communities that do not require provision of affordable units. Density bonuses can also be used as an incentive to provide different types of affordable housing (i.e., a developer would get additional density for providing housing to low income families as well as moderate income families) or other amenities.

It is important to note that most ordinances do not count the additional units to be gained as a result of the density bonus in the calculation of the number of affordable units required. Following are the various density bonus provisions identified in the Options chart:

- 50% additional units for 50% affordable units;
- Up to 40% additional units if 1/3 of additional units are affordable;
- 25% additional units for 15% affordable units;

- Sliding scale up to 20% or owner units, up to 10% for rentals for at least 12.5% for owner units or 6.25% rental units;
- Up to 22% additional units for 12.5-15% affordable units;
- 11-16%, equal to affordable unit set aside;
- Up to 50% additional units if at least 40% of the additional units are affordable;
- 10% additional units for 10% affordable units;
- 1 additional unit per acre.

### *3. Other Bonus Incentives*

Several municipalities offer other bonus incentives for the provision of affordable housing units, either coupled with a density bonus, or in place of a density bonus. Studied options include:

- Various fees waived for the affordable housing units (i.e., recreation fees, building permit fees, application fees);
- Funding assistance or cash subsidies;
- Reduced parking;
- Expedited review process;
- Reduced bulk regulations.

### *4. Affordable Housing Requirement*

The amount of affordable housing units required varies widely according to need and feasibility. The standard, according to the municipalities reviewed, appears to be that 10 percent of the proposed units must be set aside as affordable units. The City of White Plains requires 6 percent, but provides no bonus or incentive. Since new developments are large, the amount of affordable units generated is substantial, even at 6 percent. Suburban communities may require a higher percentage, but due to low densities, they typically generate only a few affordable units per project. Establishing a percentage requires that the Village balance its needs with the economics of development and, if bonuses are granted, with community character and the extent to which it will be affected by significant additional densities. If the amount required is too high, it could impede development if not offset by sufficient bonuses. On the other hand, if the amount is too low, it may not produce enough affordable units to effectively meet the needs of the community.

Following are the requirements for the studied communities:

- Mandatory 6%-25% (some include a density bonus)
- Optional (incentive) 33% of 40% bonus set aside as affordable
- Optional (incentive) 50% of 50% bonus set aside as affordable
- Optional (incentive) 10% rental units set side with 10% bonus
- Optional (incentive) 40% of 50% bonus set aside as affordable

- Optional (incentive) 50% of 1 unit per acre bonus set aside as affordable

### *5. Affordable Housing Location*

Municipalities must also assess where they want the affordable units to be located. Municipalities may require that the units be integrated within the new residential developments. One of the many benefits of affordable housing is the creation of diverse, mixed-income communities. According to the August 2003 issue of **Zoning News**, a publication of the American Planning Association, "the success of an inclusionary housing program hinges on its ability to seamlessly incorporate inclusionary units with market-rate units." This can be achieved by requiring all affordable units to be located on-site and be aesthetically comparable to market-rate units from the outside.

However, sometimes it is not desirable or feasible, due to the small size or physical constraints of a site, to include the affordable units in a new development. Municipalities may then also allow the developers to construct the affordable units off-site. Of the 20 studied communities, 12 allowed the units to be built off-site, although in some communities it is only allowed for special circumstances. In White Plains, two off-site affordable housing developments are under consideration. In order to encourage developers to build on-site, some municipalities require additional affordable units if they are built off-site. Others permit only a certain amount to be constructed off-site with the remainder built on-site.

<u>Affordable Housing Requirement – On-Site and Off-Site</u>
The following describe the various location requirements of the studied communities:

- Permit only on-site development;
- Permit off-site development based on feasibility;
- Permit off-site development at the same percentage as on-site;
- Permit off-site development at a higher percentage than required for on-site.

### *6. Affordable Housing Requirement – Fee-in-Lieu*

Some municipalities allow developers to pay a fee-in-lieu instead of providing some or all of the affordable units in the development.

Benefits of permitting a fee-in-lieu program include:

1. More options for the developer.
2. The municipality can control how the funding is used and, therefore, guarantee that the housing stays affordable.

3. More flexibility in provision of affordable units including the construction of affordable housing, down payment assistance programs, or rent subsidies.

Issues related to use of the fee-in-lieu alternative include:

a. The municipality must establish a program for using the fees ranging from pre-designated sites for affordable housing to down payment assistance programs for eligible families.
b. A rationale for establishing a fee-in-lieu must be determined that reflects local housing costs and that can withstand legal challenge.
c. If not enough developers opt for the fee-in-lieu program, or only a limited number of new or converted units are approved and built, there may not be sufficient funds to effectively provide off-site new construction of affordable housing, and subsidies may be the only program outcome.
d. A feasible off-site receiver site for new affordable housing construction that should be designated in advance of instituting the program may be difficult to identify.
e. If a goal of the affordable housing program is mixed-income integration, then a fee-in-lieu system may not achieve this.
f. A fee-in-lieu system may mean more involvement of the municipality in the provision of housing even if a non-profit organization is contracted to oversee the process.

### *7. Contract Period*

Contract period refers to the length of time that the housing units must remain affordable. Municipalities typically require the housing to remain affordable for at least a minimum number of years to as much as in perpetuity. Any system has difficulties of administration. For housing to stay affordable, the municipality must always enforce and track the affordability or contract with a non-profit organization to do so. If the housing is only affordable for a limited number of years, it may not achieve community housing goals. For ownership units, particularly of single family houses, deed restrictions, contractual agreements, or covenants that run with the land can be used to prevent homeowners of affordable units from selling the units at market-rate prices or to families that are not qualified and screened as eligible through the designated housing program.

Contract periods for the studied communities are as follows:

- Permanent by deed restriction or covenant, to be sold only to eligible families;
- Permanent, owners legally bound to sell affordable unit to the Town's housing agency or administrator;
- 15-50 years;
- 30 years with 30-year period starting over with each new occupant.

### 8. *Definition of Affordable Housing and Income Eligibility*

A municipality can establish its own definition of affordable to meet local housing needs. Definitions are typically set as a certain percentage of the area median income. The Village of Port Chester in Westchester County defines affordability as a family income not exceeding 80 percent of the county median family income. Some municipalities try to achieve a greater mix of incomes, as in Sacramento, CA, which requires 1/3 of the households to make 50-80 percent of area median income and 2/3 of the households to make less than 50 percent of the area median income. Some municipalities seeking to provide housing for local and municipal employees use local salaries as a gauge for affordability.

