

HOUSING OSSINING TECHNICAL PAPER #4

Policy Framework



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INTRODUCTION

In February 2017, the Village of Ossining commenced *Housing Ossining*, a six-month multidisciplinary study focused on the identification of housing policies that would best meet the diverse housing needs of present and future residents. Kevin Dwarka LLC, a New York City based land use and economic consulting firm, was engaged to analyze the village’s housing needs, review best practices and formulate a broad set of housing policy strategies. Formulated with the help of extensive community input, the study culminated with the completion of four technical papers:

- Technical Paper #1: Quantitative Analysis
- Technical Paper #2: Regulatory Assessment
- Technical Paper #3: Community Engagement Record
- Technical Paper #4: Policy Framework

This document represents the fourth technical paper, a presentation of eight housing policy strategies that have been carefully vetted by village residents; both elected and appointed Village officials; landlords; community groups; and a cross-section of housing policy practitioners. The paper opens with a digest of key housing needs as identified through extensive quantitative analysis, regulatory assessment, and community engagement. The remainder of the paper focuses on the presentation, evaluation, and prioritization of the eight strategies as summarized in the table below.¹

Proposed Housing Policy Strategy	Purpose of Strategy
1 Increase Village Leadership in Economic Development	Appoint an experienced professional economic development specialist to design and implement an inclusive economic development strategy that increases the commercial tax base, attracts new businesses, increases employment opportunities for lower income residents, maximizes development opportunities and complements the Village’s housing policy framework.
2 Adopt a Proactive Approach to Building Code Enforcement	Fully engage tenants, landlords, community groups, and citizens in a collaborative effort to increase awareness of building code regulations and ensure their compliance.
3 Modify Village Development Incentive Program	Ensure that tax incentives for new development result in housing units that meet community needs for mixed income housing and inclusive economic development.
4 Expand the Village’s Network of Local Housing Developers	Expand the network of housing developers within the Village of Ossining in order to ensure a more diverse group of builders, enhance access to innovative funding sources, and align new development with housing and economic development goals.
5 Revise Village Affordable Housing Policy	Provide a deeper and broader level of affordability requirements for new housing development to ensure access to affordable housing by lower income households and that supports mixed income housing.
6 Eliminate Regulatory Barriers to Housing Development	Update the Village’s Comprehensive Plan and Zoning Regulations to enable the construction of multi-family housing in places where there already is a prevailing pattern of multi-family housing.

¹ The consulting team initially prepared twelve draft policy strategies and presented them to the public at large as well as at a meeting of the Village of Ossining Board of Trustees. Common elements of these strategies were combined into eight revised strategies. None of the ideas expressed in the original twelve strategies were deemed to be fatally flawed or eliminated from consideration. All ideas were retained, evaluated, and integrated based upon their implementation linkages.

<p>7 Improve Transit Access and Reduce Automobile Dependency</p>	<p>Limit the effects of automobile dependency on neighborhood conditions while increasing transit access and encouraging more affordable transit oriented development</p>
<p>8 Apply State Rent Stabilization Law to Eligible Multi-Family Buildings</p>	<p>Protect renters from dramatic rent increases, poor building conditions, and displacement by regulating eligible buildings under the Emergency Tenant Protection Act.</p>

SECTION 1: HOUSING ISSUES

The housing needs discussed below represent some of the most pressing housing issues in the Village of Ossining based on quantitative analysis, regulatory assessment, and a broad public engagement. Housing issues have been grouped together into five overarching themes: Substandard Living Conditions, Rising Housing Costs, Limited Economic Development Activity, Barriers to Developing New Affordable Housing, and Community Displacement. Note that the presentation of these themes below has been purposefully done in a synoptic fashion without statistical or statutory references. See *Housing Ossining Technical Working Papers 1, 2, and 3* for a more specific accounting of these housing issues including data trends, regulatory interpretation, and direct community observations.

Substandard Living Conditions

There are many indications that Ossining buildings are not consistently maintained in conformity with local and state building regulations. The Village has made recent efforts to adopt a more proactive approach to code enforcement. Nevertheless, regulatory compliance is still impeded by limited human resources within the Village Building Department, the protracted judicial process, and an underlying lack of awareness by both landlords and tenants of the building code requirements. While there are reports that substandard living conditions may be found in at least some of the larger multi-family apartment buildings, anecdotal evidence suggests that building code violations, safety concerns, and overcrowding occur more often in smaller buildings such as two-family homes or small apartment buildings. While poorly maintained buildings most adversely harm the welfare of tenants residing within them, they also impose externalities upon the broader community including fire hazards, visual blight, excess garbage, and on-street parking shortages. Another broad concern is that the overcrowding of smaller buildings is resulting in a higher number of school children, thereby taxing the administrative and infrastructural capacity of Ossining School District.

Rising Housing Costs

Market trends and resident input broadly suggests that housing costs for both owners and residents is becoming increasingly burdensome. A hot real estate market in New York City as well as Westchester has led to rising home costs, making it harder for new residents or young people to purchase single family homes. Although the prices of owner-occupied units in Ossining are lower than those in Westchester, rising property taxes have made it more difficult for seniors to age in place. Meanwhile, renters in Ossining are even more cost-burdened than homeowners. Lower income residents especially face significant challenges meeting the rising cost of rent in tandem with other living expenses such as transportation, childcare, and healthcare.

Limited Economic Development Activity

Ossining is blessed with a racially and economically diverse community. However, like many communities in the Hudson Valley, the combination of global economic restructuring and the decline of the manufacturing sector has hampered the growth of new employment generators within the village. Consequently, Ossining's tax revenues are disproportionately comprised of residential property tax revenue. Meanwhile, service sector jobs offer only limited opportunities for economic mobility and social benefits. The effect of the village's limited economic development has meant that lower economic residents have few opportunities to find better paying jobs within the Village and therefore continue to struggle to meet rising housing costs. Meanwhile, homeowners are confronting rising residential property taxes without sufficient relief from commercial tax revenue.

Barriers to Developing Housing

Although Ossining already has a supply of affordable housing, the village does not have enough affordable housing need to meet the needs of its current residents. New multifamily housing has been constructed in recent years. However, much of the new housing has not been priced at a level that is affordable to most current residents. Part of the challenge in building new affordable housing is the relatively small number of affordable housing developers with local knowledge and interest in Ossining. Meanwhile, housing prices are sometimes inflated by rent rolls that reflect overcrowded living conditions. These high housing prices in turn make it difficult for local developers to acquire distressed buildings, rehabilitate them, and make them available at affordable price points. Finally, the village's comprehensive plan and zoning regulations do not enable multi-family housing to be constructed as of right even in places where multi-family housing is the prevailing land use pattern.

Community Displacement

For many Ossining residents, rents are rising faster than their incomes. As noted above, new housing supply is not priced at levels affordable to most residents. Increased residential taxes are imposing burdens on residents with fixed incomes. Meanwhile, tenants in some of the village's smaller multifamily buildings may not have the assurance of a long-term lease or even a month to month lease. These various conditions may lead to the displacement of existing residents and their move to places with a greater supply of affordable housing options. Village residents value the economic and racial diversity of their community, so the preservation and generation of diverse housing types at a range of price points is broadly supported value. At the same time, however, many residents question the degree to which Ossining can reasonably meet the housing needs of all residents especially given the amount of affordable housing demanded throughout the surrounding region.

SECTION 2: POLICY STRATEGIES

The following eight housing policy strategies were prepared on the basis of a six-month study that included extensive community engagement, quantitative analysis, and regulatory assessment. The strategies were also carefully reviewed by the Village of Ossining professional staff as well as all members of the Village Board of Trustees.

Drafting housing policy in an inherently complex process that requires not only the vision and leadership of a locality but also extensive coordination with other units of governance including adjoining localities, school districts, state governments, and the federal government. In addition, strategic partnerships with

the private, philanthropic, and non-profit sectors also affect a community's capacity to meet the housing needs of its current residents. However, the policy strategies presented below focus exclusively on the interventions falling within the purview of the Village of Ossining and that can be implemented within the next three years.

Policy Strategy #1: Increase Village Leadership in Economic Development

Policy Purpose

- *Appoint an experienced professional economic development specialist to design and implement an inclusive economic development strategy that increases the commercial tax base, attracts new businesses, increases employment opportunities for lower income residents, maximizes development opportunities and complements the Village's housing policy framework.*

Current Conditions

The Village is blessed with a highly knowledgeable professional staff endowed with deep knowledge of land use, zoning, housing policy, and urban planning. However, the Village does not currently have a designated economic development specialist charged with crafting a formal economic development strategy and aligning it with the goals of the Village's housing policies. Although it may seem that economic development plans are tangential to housing issues, the existing conditions research that was conducted for *Housing Ossining* revealed some palpable economic challenges with far-reaching implications on housing access and affordability. Specifically, new real estate development has not always resulted in housing units aligned with community need. Limited employment prospects have made it harder for lower income residents to afford rising housing costs. An undersupply of commercial development has in turn placed a heightened tax burden on residential properties. Without a trained economic development specialist, the Village may miss out on opportunities for allocating land uses in a way that is not only fiscally productive but that also meets local housing needs.

Implementation Steps

1. Analyze the potential economic return of redeveloping underutilized or vacant properties.
2. Estimate the financial cost of hiring a part-time or full-time economic development specialist.
3. Assess the potential return of hiring an economic development specialist with regard to the realization of tax revenue.
4. Prepare a draft economic development strategy as part of the job description of the economic development specialist.
5. Coordinate strategy with the proposals from the Downtown Redevelopment Working Committee
6. Hire an economic development strategist with a proven track record of securing community benefits from new real estate activity.

Potential Benefits

The economic development specialist could provide the Village with a roadmap for reducing its dependency on residential property taxes and enhancing the economic mobility of existing residents. Specifically, the specialist could help identify suitable underutilized downtown sites such as Market Square or along the Highland Avenue corridor and promote their development to an expanded network of real estate developers. The specialist could also update the economic development components of the comprehensive plan and make sure that future dispositions of Village owned properties like Market Square generate local housing benefits. The specialist could also help promote the vitality of downtown Ossining and serve as a valuable asset to the Downtown Redevelopment Working Committee. However, the specialist's role could also include linking key areas of industrial growth such as e-commerce, multi-media design, or cybersecurity with development sites and local workforce development programs. Lastly, the specialist could help the Village assemble an appropriate package of incentives and marketing activities that preserve and expand the local business community, thereby improving the overall quality of community life in the downtown as well as surrounding neighborhoods.

Challenges and Limitations

The hiring of a full-time economic development specialist could prove very costly especially given the salaries customary for an experienced professional as well as the requisite fringe benefit costs associated with such a position. One alternative to a full-time specialist would be to hire a consultant to prepare the strategy and oversee its implementation. Although this approach would insulate the Village from a long-term financial burden, it would compromise the effectiveness of the proposed policy strategy. The Village needs a specialist who is local, visible, and well-connected to the business and real estate community within Ossining and beyond. An outside consultant, limited by contractually circumscribed duties, cannot represent the voice of Ossining as well as a Village employee. If the Village cannot afford a full-time specialist, they should instead consider hiring a part-time specialist with an office at Village Hall.

Policy Strategy #2: Adopt a Proactive Approach to Building Code Enforcement

Policy Purpose

- *Fully engage tenants, landlords, community groups, and citizens in a collaborative effort to increase awareness of building code regulations and ensure their compliance.*

Current Conditions

The Village of Ossining's Building Department is charged with enforcing local and state building regulations. A summary of these regulations, especially those dealing with overcrowding and building inspection procedure, can be found in *Housing Ossining Technical Paper #2: Regulatory Assessment*. This technical paper also documents the Village's enduring efforts to remedy building violations by refining its code and better aligning it with the state regulations. However, the Village's challenges associated with code compliance go far beyond remedying the law. Also at issue is the understaffing of the Building Department, the protracted judicial process when a matter rises into legal action, and the broad unawareness of the code by landlords and tenants alike. While it might be suggested that certain landlords and tenants simply do not want to be fully versed in the code, it is also the case that the Village's building regulations are not easily decipherable. Like many localities, Ossining has a code that

reflects decades of revision, references to state code, and importations of the International Building Code. As a result, it is not always easy for even a trained building professional to definitively know exactly what is required under the code and the steps necessary to remedy a violation.