The relationship of annual housing costs to income can also be taken into consideration. The Village of Port Chester further requires that annual costs not exceed 30 percent of income. This helps to ensure that the units remain affordable to the people who are living in them. This can also allow people to stay in their homes even if their income rises above standard eligibility limits. For instance, a family that was income eligible in 2005 but is earning above eligibility in 2006 can stay in the unit, but they must pay additional rent not to exceed 30 percent of their income. Following are the various definitions from the studied communities:

- 120% of median income, 50% of units for households making no more than 80% median income;
- Income not to exceed 80% of median income. Rent/annual housing costs cannot exceed 30% of income;
- 50% of units for households earning less than 80% median income, remaining units for households earning 80-120% of median income, with an average of 100% of median income;
- 65% of median income for rentals, less than 80% for sale units;
- 1/3 of households earning 50-80% median income, 2/3 earning less than 50%;
- At or below 65% of median income for rentals, at or below 100% of median income for sale units;
- 80% or less of median income for rentals, 120% of median income for sale units;
- 80% median income for rentals, up to 200% of maximum annual family income for a moderate-income family for multi-family housing, 250% for a single-family house;
- 80% county median income, sales not to exceed 3.3 x 80% median income, rental costs not to exceed 25% x 80% median income.
- Not to exceed a set multiple of the median annual town paid wages of all full-time Town employees.

Municipalities can also specify a priority system for which income eligible families should be given preference. Four priority systems are noted below.

Briarcliff Manor

(Priority is given in the following order.)

1. Village municipal employees
2. School District employees
3. Village residents
4. Active member of the Fire Department (at least 2 years of active service)
5. Former residents of the Village who owned or still own residential property in the Village
6. Other persons employed in the Village
7. Relatives of residents of the Village

Southold

(Priority is given in the following order.)

1. Active member of the Fire Department (at least 2 years of active service)
2. Families or persons displaced by governmental action
3. Families or persons of which the head or spouse is 62 years or older
4. Families or persons of which the head or spouse is handicapped (certified by a physician)
5. The year of initial application

Port Chester

1. Village residents
2. Village employees, including volunteer firefighters and School District employees

White Plains

(Priority points are given according to the following order.)

1. City or School District employees
2. Retirees of the City or School District
3. Applicants currently residing in White Plains that are employed or retired in the City
4. Applicants who are employed and are employed or retired in White Plans and wish to reside in the City

| Location | Threshold – Unit Count or Site Size | Density Bonus Granted | Other Bonus Incentives | Affordable Housing Requirements, Number and Location | | | | Contract Period | Definition of Affordable Housing/Eligibility |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Overall | On-Site | Off-Site | Fee in Lieu | | |
| **New York State** | | | | | | | | | |
| Southold, NY<br><br>(Mandatory) | 5 or more lots | One additional lot per affordable lot built in excess of 10% | None | 25% | 10% minimum | Land donation for 15% permitted | Permitted for 15% | Permanent, owners legally bound to sell their property to the Town's Housing Fund. | Priority system. 120% of HUD median income for Suffolk County, 50% of units must be for households making no more than 80% of HUD median income for Suffolk County. |
| White Plains, NY<br><br>(Mandatory) | Multifamily residential development in certain zoning districts. | None | None | 6% | 6% | 6% | Permitted for owner units, not permitted for rentals | Permanent | Priority system. 80% of Median Family Income for Westchester County. Defined maximum affordable rent. |
| New York State (Proposed Legislation, Mandatory) | 5 or more units | 10%, not included when determining unit count | None | 10% | 10% | 10% | 10% | At least 30 years | At or below 80% of median income for Nassau Suffolk Primary MSA. |
| Greenburgh, NY<br><br>(Mandatory) | All new multi-family developments. Affordable housing requirements may be waived for multi-family developments serving special interest populations. 10% requirement, bonus may be provided for developments with 20% or more affordable units. | Increased zoning densities in multifamily zones up to but not to exceed 10% of otherwise allowable housing units considered for developments with 20% or more affordable units. | Recreation land or fee requirements are waived for affordable housing units (required and non-required). Certain application fees waived for developments with 20% or more affordable units. | 10% required | 10% required | Not permitted | Not permitted | Permanent | Family income does not exceed 80% of Westchester median income. Rent cannot exceed 30% of income, or for homeowners, the annual cost cannot exceed 30% of income. |
| Briarcliff Manor, NY<br><br>(Incentive) | Residential Townhouses District | 50% | Site plan, subdivision, environmental and other fees may be waived for the affordable units. Recreation fees are waived for affordable units. | 50% | 50% | Not permitted | Not permitted | Not specified | Priority system. Eligibility depends on unit size and Village employee median salary multiplier. |
| Bedford, NY<br><br>(Mandatory) | Applicable to all residential development | 25% bonus for conservation development, if all additional units are affordable. Otherwise, no bonus. | Fees waived and funding assistance for 20% or more units in a residential subdivision. | 10% for single-family districts, 20% for multifamily districts | 10% - single-family<br>20% - multifamily | 10% - single-family<br>20% - multifamily | Permitted for all affordable units, donations of land also permitted. Fees in lieu specified per lot size, ie: ¼ acre=$11,000. | Permanent | Annual income not to exceed 80% of actual Westchester County median income, annual costs not to exceed 30% of income. |
| Lewisboro, NY<br><br>(Incentive) | In selected multifamily districts | Up to 40% | | 1/3 of additional units | 1/3 of additional units | | | | Not to exceed a set multiple of the median annual town paid wages of all full-time Town employees. |
| Port Chester, NY<br><br>(Mandatory) | 10 or more units | None | None | 10% | 10% | Not permitted. | Not permitted. | Permanent by deed restriction | Priority system. Family income does not exceed 80% of County median. Rent/owner cost not more than 30% of income. |
| Southampton, NY (Incentive) | 6 acres | Up to 50% increase | None | At least 40% of the additional units | At least 40% of the additional units | Not permitted. | Not permitted. | Permanent by deed restriction | Rentals: 80% of HUD FMR for existing housing<br>Sales: For mfh, up to 200% of maximum annual family income for a moderate-income family. For sfh, up to 250%. |