Implementation Steps

1. Hire two additional staff members, including bilingual staff for both administrative as well as enforcement functions.
2. Establish code enforcement beats in which officers follow a regularized schedule for observing neighborhoods and documenting any indications of building violations or overcrowding.
3. Organize community members to participate in regular code enforcement tours in which groups of citizens follow a formal schedule for conducting observations of different neighborhoods and reporting potential violations to the Building Department.
4. Establish an anonymous building violation telephone hotline that accepts voice mail messages about building violations.
5. Create and distribute clear, user friendly, graphically designed guides to the local and state building code regulations and the requirements for overcoming a building code violation.
6. Provide some level of building code education to Village staff members outside of the Building Department.
7. Substantially Increase monetary fines for building code violations especially for work that is completed before the request for building permits.
8. Require a Certificate of Occupancy as a precondition for a property sales transaction in order to create a mechanism for inspecting illegally subdivided buildings.
9. Explore the possibility of applying financial penalties to landowners who maintain derelict or vacant properties.
10. Complete the Village's already in progress efforts to establish a code enforcement appeals board that enables an alternative forum for dispute resolution besides the court system.
11. Complete the Village's already in progress efforts to reactivate Landlord Tenant Council with diverse representation of participants including owners of small and large buildings as well as residents from all economic, ethnic, and linguistic backgrounds.

Potential Benefits

The implementation steps above are aimed at expanding the universe of participants in the code enforcement process. The burdens of the Building Department can be offset by increasing citizen participation while also activating new volunteer entities such as the Code Enforcement Appeals Board and the Landlord Tenants Council. However, the primary benefit of the implementation steps above is not simply the resolution of building code violations but hopefully the prevention of violations from happening in the first place by increasing broad awareness of the regulations. Building owners would hopefully recognize the importance of bringing their dwelling units up to standard. To that end, the Village's approach to 'messaging' the advancement of these steps is as important as the implementation of these steps. Landlords and tenants are more likely to work cooperatively together if the Village provides clear information about key building code requirements in non-legalistic terms and embeds the implementation steps above within a broad multi-lingual communications campaign.

Challenges and Limitations

Any increase in staffing capacity to the Village Building Department will result in an increased financial burden to the Village. Stricter code enforcement may also be interpreted as overzealous or even harassment by both building owners and tenants. Moreover, a proactive approach may not necessarily constitute the optimal allocation of limited resources especially if routinized observations weaken the Building Department's ability to focus on the resolution of the most egregious and urgent code violations. Finally, if overcrowding is reduced by stricter code enforcement, then some level of displacement may occur, thereby further intensifying the Village's challenges in providing a sufficient supply of affordable housing to lower income residents. Due to the limited number of communities that have formed landlord tenant councils, the effectiveness of this approach with regard to reducing building violation issues remains uncertain. A further challenge is ensuring that the council is adequately staffed by a diverse representation of landlords and tenants, especially given the fears of landlord retribution that some tenants may have in deciding whether or not to assume a more visible role in code enforcement issues. The best way for the Village to ensure a fair and equitable approach to code enforcement is to make sure that the rules and regulations are broadly and multilingually conveyed in simple terms and that citizen run inspection beats are regularized. In this way, everyone is accountable to the same standards and reports of building violations are not personalized.

Policy Strategy #3: Modify Village Development Incentive Program

Policy Purpose

- *Ensure that tax incentives for new development result in housing units that meet community needs for mixed income housing and inclusive economic development.*

Current Conditions

Many localities struggle with determining the appropriate approach to taxing new development projects. Historically, many communities have felt that tax exemptions or PILOTS should be offered on luxury residential projects because they may help to stabilize a distressed area and generate a significant increase in tax rates over the long-term. On the other hand, tax exemptions are notoriously difficult to determine in relationship to community benefits. Specifically, it is not always clear whether or not a tax exemption will result in housing price points that are affordable to the existing community.

Another concern about providing tax exemptions for new luxury housing is that these new units may have a gentrifying impact on older housing within its immediate vicinity and possibly lead to the displacement of current residents. Lastly, the Village is contemplating opportunities for attracting and preserving businesses that generate tax revenue and provide local jobs. However, the Village does not currently have an incentive program that sufficiently outlines the appropriate methods for supporting the business community.

Implementation Steps

1. Prepare a comprehensive inventory of development sites throughout the Village.
2. Determine the optimal land use scenarios for development sites based upon housing and economic development objectives.
3. Formulate a package of draft incentives (including tax exemptions but also density bonuses, and streamlined land use approval) for projects that advance the Village's housing and economic development goals.
4. Solicit feedback on the draft incentives from economic development stakeholders.
5. Publish the incentive program so that prospective developers can easily understand the expectations and benefits of building within the Village.

Potential Community Benefits

Instead of reacting ad hoc to various development proposals and analyzing the community benefits offered by them, the Village will have in place a carefully designed incentive program that establishes a baseline expectation of the kinds of community benefits desired from new projects. Ideally, this program will not discourage prospective developers but instead attract a wider more diverse pool of developers whose interests are aligned with the Village's housing and economic development goals.

Challenges and Limitations

There is a possibility that the Village will lose out on development opportunities from developers who are able to secure a more generous tax exemption policy without being required to provide the levels of affordable housing and job opportunities required by the Village's incentive program. For sites that are especially difficult to develop, it may be that advantageous for the Village to retain some level of flexibility in determining the optimal incentives for a particular development proposal.