| Location | Threshold – Unit Count or Site Size | Density Bonus Granted | Other Bonus Incentives | Affordable Housing Requirements, Number and Location | | | | Contract Period | Definition of Affordable Housing/Eligibility |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Overall | On-Site | Off-Site | Fee in Lieu | | |
| Southampton, NY<br><br>(Mandatory) | 5 acres, Affordable floating zone | Density: 1 unit/20,000sf of buildable area | Building permit fees waived for affordable units | 20% | 20% | Not permitted. | Not permitted. | Permanent by deed restriction | Rentals: 80% of HUD FMR for existing housing.<br>Sales: For mfh, up to 200% of maximum annual family income for a moderate-income family. For sfh, up to 250%. |
| Orangetown, NY<br><br>(Incentive) | Planned Adult Community Floating Zone | 1 additional unit per acre | None | 50% of bonus units | 50% of bonus units | Not permitted. | Not permitted. | Permanent, by covenant. | 80% County median income<br>Rentals: costs not to exceed 25% of 80% median income<br>Sales: sale not to exceed 3.3x80% median income |
| ***National*** | | | | | | | | | |
| Boston, MA<br><br>(Mandatory) | 10 or more units | | | 10% | 10% | 15% | Equal to 15% of the total number of market-rate units times an affordable housing cost factor. | Maximum allowable by law | At least ½ of affordable units for households earning less than 80% of AMI; remaining units for households earning 80-120% of AMI, with an average of 100% of AMI. |
| Denver, CO (Mandatory for owner units, optional for rental units) | 30 or more units | Up to 20% for single-family units, up to 10% for multifamily units. | Reduced parking, expedited review, cash subsidies. | 10% for-sale units or voluntary 10% for rental units. | 10% | 10% if constructed in same general area. | 50% of the price per affordable unit not built. | 15 years | 65% of AMI for rentals, less than 80% of AMI for sale units. |
| Sacramento, CA<br><br>(Mandatory) | Over 9 units, in targeted new growth areas | 25% | Expedited permit process, fee waivers, relaxed design guidelines, priority for subsidy funding. | 15% | 15% | 15% if not feasible on-site and if built in new growth areas. | | 30 years | 1/3 of households making 50-80% of AMI, 2/3 of households making less than 50% of AMI. |
| San Diego, CA<br><br>(Mandatory) | 10 or more units | | | 10% | 10% | 10% | Based on square footage of an affordable unit. $2.50 per square foot. | 55 years | At or below 65% of AMI for rentals, at or below 100% of AMI for sale units. |
| San Francisco, CA<br><br>(Mandatory) | 10 or more units | | Refunds on environmental review and building permit fees that apply to the affordable units. | 10% | 10% | 15% | Based on several factors, including projected value of on-site affordable units. | 50 years | 80% or less of AMI for rentals, 120% of AMI for sale units. |
| Boulder, CO<br><br>(Mandatory) | Applicable to all residential development. | None | Waived excise tax, eligible for subsidy, waived development review application fees. | 20% | 20% | Half of owner units, more flexibility for rentals. | Allowed for developments 4 units and less. | Permanent by deed restriction. | |
| Fairfax County, VA | More than 50 units | Sliding scale up to 20% for owner units, up to 10% for rentals. | Reduced bulk regulations. | 12.5% min. for owner units, 6.25% min. for multifamily units. | 12.5% owner, 6.25% multifamily | Not permitted | May request due to design feasibility. | 15 years for owner units, 20 years for rentals. | |
| Monterey County, CA | Applicable to all residential development. | None | None | 20% | 20% | Allowed for special circumstances. | Allowed for special circumstances. | Permanent by deed restriction. | |
| Montgomery County, MD<br><br>(Mandatory) | 35 or more units | Up to 22% | Smaller lot sizes, ability to build attached units on detached zoned property. | 12.5-15% | 12.5-15% | Only in exceptional cases. | Only in exceptional cases. | 10 years for owner units, 20 years for rentals. | |
| Santa Fe, NM<br><br>(Mandatory) | No threshold. | 11-16%, equal to set-aside % | Fee waivers for plan submittal, waiver of building fees for affordable units. | 11-16% depending on target income levels | 11-16% | Not permitted | Not permitted | 30 years, period starts over with each new occupant. | |

Source: Local zoning ordinances, proposed New York State legislation, "Practice Inclusionary Zoning Part Two," Zoning Practice, American Planning Association, October 2004 and "Zoning Affordability: The Challenges of Inclusionary Zoning," Zoning News, American Planning Association, August 2003.

## IV. AREAS SUBJECT TO CHANGE ANALYSIS

In order to determine how much affordable housing should be required and how much of a density bonus should be given, three potential redevelopment sites in the C-2 District were analyzed with ranges of requirements for these two variables. The purpose of this analysis is to examine the relationship between these two variables and to determine the potential yield of affordable housing and market rate housing on the three sites. Under different requirement scenarios, as shown below, there is a relationship between the requirement of affordable housing (what the Village gets) and the provision of a density bonus (what the Village gives). It is ultimately up to the Village to decide what this relationship should be. Does the Village want a relationship where the requirement and the bonus are equal? Or does the Village prefer to give more FAR than is needed to provide the required affordable units, thereby, providing a true market rate density bonus?

There are three potential redevelopment sites in the C-2 District: 175 Great Neck Road, 102 Cutter Mill Road, and 245-265 Great Neck Road. The owner of 175 Great Neck Road is proposing to convert an office building into a residential building with 32 units. The building on 102 Cutter Mill Road was recently demolished; therefore, a new residential would have to be constructed. There is an office building on 245-265 Great Neck Road, however, it may be difficult to convert to residential use and will likely be demolished so a new residential building can be constructed. The owners of 102 Cutter Mill Road and 245-265 Great Neck Road have not yet submitted proposals to the Village. There is a preliminary sketch plan available for 175 Great Neck Road.

Below are descriptions of each site, followed by an analysis of the potential yield of market rate and affordable housing units that could theoretically be generated by each site under various density bonus and affordable housing requirement scenarios. This memorandum then concludes with a discussion of the preliminary recommendations for the Village.

### A. Areas Subject to Change, Existing Conditions

175 Great Neck Road

175 Great Neck Road is located in the southwestern portion of the C-2 District and abuts the Long Island Rail Road tracks to the north (see Parcels Subject to Change exhibit). The parcel currently contains a four-story office building. The building has three floors of office space, a first floor that consists mainly of parking and a lobby core, and a subsurface parking garage. The building is located on a 0.53-acre site and has an FAR of 1.93, including the first floor. The maximum permitted FAR in the C-2 District is 1.25 for multiple dwellings and 0.75 for conditional uses such as office buildings, therefore, this building is a pre-existing, non-conforming building. Surrounding land uses include the adjacent Long Island Rail Road tracks, office buildings to the north, south and west, and a multiple dwelling to the east.

The owner of this site is currently proposing to convert this site from an office building to a multiple dwelling. The plans include eliminating the first floor parking and renovating the first floor with six apartments and a lobby. The renovated building would contain 32 dwelling units with a mix of one-, two-, and three-bedroom units. The subsurface parking would remain, and is represented as meeting the parking requirement.

<u>102 Cutter Mill Road</u>

102 Cutter Mill Road (Plaza Tennis) contained an indoor tennis facility that was recently demolished. This parcel is located in the C-2 District on Cutter Mill Road at the western boundary of the Village of Great Neck Plaza at the border of the Village of Great Neck Estates. The easternmost portion of the site abuts the Long Island Rail Road tracks. The property currently has off-street parking. This property is considered underutilized given the nature of the surrounding development and due to its former FAR which was significantly lower than the rest of the C-2 District. The FAR for 102 Cutter Mill Road was 0.61.

Land uses within the C-2 District surrounding the site are a five story, multi-family building to the east and a dry cleaning business and a gas station to the west. Across Cutter Mill Road and to the north are single-family residences and a Hebrew academy which are located within the Village of Great Neck Estates.