Policy Strategy #4: Expand the Village's Network of Local Housing Developers

Policy Purpose

- *Expand the network of housing developers within the Village of Ossining in order to ensure a more diverse group of builders, enhance access to innovative funding sources, and align new development with housing and economic development goals.*

Current Conditions

Ossining's housing developers are limited to the Interfaith Council for Action (IFCA), some larger national developers, a few smaller and more local developers, and private landowners. Community Preservation Corporation also has a presence in the Village. Meanwhile, many private developers and non-profit redevelopment entities in the metropolitan New York have only limited awareness of the development opportunities within the Village of Ossining. Moreover, Ossining does not have any community based redevelopment entities focused specifically on Ossining (such as a Community Development Corporation, Land Bank, Community Land Trust or Housing Development Finance Corporations) that are charged specifically with the development and preservation of affordable housing within Ossining.

Implementation Steps

1. Inventory prospective development sites within the Village of Ossining and make them publicly viewable on the Village website.
2. Host developer outreach events at the Village that are focused on presentation of the development sites as well as the Village's housing and economic development policies.
3. Conduct outreach to Hudson Valley CDCs, Newburgh Land Bank, and community land trusts in order to better understand the opportunities for partnership or replicating such entities within the village.
4. Analyze the invocation of private housing law to enable the conversion of rental buildings and underutilized land into limited equity coops.

Potential Community Benefits

The creation of community based or tenant housing organizations could help ensure that new housing supply on optimal development sites is sufficiently responsive to housing needs. Moreover, these types of organizations may be eligible for affordable housing funding streams not typically available to private developers or enable new kinds of create partnerships with the Village. Lastly, the Village may also succeed in attracting developers with expertise in building specialized housing products including senior housing and transit-oriented development.

Challenges and Limitations

A new housing entity in Ossining may not be administratively easy to institutionalize and some of them will require ongoing coordination with Village staff. Also, the effectiveness of such institutions is limited to their ability to construct new housing. Given the small number of vacant sites or vacant buildings, the strength of such entities will be largely limited to the rehabilitation of existing housing. Also, the formation of HDFCs introduces new challenges for ensuring the proper maintenance of buildings.

Policy Strategy #5: Revise Village Affordable Housing Policy

Policy Purpose

- *Provide a deeper and broader level of affordability requirements for new housing development to ensure access to affordable housing by lower income households and that supports mixed income housing*

Current Conditions

Housing Ossining Technical Paper #2: Regulatory Assessment offers a detailed description of the Village’s affordable housing policy. Drafted in 2006, the policy required that 10% of units in new buildings with six or more units must be built to be affordable to households making less than 80% AMI. Developments that meet the affordability requirement on site for households making 80% AMI or less are eligible for a density bonus equal to the total number of affordable units provided. If a developer makes 10% of total units affordable to low income households making 60% AMI or less, the developer is eligible for an additional density bonus equal to 5% of the total number of market rate units originally proposed.

Under the Village’s Affordable Housing Program, in cases of hardship, a developer may contribute to affordable housing fund instead of providing on-site housing. This fund can be used by other developers to meet the subsidy required to build an affordable housing unit elsewhere. However, the precise terms of the buyout provision are not clearly defined within the policy and instead buried within the Village’s schedule of fees. So far, it does not appear than developers have opted to contribute to the fund in lieu of building on-site affordable housing. Only a small number of housing units have been built under the program.

Although the Village’s current policy is consistent with many other communities, there are other communities, as shown below, that have applied higher set aside requirement with lower AMI thresholds. Some localities (such as Kirkland, Washington and Boulder, Colorado) have also applied their affordable housing policies even to buildings with less than six units.

Inclusionary Zoning Programs in Westchester		
Community & Date Zoning Adopted	Set-aside %	Buy-out Fee (Yes/No)
1) Town of Bedford, amended in 2012 (no change since 2005)	10% single family subdivisions & 20% multi-family (sale units must be affordable to 80% AMI, otherwise not listed)	Yes –only for single-family homes, not permitted in multi-family develop.
2) Village of Hastings, adopted in 2001 (amended 2013)	15% set-aside applies to any residential. develop of 8 or more units (single family, two family or multifamily); 2/3 of set aside units must be for affordable while 1/3 can be workforce or affordable (AMI not listed)	No
3) Town of Greenburgh, adopted in 1996 (amended in 2008, but no change)	10% of new units in multifamily districts (Affordable housing defined as 80% AMI)	No
4) Town of North Salem, adopted in 2000 (amended 2012)	10% and 20% set asides in selected districts; 60% AMI for rentals and 2.5x max family income for sales	No
5) Village of Port Chester, adopted in 2004 (no change)	10% of new multi-family units in selected districts (80% AMI)	No
6) Town of Somers, adopted in	15% of all permitted residential units	

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2003 (amended in 2008)	(80% AMI)	No
7) City of White Plains, adopted in 2001 (cannot find)	6% set aside in new multi-family districts in the downtown area	No- Rentals Yes –If ownership
8) City of Yonkers, adopted as follow-up to the 1988 Court mandated Housing Remedy Order (amended 2013)	10% of units set aside: 40% of those for 40% to 65% AMI, 20% for 66% to 80% AMI, 40% for 80% to 100% AMI; developments under 20 units exempt	Yes—Affordable Housing Trust Fund
9) Town of Yorktown, adopted in 2005 (amended 2012)	10% set-aside in residential subdivisions & 10% set-aside if multi-family – but at least 15% in new multi-family of 31+ units. (80% AMI)	No
10) City of New Rochelle (amended 2016 but no substantive change)	10% set-aside rental & ownership. Requirements for 80% AMI, but 60% AMI referenced for construction by Housing Fund	Yes

Implementation Steps

1. Modify the housing policy so that that 20% of units in new buildings with four or more units must be built to be affordable to households making less than 60% AMI.
2. Offer existing landowners tax incentives for voluntarily allocating 10% of their existing units as affordable for households making 40% to 60% of AMI.
3. Stipulate concrete buyout provisions that ensure that developers are still incentivized to build on-site units and that the price of a buyout is enough to meet the cost of providing affordable housing.

Potential Community Benefits

A more aggressive inclusionary housing program ensures that a greater number of housing units will be affordable at a wider range of price points and that luxury housing will not become the only type of housing built in new developments. If the inclusionary housing program could be applied on a voluntary basis to existing buildings, then the Village’s total pool of affordable units would be increased. By explicating the terms of the affordable housing fund, the Village could create a stable revenue source that could be used to support the development of very low-income housing (30% AMI) or (b) offset rehabilitation costs for distressed building.