<u>245-265 Great Neck Road</u>

This 1.08 acre parcel is located in the southwesternmost portion of the C-2 District at the western entrance to Great Neck Road. The site abuts the LIRR tracks to the north and is located on the boundary of the Village of Great Neck Plaza with the Unincorporated Town of North Hempstead. The parcel is occupied by a two story office building and an accessory parking lot. The building's FAR of 1.24 does not currently conform with the maximum permitted FAR of the C-2 District for office use. The C-2 District permits a maximum FAR of 0.75 with a maximum gross square feet per acre of 32,670 for all conditional uses, other than hotels. The maximum permitted gross square feet for a building on this site is approximately 35,283. The existing building is 58,600 gross square feet, thus exceeding the maximum for office use by 23,317 square feet. This building would be conforming if converted to multi-family residential which is permitted to have an FAR of 1.25, since the existing FAR is 1.24.

A two story office building is located to the east in the C-2 District. In the Unincorporated Town of North Hempstead, commercial uses and a park are to the south across Great Neck Road, and commercial uses are to the west across Old Cutter Mill Road.

## B. Areas Subject to Change, Potential Redevelopment (Calculation Based on Unit Count)

The two variables that have been examined are: (1) the affordable housing requirement; and, (2) the provision of a density bonus. Options for the Village include:

- A density bonus that is equal to the affordable housing requirement. In this option, the development receives a bonus of extra units that are all used for affordable housing. The developer would likely not receive any additional market rate housing units.
- A density bonus that is greater than the affordable housing requirement. In this option, the development receives a bonus that produces enough additional density to provide for the affordable units plus additional market rate housing. For example, the density bonus is twice the amount of the affordable housing requirement, then the developer would likely be able to build the same number of affordable units as additional market rate units as part of the overall density bonus.

A series of charts comparing the results of combining potential variables have been prepared to aid in selecting those thresholds most appropriate for the Village. The attached chart titled "Potential Total Units With FAR Bonus of 10% to 25%" shows the number of units that could be generated for each of the three sites using the existing 1.25 FAR for multiple dwellings. The chart assumes average unit sizes of 1,000 and 1,200 square feet. It should be noted that the charts project theoretical maximum development potential which would vary on each site, due to particular site configurations, parking and other requirements. The chart also shows the number of additional residential units that could be generated with a 10%, 15%, 20%, or 25% FAR bonus.

The charts titled "Affordable Vs. Market Rate Units With Housing Requirements of 6% to 25% and FAR Bonus of 10% to 25%" apply the FAR bonus units to a percentage of required affordable units. These charts show the number of additional affordable units and market rate units that could be constructed when a specific affordable housing percent requirement is compared with a density bonus provided. The Required Affordable Units and Extra Market Rate Units columns that are outlined in red are the preliminary recommended affordable housing requirement percentages.

<u>102 Cutter Mill Road</u>

102 Cutter Mill Road is approximately 0.81 acres and could theoretically generate 37 to 44 housing units if redeveloped as a multiple dwelling at a 1.25 FAR. If required to provide 6% affordable units, 2 or 3 affordable units could be generated; if required to provide 8% affordable units, 3 or 4 affordable units could be generated; if required to provide 10% affordable units, 4 affordable units could

be generated; and if required to provide 15% affordable units, 6 or 7 affordable units could be generated.

The FAR bonus can be selected that would provide no additional market rate units, a few additional market rate units, an amount of market rate units that is equal to the number of affordable units, or more market rate units than affordable units. The combinations recommended for consideration by the Village are as follows:

1. 6% affordable required, 10% FAR bonus (1.375 FAR) = 2 or 3 affordable units and 1 or 2 additional market rate units

2. 8% affordable required, 10% FAR bonus (1.375 FAR) = 3 or 4 affordable units and 0 or 1 additional market rate units

3. 10% affordable required, 10% FAR bonus (1.375 FAR) = 4 affordable units and 0 or 1 additional market rate units

4. 8% affordable required, 15% FAR bonus (1.44 FAR) = 3 or 4 affordable units and 2 or 3 additional market rate units

5. 10% affordable required, 15% FAR bonus (1.44 FAR) = 4 affordable units and 1 to 3 additional market rate units

6. 10% affordable required, 20% FAR bonus (1.5 FAR) = 4 affordable units and 3 to 5 additional market rate units

245-265 Great Neck Road

245-265 Great Neck Road is approximately 1.08 acres and could theoretically generate 49 to 59 housing units if redeveloped as a multiple dwelling. If required to provide 6% affordable units, 3 or 4 affordable units could be generated; if required to provide 8% affordable units, 4 or 5 affordable units could be generated; if required to provide 10% affordable units, 5 or 6 affordable units could be generated; and if required to provide 15% affordable units, 7 or 9 affordable units could be generated.

The FAR bonus can be selected that would provide no additional market rate units, a few additional market rate units, an amount of market rate units that is equal to the number of affordable units, or more market rate units than affordable units. The recommended combinations for consideration by the Village are as follows:

1. 6% affordable required, 10% FAR bonus (1.375 FAR) = 3 or 4 affordable units and 2 additional market rate units

2. 8% affordable required, 10% FAR bonus (1.375 FAR) = 4 or 5 affordable units and 1 additional market rate unit

3. 10% affordable required, 10% FAR bonus (1.375 FAR) = 5 or 6 affordable units and 0 additional market rate units

4. 8% affordable required, 15% FAR bonus (1.44 FAR) = 4 or 5 affordable units and 3 or 4 additional market rate units

5. 10% affordable required, 15% FAR bonus (1.44 FAR) = 5 or 6 affordable units and 2 or 3 additional market rate units

6. 10% affordable required, 20% FAR bonus (1.5 FAR) = 5 or 6 affordable units and 5 or 6 additional market rate units

175 Great Neck Road

175 Great Neck Road is approximately 0.53 acres. The site contains an office building that is proposed for conversion to a multiple dwelling. The existing building has an FAR of 1.93, which is approximately 54% greater than the maximum FAR that is currently permitted in the C-2 District for multiple dwellings. According to the preliminary submitted proposal, this building would generate 32 dwelling units. Six of these units would be located on the first floor where there is currently parking. If constructed at an FAR of 1.25, this building could generate 27 dwelling units, so the developer would gain five additional units over what would be permitted at his proposed unit sizes and distribution. The developer's bedroom distribution is 7 one-bedrooms, 19 two-bedrooms, and 6 three-bedrooms. Were the applicant to propose smaller units, more market rate and therefore, more affordable units would be provided and required. If required to provide 10% affordable housing, 3 affordable units could be generated. If required to provide 15% affordable housing, 4 affordable units could be generated. If required to provide 20% affordable housing, 5 units could be generated.