Challenges and Limitations

Inclusionary zoning’s success is typically dependent on the scale of new housing development activity. Even if the required coverage is increased from 10% to 20%, only a relatively small number of units compared with the total number of housing units in the Village would be affected. The other 80% of market rate units could be priced significantly beyond levels affordable to most current residents. The effectiveness of the housing fund is constrained by the scale of new housing development constructed. Given the limitations of development sites, it may be possible that very little to no contribution is made to the fund. The application of voluntary inclusionary housing to new buildings is uncommon. However, since the idea has been suggested by the local development community, careful consideration should still be given to the possibility of exchanging some kind of incentive for affordable housing allocations.

Policy Strategy #6: Eliminate Regulatory Barriers to Housing Development

Policy Purpose

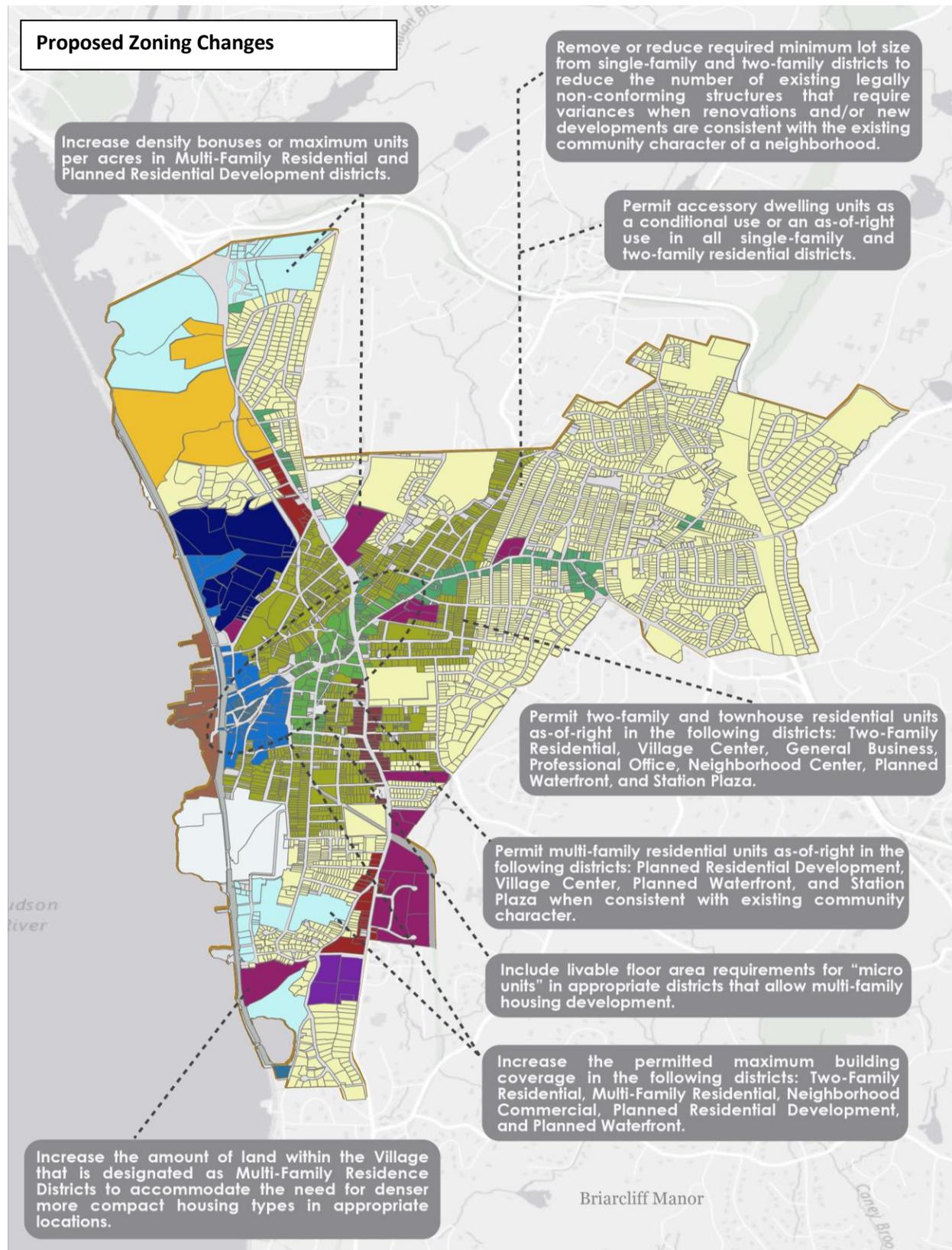
- *Update the Village's Comprehensive Plan and Zoning Regulations to enable the construction of multi-family housing in places where there already is a prevailing pattern of multi-family housing*

Current Conditions

As discussed in great detail in *Housing Ossining Technical Paper #2: Regulatory Assessment*, the Village's 2009 Comprehensive Plan provides objectives related to multi-family housing development and affordable housing preservation. However, the plan lacks strong housing policy language, restricts as-of-right residential development, and fails to identify geographic priority areas for high density residential development.

While the Comprehensive Plan mentions the desire for mixed use development and infill development in areas such as the waterfront and downtown, the language in these sections regarding residential and multifamily housing does not offer a sufficiently coherent vision for strong residential communities in these areas. As the language stands, residential development is permitted, but not expressly encouraged. Similarly, in an attempt to combat issues associated with overcrowding, the comprehensive plan specifically restricts two-family and multi-family residential uses to conditional uses even in areas where there already is multifamily housing. Consequently, the conversion of a single-family home to a two-family home is administratively burdensome even in a two-family district. Finally, the Comprehensive Plan creates barriers for housing development by specifically identifying where multi-family housing is not encouraged, such as GB districts, but failing to identify target areas where densification and new housing development should be directed.