By virtue of its existing FAR of 1.93, the building as converted has already been assumed to have been granted a density bonus of 54%. While this condition does not apply to the two other sites studied, it may apply to other office buildings that are over 1.25 FAR in the C-2 District should they wish to convert to residential use. There are eight existing office buildings in the C-2 District that are over 1.25 FAR. Though 175 Great Neck Road has the maximum FAR, allowing bonuses over 20% to all buildings in the C-2 District could have significant adverse impacts. Therefore, it is recommended that only office to residential conversions with pre-existing FARs greater than 1.25 be considered for bonuses over 20%. It is also recommended that because these conversions with greater FARs will potentially have greater environmental impacts due to the larger number of units allowed and their greater bulk, that they be required to provide more affordable housing than would be required for new site redevelopment, such as to residential at 102 Cutter Mill Road described above.

Therefore, a sliding scale is proposed for both the required affordable units and the density bonus for office to residential conversions in buildings with greater than 1.25 FAR. The requirement to be selected for standard redevelopment (6-10% affordable required with 10-20% density bonus, as described above) would apply, plus one additional affordable unit would be required for each 0.25 FAR over the maximum permitted FAR. The three recommended combinations of affordable requirement and FAR bonus for office to residential conversions in buildings containing greater than 1.25 FAR, are as follows:

1. If 6% affordable required, 10% FAR bonus (1.375 FAR) = 2 affordable units + 2 affordable units (1 for each 0.25 FAR above 1.375 FAR) = 4 affordable units and 1 additional market rate unit

2. If 8% affordable required, 10% FAR bonus (1.375) = 2 affordable units + 2 affordable units = 4 affordable units and 1 additional market rate unit

3. If 10% affordable required, 10% FAR bonus (1.375) = 3 affordable units + 2 affordable units = 4 affordable units and 1 additional market rate unit

4. If 8% affordable required, 15% FAR bonus (1.44) = 2 affordable units + 2 affordable units = 4 affordable units and 1 additional market rate unit

5. If 10% affordable required, 15% FAR bonus (1.44) = 3 affordable units + 2 affordable units = 5 affordable units and 0 additional market rate units

6. If 10% affordable required, 20% FAR bonus (1.5) = 3 affordable units + 1 affordable units = 4 affordable units and 1 additional market rate unit

## C. Affordable Housing Requirement and FAR Bonus Options

Based on the above analysis, the following are preliminary combinations of variables recommended for consideration by the Village depending on the desired ratio of additional affordable to market rate housing.

New Construction and Conversions in Buildings With 1.25 FAR or Less
Mandatory requirement of affordable housing, with a density bonus, for conversions and redevelopment:

- 6% required affordable with 10% FAR bonus (1.375 FAR)
- 8% required affordable with 10% FAR bonus (1.375 FAR)
- 10% required affordable with 10% FAR bonus (1.375 FAR)
- 8% required affordable with 15% FAR bonus (1.44 FAR)
- 10% required affordable with 15% FAR bonus (1.44 FAR)

- 10% required affordable with 20% FAR bonus (1.5 FAR)

Conversions in Buildings With Greater Than 1.25 FAR
Mandatory requirement of affordable housing, with a density bonus, for office to residential conversions that would have greater than the permitted residential 1.25 FAR in the C-2 District:

- Mandatory requirement of affordable housing with density bonus, as selected above, plus one additional affordable housing unit for each additional 0.25 FAR above the maximum permitted FAR for multiple dwellings with the density bonus.

**D. Areas Subject to Change, Potential Redevelopment (Calculation Based on Square Footage)**

The above analysis provides recommendations for the mandatory affordable housing requirement based on units (i.e., the Village would require that 10% of all proposed units be made affordable). Another option is to base the affordable housing requirement on square feet instead of units (i.e., the Village would require that 10% of gross building square feet be made affordable). The benefit of this option is that it simplifies the calculation of the affordable housing requirement and accounts for possible low housing requirement due to large unit size were the requirement based on units.

Various options pairing FAR bonuses of 10% and 15% with affordable housing requirements ranging from 6% to 15% are analyzed below. Recent conversations with the Town have indicated that a 10% affordable housing requirement with a 10% FAR bonus may be preferred. Therefore, the analysis below focuses on this option for the three parcels subject to change as identified above. All options are shown in the attached table.

The following analysis is based on the following assumptions:
- The affordable housing requirement is 10% of gross square feet for all redevelopment and office to residential conversions.
- The FAR bonus is 10% FAR, which permits a maximum 1.375 FAR.
- If an office building is greater than the maximum permitted FAR of 1.25 and is to be converted for residential use, that building may retain its existing FAR and would be subject to the affordable housing requirement of 10% of existing gross square feet.

102 Cutter Mill Road
102 Cutter Mill Road is approximately 0.81 acres (35,295 square feet). If redeveloped as a multiple dwelling, a 44,119 square feet building could be constructed at the maximum permitted 1.25 FAR. With a unit size of 1,000 square feet, this site could generate approximately 44 units. If given a 10% FAR bonus, a 48,531 square feet building could be constructed. The additional 4,412

square feet from the FAR bonus would be required to be used for affordable units. This could result in approximately 4 units if the units are 1,000 square feet each. This compares with 4 units, if the affordable housing requirement is based on unit count.

245-265 Great Neck Road
This site is approximately 1.08 acres (47,044 square feet). If the existing office building was redeveloped as a multiple dwelling, a 58,805 square feet building could be constructed at the maximum permitted 1.25 FAR. With a unit size of 1,000 square feet, approximately 58 dwelling units could be constructed. With a 10% FAR bonus, a 64,686 square feet building could be constructed. The additional 5,881 square feet would be required for affordable units. This could result in approximately 5 units if the units are 1,000 square feet each. This compares with 5 to 6 units, if the affordable housing requirement is based on unit count.

175 Great Neck Road
This site is approximately 0.53 acres and currently contains a 44,704 square feet office building with a pre-existing, non-conforming FAR of 1.93. According to the preliminary submitted proposal, this building would generate 32 dwellings units. Using the 10% affordable housing requirement option described above, this building could keep all of its square footage and provide approximately 4,704 square feet for affordable housing. With an average unit size of 1,000 square feet, this office to residential conversion could generate 4 affordable units. This compares with 5 units, if the affordable housing requirement is based on unit count and on a sliding scale for office to residential conversions of buildings with greater than 1.25 FAR. Because of the building's existing size, this building contains 15,829 square feet more than would be permitted under the current zoning regulations.

## E. Threshold Options

As described in Chapter III, some communities choose to establish a minimum development size at which the affordable housing requirement is applicable. The village contains several small lots that would not generate enough residential units to effectively provide affordable housing units. Development of such lots might not be economically feasible if affordable units were required due to site and zoning constraints. One option for the Village would be to establish a minimum threshold that multifamily buildings of 20,000 gross square feet or greater would be required to provide affordable housing. Multifamily buildings with less than 20,000 gross square feet would not be required to provide affordable housing.