Similarly, the current zoning code, reflecting historical concerns about overcrowding, restricts multi-family and two-family development and densification in areas that are prime for increasing housing development. Non-traditional housing typologies such as accessory dwelling units and micro-units are not defined or explicitly regulated within the existing zoning code. Maximum building coverage requirements prohibit the full and efficient use of land within the Village. Sixty percent of the land area in the Village is zoned as single-family or two-family residence districts whereas less than five percent of land is dedicated to multi-family residential districts.



Implementation Steps

1. Revise the comprehensive plan to:
 - Identify geographic priority areas for residential densification within the Village;
 - Add stronger policy language that encourages multi-family residential units as a strong/majority component in mixed-use development; and
 - Support zoning, especially in downtown and commercial districts, that enables multifamily and two-family residential development as of right.

2. Revise the zoning code to:
 - Permit two-family and townhouse residential units as-of-right in the following districts: Two-Family Residence, Village Center, General Business, Professional Office, Neighborhood Center, Planned Waterfront, and Station Plaza.
 - Permit multi-family residential units as-of-right in the following districts: Planned Residential Development, Village Center, Planned Waterfront, and Station Plaza when consistent with existing community character.
 - Permit accessory dwelling units as a conditional use or an as-of-right use in all single-family and two-family residential districts.
 - Include livable floor area requirements for “micro units” in appropriate districts.
 - Increase the permitted maximum building coverage in the following districts: Two-Family Residence, Multi-Family Residence, Neighborhood Commercial, Planned Residential Development, and Planned Waterfront.
 - Increase the amount of land within the Village that is designated as Multi-Family Residence Districts to accommodate the need for denser more compact housing types in appropriate locations.
 - Increase density bonuses or maximum units per acres in Multi-Family Residence and Planned Residential Development districts.
 - Remove or reduce required minimum lot size from single-family and two-family districts to reduce the number of existing legally non-conforming structures that necessitate variances when renovations and/or new developments are consistent with the existing community character of a neighborhood.

Potential Community Benefits

The revision of the comprehensive plan and the zoning code could help make it easier for property owners and developers to increase housing supply without requiring variances. However, the housing supply would only be increased in areas that are appropriate for greater density based upon the prevailing pattern of built form in that area. Instead of property owners taxing the land use approval process with requests for waivers and variances, they would be allowed to build multifamily housing as-of-right in places where there already are multifamily housing units. The revision of the Village’s land use regulations would therefore create logic and clarity to the development rules and so encourage more developers to construct housing in suitable places within Ossining. This increase in housing, built at a high level of quality and in full accordance with building regulations, would also help offset the elimination of informal or illegal housing through stricter code enforcement. In other words, legal

density would be allowed in places where existing land use patterns warrant a higher intensity of land use while density and overcrowding would be eliminated in places where it is happening illegally.

Challenges and Limitations

One of the reasons behind the Village's seemingly contradictory zoning codes is fear of overcrowding. Specifically, higher density housing was restricted even in areas where there already was an established legal framework for higher densities and an already existing high intensity of land use. These perceptions may persist. Some residents fear that allowing the zoning code to enable higher densities of housing will lead to overcrowding and thereby promote unsafe living conditions as well as increased pressures on the transportation system and parking supply.

Another core concern of many residents in Ossining is that higher density housing will result in a larger population of school children that will only further exasperate the capacity issues already confronting the Ossining School District. There is no easy answer to ensuring that the school district has sufficient funds and building capacity in order to accommodate increased enrollment. The reform of school district funding will require policy changes that go far beyond the purview of the Village of Ossining. On the other hand, the liberalization of land use regulations may not necessarily result in a net increase of new Ossining residents but rather the migration of existing residents from substandard housing conditions to higher quality dwelling units. New housing units may appeal to a broad cross-section of residents including families with children but also seniors desiring to age in Ossining but without the burdens of maintaining a single-family home.

Before the Village advances zoning changes, it should already have in place the new code enforcement program. The Village should also undertake a careful visual documentation of the areas proposed for rezoning and show the contextuality for allowing multi-family development. Finally, the Village will need to work carefully with the School District to better understand ways that new housing development could potentially provide funding support for preserving and expanding school facilities.

Policy Strategy #7: Improve Transit Access and Reduce Automobile Dependency

Policy Purpose

- *Limit the effects of automobile dependency on neighborhood conditions while increasing transit access and encouraging more affordable transit oriented development.*

Current Conditions

Parking and transportation policy has a significant impact on the performance and affordability of a locality's housing supply. Like many communities, the Village regulates overnight parking in its residential areas. In order to obtain an overnight parking waiver in the Village of Ossining, an application must be filled out and returned to Village Hall by mail or by hand along with all of the requested documents including vehicle registrations and documents establishing residency or another connection to Ossining. However, the granting of such a sticker is not limited by the number of households in a given multi-family unit. As a result, a house could be legally overcrowded but still be eligible for an unlimited number of parking permits, thereby further encouraging overcrowding.

A second issue is the high number of off-street parking allotments required for residential developments. These allotments in turn raise the cost of housing, costs which are then passed onto the tenant. Moreover, there is only limited development space within Ossining. Every piece of land allocated to construction of a parking space is land that otherwise could have been used for housing. For a detailed discussion of the parking requirements in each of the Village's zoning districts, see *Housing Ossining Technical Paper #2: Regulatory Assessment*.

Lastly, the Village's limited mass transit service means that most residents must rely on private automobiles for most of their trips. Vehicular dependency compromises housing needs in several ways. First, automobile dependency increases the need for more parking throughout the Village, and therefore reduces the amount of land available for housing construction as noted above. Secondly, the cost of acquiring and owning an automobile is especially burdensome for lower income households already struggling to meet housing costs. Third, the need to own an automobile limits where a person works and what type of employment they can find.

Implementation Steps

1. Regulate number of on-street parking permits issued per housing unit.
2. Reduce minimum off-street parking requirements in older single-family neighborhoods and transit-supported residential districts.
3. Consider granting density bonuses to developers who are able to share parking with existing lots.
4. Work with Westchester County Department of Public Works and Transportation to improve Bee Line Bus service frequency in Ossining, especially along corridors with high residential density.

Potential Community Benefits

The proposed limitations on parking permits could help reduce overcrowding while also providing relief to neighborhoods overcome by limited parking supply. Meanwhile, relaxing the parking requirements for multi-family developments, especially those downtown and well-served by transit, could help to reduce the overall construction costs of new development and therefore make it easier for developers to provide more affordable units. Lastly, improved transportation options would not only give residents a more affordable way of commuting but also reduce the pressure to allocate limited land holdings to parking.

Challenges and Limitations

Regulating on-street parking will not directly address the root factors causing residential overcrowding. The burden of these regulations will fall upon tenants in overcrowded units and could potentially lead to their displacement.

The proposed reduction of parking requirements has limited benefit in that it would only apply to new housing developments and will not address inefficient land allocations for older developments.

Lastly, upgrading service levels and modifying bus routes is a difficult undertaking for most localities. The proposed changes to a local transit system may take a long time and may be difficult to synchronize with changes in housing policy.

Policy Strategy #8: Apply State Rent Stabilization Law to Eligible Multi-Family Buildings

Policy Purpose

- *Protect renters from dramatic rent increases, poor building conditions, and displacement by regulating eligible buildings under the Emergency Tenant Protection Act.*

Current Conditions

In 1974, New York State created a provision called the Emergency Tenant Protection Act (ETPA) that allows municipalities located in certain suburban counties in the New York Metropolitan Area to adopt a form of rent stabilization. While Westchester County is one of the counties included in the ETPA, each individual village, town, or city must formally adopt ETPA under the condition that there is less than a 5% housing vacancy in the jurisdiction. When a building in Westchester is rent stabilized under ETPA, the annual allowable rental increases are determined by the Westchester County Rent Guidelines Board. Additionally, the operation of rent stabilized units is regulated by rules promulgated by the New York State Department of Housing and Community Renewal (DHCR). These rules establish requirements for lease renewals, establish building maintenance standards and penalties, and provide processes for building owners to recover the cost of capital improvements through bounded rental increases. The renter protections under ETPA can only be applied to buildings constructed prior to 1974 and with six or more units. ETPA also require landlords to offer tenants 1 or 2-year lease renewals.

Ossining has considered ETPA several times in recent years. Attention to affordability and the possibility of adoption was raised in the early 2000s. By the summer of 2005, residents were writing op-eds in local papers and pressing for the adoption of the ETPA in Ossining. Many were particularly alarmed at the rising rents in developments like Claremont Gardens. The pro-ETPA sentiments remained strong and alive for at least the next year. Although the beliefs likely remained among some in the community, the push to adopt ETPA did not resurface until 2016 when several protests were held in support of ETPA and at least one public forum was devoted to its discussion at a Village Board meeting.

In September 2016, a housing vacancy study was completed for all multifamily units in buildings with six units or more constructed before 1974. The Multifamily Vacancy Study, conducted by Community Housing Innovations, concluded that the vacancy rate for these units is approximately 3.09%. Vacancy data, published in *Housing Ossining Technical Paper #1: Quantitative Analysis*, indicates that the vacancy rate for rental building is 5.09% for all rental buildings within Ossining for the period between 2011 and 2015. The New York State Department of Housing and Community Renewal does not provide concrete guidance on the best way to perform the vacancy study for the purposes of determining a locality's eligibility for rent stabilization. There are no regulations suggesting that the vacancy rate cannot be determined on the basis of a subset of total properties as was done as part of the Community Housing Innovations Study.

There are currently 19 municipalities in Westchester County that have adopted ETPA. The vast majority of these municipalities adopted ETPA's provisions in the 1970s, but two, Croton-on-Hudson and the City of Rye have adopted since the year 2000. The table below contains information pertaining to ETPA for all of these communities including the minimum number of units in a building needed to trigger ETPA, the year the municipality adopted ETPA, and the approximate number of units covered by ETPA in the municipality. The number of units covered by ETPA is estimated through an examination of the local budgets where each municipality is entitled to collect a \$10 administrative fee from landlords for each unit. The vast majority of ETPA units in Westchester are in Yonkers, Mount Vernon, and New Rochelle.

Localities with Rent Stabilization in Westchester			
Municipality	Minimum Units	Year Adopted	Units (Fee Paid)
Croton-on-Hudson	50	2003	N/A
Dobbs Ferry	6	1974	550
Eastchester	6	1974	372
Greenburgh	6	1980 or before	N/A
Harrison	6	N/A	290
Hastings	6	N/A	350
Irvington	20	N/A	66
Larchmont	6	N/A	200
Mamaroneck Town	6	1976	244
Mount Kisco	16	1979	74
Mount Vernon	6	1976	6,500
New Rochelle	6	N/A	5,000
Pleasantville	20	1979	39
Port Chester	12	N/A	400
Rye	50	2006	N/A
Sleepy Hollow	10	N/A	~240
Tarrytown	6	1974	650
White Plains	6	1974	2,750
Yonkers	6	N/A	21,060

Implementation Steps

1. Continually monitor the rate of rental increases and displacement of residents in ETPA eligible buildings through landlord and tenant surveys.
2. Implement other elements of the Housing Policy Framework and evaluate their effectiveness in meeting housing needs.
3. Monitor the distribution of building violations between ETPA eligible buildings and smaller non-ETPA eligible buildings.
4. Update the vacancy study with the most recently available census information or through administration of a new survey.
5. Reconsider rent stabilization based upon the outcomes of the Housing Policy Framework and re-evaluation of housing market trends.

Potential Community Benefits

If the Village of Ossining adopted ETPA, at least 1200 rental units could be potentially subject to rent stabilization. These 1200 units constitute 29% of the Village's total number of rental units and 14% of its total number of housing units. As such, ETPA could ensure long-term affordability for current residents at a dramatically greater scale than what could be provided through inclusionary zoning, a program

whose effectiveness is limited to the increased supply of new housing units. It is possible that the number of rent stabilized units would decline due to high-rent deregulation², high-rent high-income deregulation³, or the conversion of rental buildings to owner occupied condominiums or cooperatives. Nonetheless, there is no other mechanism available to the Village of Ossining that can come even close to tempering exorbitant rent increases as would adoption of ETPA.