With an affordable housing requirement of 10% of gross square feet, a building with 20,000 gross square feet would be required to provide 2,000 square feet for affordable housing, which would likely result in two affordable units. The sites subject to change identified above would all meet this threshold if developed to full potential and would be required to provide affordable housing.

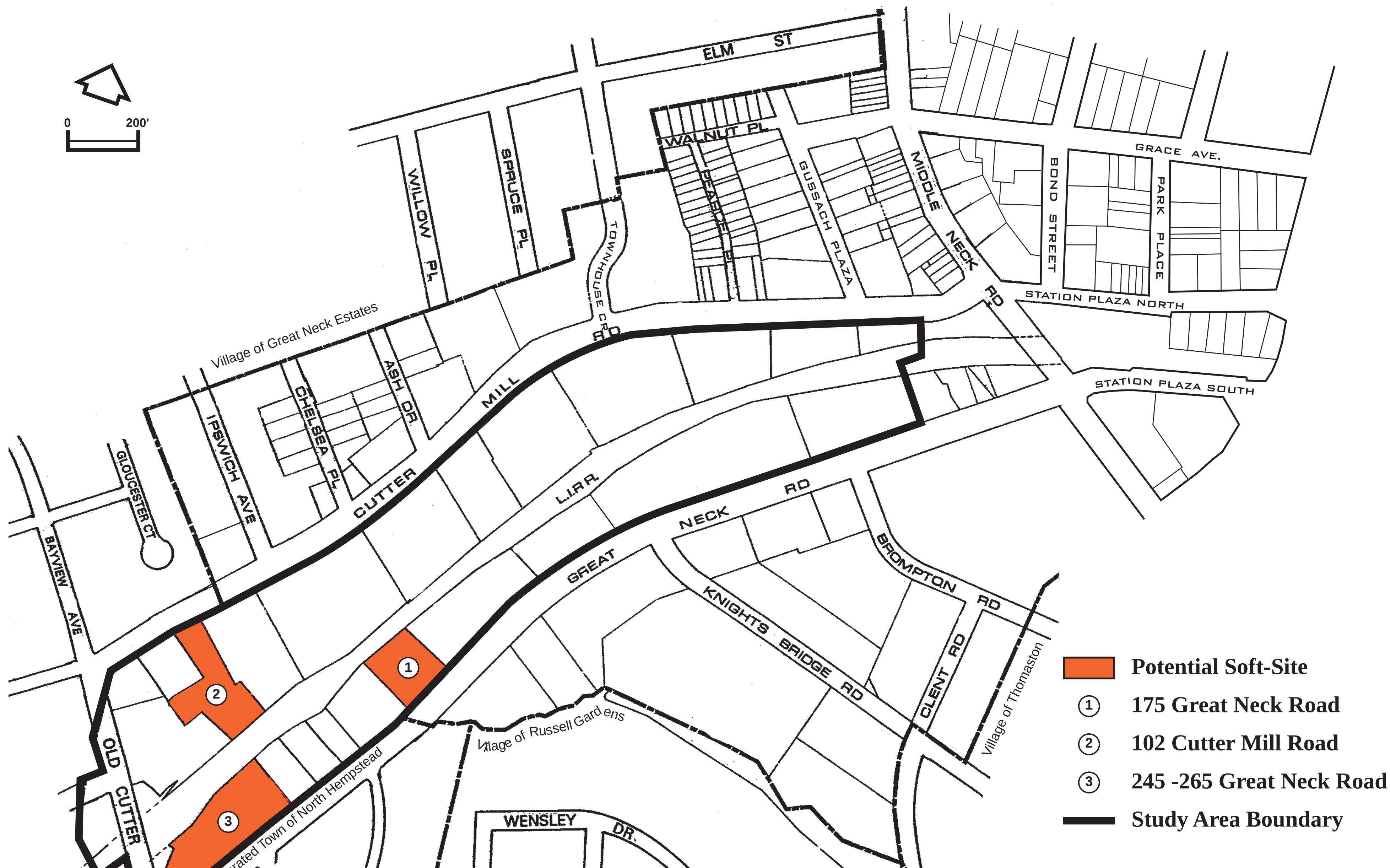



Exhibit IV-1

**PARCELS SUBJECT TO CHANGE**

AFFORDABLE HOUSING ZONING STUDY
Village of Great Neck Plaza, New York

*Saccardi & Schiff, Inc. - Planning and Development Consultants*

**Potential Total Units With FAR Bonus of 10% to 25%**

| Site | Site Size | Unit Size (s.f.) | Maximum Permitted FAR | Building s.f. at Max. Permitted FAR | Total New Residential Units | FAR with 10% FAR Bonus | Total Units with 10% Bonus | Extra Units Provided | FAR with 15% FAR Bonus | Total Units with 15% Bonus | Extra Units Provided | FAR with 20% FAR Bonus | Total Units with 20% Bonus | Extra Units Provided | FAR with 25% FAR Bonus | Total Units with 25% Bonus | Extra Units Provided |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 102 Cutter | 0.81 acres | 1,000 | 1.25 | 44,119 | 44 | 1.375 | 49 | 5 | 1.44 | 51 | 7 | 1.5 | 53 | 9 | 1.56 | 55 | 11 |
| Mill Road | 35,295 s.f. | 1,200 | | | 37 | | 40 | 3 | | 42 | 5 | | 44 | 7 | | 46 | 9 |
| 245-265 Great | 1.08 acres | 1,000 | 1.25 | 58,805 | 59 | 1.375 | 65 | 6 | 1.44 | 68 | 9 | 1.5 | 71 | 12 | 1.56 | 73 | 14 |
| Neck Road | 47,044 s.f. | 1,200 | (existing 1.24) | | 49 | | 54 | 5 | | 56 | 7 | | 59 | 10 | | 61 | 12 |
| 175 Great | 0.53 acres | 1,000 | 1.25 | 28,875 | 29 | 1.375 | 32 | 3 | 1.44 | 33 | 4 | 1.5 | 35 | 6 | 1.56 | 36 | 7 |
| Neck Road* | 23,100 s.f. | 1,200 | (existing 1.93) | | 24 | | 27 | 3 | | 28 | 4 | | 29 | 5 | | 30 | 6 |
| **Total** | **2.42 acres** | **1,000** | **1.25** | **131,799** | **132** | **1.375** | **146** | **14** | **1.44** | **152** | **20** | **1.5** | **159** | **27** | **1.56** | **164** | **32** |
| | **105,439 s.f.** | **1,200** | | | **110** | | **121** | **11** | | **126** | **16** | | **132** | **22** | | **137** | **27** |

* This building has an existing FAR of 1.93 and is currently proposed to be converted from office to residential use. This analysis is theoretical and used for comparison purposes.

**Affordable Vs. Market Rate Units With Affordable Housing Requirements of 6% to 25% and FAR Bonus of 10% to 25%**

| Site | Ave. Unit Size | Total New Residential Units at 1.25 | Extra Units with 10% FAR Bonus 1.375 | 6% Required Affordable Units | Extra Market Rate Units at 6% | 8% Required Affordable Units | Extra Market Rate Units at 8% | 10% Required Affordable Units | Extra Market Rate Units at 10% | 15% Required Affordable Units | Extra Market Rate Units at 15% |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 102 Cutter | 1,000 s.f. | 44 | 5 | 3 | 2 | 4 | 1 | 4 | 1 | 7 | -2 |
| Mill Road | 1,200 s.f. | 37 | 3 | 2 | 1 | 3 | 0 | 4 | -1 | 6 | -3 |
| 245-265 Great | 1,000 s.f. | 59 | 6 | 4 | 2 | 5 | 1 | 6 | 0 | 9 | -3 |
| Neck Road | 1,200 s.f. | 49 | 5 | 3 | 2 | 4 | 1 | 5 | 0 | 7 | -2 |
| 175 Great | 1,000 s.f. | 29 | 3 | 2 | 1 | 2 | 1 | 3 | 0 | 4 | -1 |
| Neck Road | 1,200 s.f. | 24 | 3 | 1 | 2 | 2 | 1 | 2 | 1 | 4 | -1 |
| **Total** | **1,000 s.f.** | **132** | **146** | **9** | **5** | **11** | **9** | **13** | **1** | **20** | **-6** |
| | **1,200 s.f.** | **110** | **121** | **6** | **5** | **9** | **7** | **11** | **0** | **17** | **-6** |

| Site | Ave. Unit Size | Total New Residential Units at 1.25 | Extra Units with 15% FAR Bonus 1.44 | 6% Required Affordable Units | Extra Market Rate Units at 6% | 8% Required Affordable Units | Extra Market Rate Units at 8% | 10% Required Affordable Units | Extra Market Rate Units at 10% | 15% Required Affordable Units | Extra Market Rate Units at 15% |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 102 Cutter | 1,000 s.f. | 44 | 7 | 3 | 4 | 4 | 3 | 4 | 3 | 7 | 0 |
| Mill Road | 1,200 s.f. | 37 | 5 | 2 | 3 | 3 | 2 | 4 | 1 | 6 | -1 |
| 245-265 Great | 1,000 s.f. | 59 | 9 | 4 | 5 | 5 | 4 | 6 | 3 | 9 | 0 |
| Neck Road | 1,200 s.f. | 49 | 7 | 3 | 4 | 4 | 3 | 5 | 2 | 7 | 0 |
| 175 Great | 1,000 s.f. | 29 | 4 | 2 | 2 | 2 | 2 | 3 | 1 | 4 | 0 |
| Neck Road | 1,200 s.f. | 24 | 4 | 1 | 3 | 2 | 2 | 2 | 1 | 4 | 0 |
| **Total** | **1,000 s.f.** | **132** | **20** | **9** | **11** | **11** | **9** | **13** | **7** | **20** | **0** |
| | **1,200 s.f.** | **110** | **16** | **6** | **10** | **9** | **7** | **11** | **4** | **17** | **-1** |

| Site | Ave. Unit Size | Total New Residential Units at 1.25 | Extra Units with 20% FAR Bonus 1.5 | 6% Required Affordable Units | Extra Market Rate Units at 6% | 8% Required Affordable Units | Extra Market Rate Units at 8% | 10% Required Affordable Units | Extra Market Rate Units at 10% | 15% Required Affordable Units | Extra Market Rate Units at 15% | 20% Required Affordable Units | Extra Market Rate Units at 20% |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 102 Cutter Mill Road | 1,000 s.f. | 44 | 9 | 3 | 6 | 4 | 5 | 4 | 5 | 7 | 2 | 9 | 0 |
| | 1,200 s.f. | 37 | 7 | 2 | 5 | 3 | 4 | 4 | 3 | 6 | 1 | 7 | 0 |
| 245-265 Great Neck Road | 1,000 s.f. | 59 | 12 | 4 | 8 | 5 | 7 | 6 | 6 | 9 | 3 | 12 | 0 |
| | 1,200 s.f. | 49 | 10 | 3 | 7 | 4 | 6 | 5 | 5 | 7 | 3 | 10 | 0 |
| 175 Great Neck Road | 1,000 s.f. | 29 | 6 | 2 | 4 | 2 | 4 | 3 | 3 | 4 | 2 | 6 | 0 |
| | 1,200 s.f. | 24 | 5 | 1 | 4 | 2 | 3 | 2 | 3 | 4 | 1 | 5 | 0 |
| **Total** | **1,000 s.f.** | **132** | **27** | **9** | **18** | **11** | **16** | **13** | **14** | **20** | **7** | **27** | **0** |
| | **1,200 s.f.** | **110** | **22** | **6** | **16** | **9** | **13** | **11** | **11** | **17** | **5** | **22** | **0** |

| Site | Ave. Unit Size | Total New Residential Units at 1.25 | Extra Units with 25% FAR Bonus 1.56 | 6% Required Affordable Units | Extra Market Rate Units at 6% | 8% Required Affordable Units | Extra Market Rate Units at 8% | 10% Required Affordable Units | Extra Market Rate Units at 10% | 15% Required Affordable Units | Extra Market Rate Units at 15% | 20% Required Affordable Units | Extra Market Rate Units at 20% | 25% Required Affordable Units | Extra Market Rate Units at 25% |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 102 Cutter Mill Road | 1,000 s.f. | 44 | 11 | 3 | 8 | 4 | 7 | 4 | 7 | 7 | 4 | 9 | 2 | 11 | 0 |
| | 1,200 s.f. | 37 | 9 | 2 | 7 | 3 | 6 | 4 | 5 | 6 | 3 | 7 | 2 | 9 | 0 |
| 245-265 Great Neck Road | 1,000 s.f. | 59 | 14 | 4 | 10 | 5 | 9 | 6 | 8 | 9 | 5 | 12 | 2 | 15 | -1 |
| | 1,200 s.f. | 49 | 12 | 3 | 9 | 4 | 8 | 5 | 7 | 7 | 5 | 10 | 2 | 12 | 0 |
| 175 Great Neck Road | 1,000 s.f. | 29 | 7 | 2 | 5 | 2 | 5 | 3 | 4 | 4 | 3 | 6 | 1 | 7 | 0 |
| | 1,200 s.f. | 24 | 6 | 1 | 5 | 2 | 4 | 2 | 4 | 4 | 2 | 5 | 1 | 6 | 0 |
| **Total** | **1,000 s.f.** | **132** | **32** | **9** | **23** | **11** | **21** | **13** | **19** | **20** | **12** | **27** | **5** | **33** | **-1** |
| | **1,200 s.f.** | **110** | **27** | **6** | **21** | **9** | **18** | **11** | **16** | **17** | **10** | **22** | **5** | **27** | **0** |

*Affordable Units to be provided is calculated by multiplying the percentage x base number of units provided with 1.25 FAR (maximum permitted FAR in C-2 District for multiple dwellings).

**Potential Square Feet With FAR Bonus of 10% to 15%**

| Site | Site Size | Maximum Permitted FAR | Building s.f. at Max. Permitted FAR | FAR with 10% FAR Bonus | Total S.F. with 10% Bonus | Extra S. F. Provided | FAR with 15% FAR Bonus | Total S.F. with 15% Bonus | Extra S.F. Provided |
|---|---|---|---|---|---|---|---|---|---|
| 102 Cutter Mill Road | 0.81 acres 35,295 s.f. | 1.25 | 44,119 | 1.375 | 48,531 | 4,412 | 1.44 | 50,737 | 6,618 |
| 245-265 Great Neck Road | 1.08 acres 47,044 s.f. | 1.25 (existing 1.24) | 58,805 | 1.375 | 64,686 | 5,881 | 1.44 | 67,626 | 8,821 |
| 175 Great Neck Road* | 0.53 acres 23,100 s.f. | 1.25 (existing 1.93) | 28,875 | 1.93 | 44,704 | 15,829 | 1.93 | 44,704 | 15,829 |
| **Total** | **2.42 acres 105,439 s.f.** | **1.25** | **131,799** | | **157,921** | **26,122** | | **163,066** | **31,267** |

**Affordable Vs. Market Rate Square Feet With Affordable Housing Requirements of 6% to 15% and FAR Bonus of 10% to 15%**

| Site | Building S.F. at Max. Permitted 1.25 FAR | Extra S.F. with 10% FAR Bonus 1.375 | 6% Required Affordable S.F. | Extra Market Rate S.F. at 6% | 8% Required Affordable S.F. | Extra Market Rate S.F. at 8% | 10% Required Affordable S.F. | Extra Market Rate S.F. at 10% |
|---|---|---|---|---|---|---|---|---|
| 102 Cutter Mill Road | 44,119 | 4,412 | 2,647 | 1,765 | 3,530 | 882 | 4,412 | 0 |
| 245-265 Great Neck Road | 58,805 | 5,881 | 3,528 | 2,353 | 4,704 | 1,177 | 5,881 | 0 |
| 175 Great Neck Road* | 28,875 | 15,829 | 2,823 | 13,006 | 3,764 | 12,065 | 4,704 | 11,125 |
| **Total** | **131,799** | **26,122** | **8,998** | **17,124** | **11,997** | **14,125** | **14,997** | **11,125** |

| Site | Building S.F. at Max. Permitted 1.25 FAR | Extra S.F. with 15% FAR Bonus 1.44 | 8% Required Affordable S.F. | Extra Market Rate S.F. at 8% | 10% Required Affordable S.F. | Extra Market Rate S.F. at 10% | 15% Required Affordable S.F. | Extra Market Rate S.F. at 15% |
|---|---|---|---|---|---|---|---|---|
| 102 Cutter Mill Road | 44,119 | 6,706 | 3,530 | 3,176 | 4,412 | 2,294 | 6,618 | 0 |
| 245-265 Great Neck Road | 58,805 | 8,938 | 4,704 | 4,234 | 5,581 | 3,058 | 8,821 | 0 |
| 175 Great Neck Road* | 28,875 | 15,829 | 3,764 | 12,065 | 4,704 | 11,125 | 7,057 | 8,772 |
| **Total** | **131,799** | **31,473** | **11,997** | **19,476** | **14,997** | **16,476** | **22,495** | **8,772** |

* 175 Great Neck Road is an office to residential conversion with an existing FAR of 1.93. It is assumed that the building would remain at 1.93 FAR.

# V. INCLUSIONARY ZONING RECOMMENDATIONS

Based on the analyses contained in this report and discussions with the Village, following are the recommended options for inclusionary zoning legislation in the Village of Great Neck Plaza.

***Threshold***

The regulations would be applicable to all multi-family development in the C-2 District of 20,000 gross square feet or greater, including conversions or redevelopment.

***Affordable Housing Requirement***

All redevelopment and conversions in the C-2 District would have a mandatory requirement of providing 10% of gross square footage as affordable units.

All office to residential conversions in the C-2 District that have a pre-existing, non-conforming FAR that is greater than the maximum permitted residential 1.25 FAR would be subject to the mandatory requirement of providing 10% of gross square footage as affordable units, plus an additional 1,000 square feet for each additional 0.25 FAR above the proposed maximum permitted FAR of 1.375 (i.e., with the proposed density bonus) for multiple dwellings in the C-2 District.

***Density Bonus***

Provision of a 10% FAR bonus with related required provision of affordable units is recommended. This would allow a maximum permitted FAR of 1.375 for new construction or office to residential conversions with existing FAR below 1.375.

Office to residential conversions that already contain more than the maximum permitted 1.25 FAR would be permitted to maintain their existing additional FAR, increase FAR within their existing footprint and height (even if greater than 1.375 FAR), or increase up to 1.375 if currently below that, but would have to provide an additional 1,000 square feet as affordable housing for each additional 0.25 FAR above the proposed maximum permitted FAR of 1.375 (i.e., with the proposed density bonus) for multiple dwellings in the C-2 District.

***Other Bonus Incentives***

If a density bonus is provided, other incentives may not be needed and are, therefore, not recommended.

### *Affordable Housing Location*

Permit only on-site development. Due to lack of developable land, off-site development opportunities are limited and may require action on the part of the Village, and therefore are not recommended.

### *Fee-In-Lieu*

Based on the issues cited in Chapter III, the provision of fee-in-lieu is not recommended at this time. The Village may consider permitting fee-in-lieu in the future, with funds to be used to construct or acquire affordable units or for housing programs such as down payment or rent assistance.

### *Contract Period*

Redevelopment or new development in the Village is fairly limited, therefore, it is recommended that the affordable housing units remain permanently affordable. This can be done through deed restrictions.

### *Definition of Affordable Housing*

Income not to exceed 80% of area median income, as defined by the United States Department of Housing and Urban Development (HUD). *Rentals:* monthly costs not to exceed 30% of income (divided by 12). *Ownership:* for housing ownership, a standard rule is affordable housing can be in the range of 3.3 times income.

The FY 2005 median family income for the Nassau-Suffolk Primary Metropolitan Statistical Area, as defined by the United States Department of Housing and Urban Development (HUD), is $88,850. 80% of the median family income is $71,080.

Monthly rental costs not to exceed 30% of 80% median income would support rents of no greater than $1,777 per month based on FY 2005 figures.

Ownership costs, based on 80% of the median income times 3.3, would equate to sales prices of approximately $235,000.