Moreover, ETPA not only regulates the permissible amount of rental increases. It also enfold buildings into a state regulatory structure in which maintenance issues, lease renewals, and capital improvements are supervised by DHCR. The adoption of ETPA also allows for the locality to adopt rent increase exemption programs for disabled persons and seniors.

The combined effect of price regulations, complaint procedures, and lease renewals all help to protect economically and racially diverse residents from being displaced as a result of rental fees, landlord retaliation for building complaints, or broader gentrification patterns. Due to data limitations, it is difficult to accurately gauge recent rental increases and displacement levels in ETPA eligible buildings. Anecdotal evidence, however, does not suggest exorbitant price increases or massive displacement currently unfolding in ETPA eligible buildings in Ossining. However, given the rising costs of housing in New York City and development patterns in Westchester, it is indeed possible to imagine that significant increases in rental rates could eventually occur in Ossining. The adoption of ETPA would help protect residents from being displaced from their homes in the event of such price increases.

Challenges and Limitations

Inasmuch as ETPA protects renters from dramatic price escalations or building maintenance problems, the effectiveness of the current legislation in meeting housing needs is constrained by the limited pool of buildings eligible for inclusion. As noted above, the state law only allows for rent stabilization to be applied to buildings constructed prior to 1974 and with six or more units. This means that 70% of the village's rental units and 86% of total housing units would not be affected at all by the adoption of ETPA. Newer and smaller rental buildings would not be subject to rent stabilization. The fact that ETPA covers only a segment of the village's total number of housing units is problematic on two levels. First, adoption of ETPA would create a bifurcated code enforcement process in which some buildings would be overseen exclusively by the Village Building Department whereas other buildings would be subject to oversight by DCHR as well as the Village. The greater issue, however, is that much of the Village's challenges with regard to building maintenance issues and overcrowding reside not in the larger apartment buildings eligible for ETPA but within smaller buildings not eligible for ETPA. As such adopting ETPA, in and of itself would still leave a significant set of housing issues unaddressed.

A second problem with ETPA is that it is not a need-based affordable housing program. Although there are provisions for deregulation on the basis of a household's income exceeding \$200,000, there is no regulation or enforcement mechanism that ensures that rent stabilized apartments are rented to households requiring lower priced apartments on the basis of their financial need. Rent stabilization and succession provisions may compel tenants to stay in their units for a long period even if the unit no longer matches their housing needs. As such, tenants in greater need of affordable housing may have less access to stabilized units than tenants with a lower need for affordable housing. It should also be

² The existing deregulation threshold for Westchester County is \$2,774.73.

³ Units may be deregulated if the tenant reports more than \$200,000 in income for two consecutive years on their New York State income tax returns.

noted, however, that most ETPA eligible buildings are not luxury, high amenity buildings. As such there is a very high possibility that ETPA buildings would serve a great number of lower income households regardless of the lack of means testing.

Critics of ETPA have also suggested that ETPA would reduce a building’s net operating income, making it harder for building owners to meet the financial costs of building maintenance and also leading to lower tax revenues on account of building devaluation. However, it should also be noted that economic evaluations of rent stabilization programs in Westchester and New York City do not reveal that rent stabilization broadly reduces the capacity of the owners to afford maintenance expenses. The degree of building devaluation is also difficult to gauge as it depends on the rent increase permitted by the rent guidelines board and the gap between stabilized rents versus market rents.

ETPA may require increased administrative burdens on the part of the locality in order to meet the reporting requirements mandated by New York State Department of Housing & Community Renewal. However, the degree and extent of this burden may be more than offset by the community benefits from preserved affordable housing. More significant, however, may be the administrative burdens experienced by landlords with regard to lease renewals, complaint procedures, and capital improvements. These burdens may in turn make it harder rather than easier for landlords of ETPA eligible apartment units to expediently resolve building condition issues.

SECTION 3: EVALUATION OF POLICY STRATEGIES

The table below is offered as a simple means for evaluating the potential effectiveness of the proposed policy strategies in redressing the housing issues discussed in Section 1 of this paper.

Proposed Housing Policy Strategy	Substandard Living Conditions	Rising Housing Costs	Limited Economic Development Activity	Barriers to Developing New Housing	Community Displacement
1 Increase Village Leadership in Economic Development			✓	✓	
2 Adopt a Proactive Approach to Building Code Enforcement	✓			✓	
3 Modify Village Development Incentive Program		✓	✓	✓	✓
4 Expand the Village’s Network of Local Housing Developers	✓		✓	✓	✓
5 Revise Village Affordable Housing Policy		✓		✓	✓
6 Eliminate Regulatory Barriers to Housing Development	✓	✓	✓	✓	✓
7 Improve Transit Access and Reduce Automobile Dependency	✓			✓	
8 Apply State Rent Stabilization Law to Eligible Multi-Family Buildings	✓	✓			✓

SECTION 4: IMPLEMENTATION AND PHASING RECOMMENDATIONS

All eight policies should be considered by the Village of Ossining. None of them, including the adoption of rent stabilization, should be considered fatally flawed. However, the Village should exercise caution in the sequence in which various measures are further evaluated and undertake a careful process of advancing from one strategy to the next. As such, the policy strategies in this paper were not sequenced arbitrarily but rather in the order, albeit loosely defined, in which they should be implemented. It is expected that all of these policy strategies can be considered for adoption within the next 36 months.

The very first implementation action should be the appointment of an economic development specialist to support the Village's Planning and Development Director on the implementation of an economic development strategy that harmonizes with the housing policies. The success of so many of these strategies is dependent on the building of strategic partnerships and designing of effective communication strategies. Besides supporting the Planning and Development Director in these areas, the economic development specialist could help analyze the funding options and fiscal impacts of the other strategies. Moreover, the specialist can help to address the issues of educational access, vocational training, and job placement that enhance the economic mobility of the Village's lowest income residents.

Given the human safety concerns surrounding poor building conditions, the second strategy regarding code enforcement should become the Village's second priority after hiring the economic development specialist. While ETPA offers a mechanism for redressing *some* of the distressed buildings, only a proactive code enforcement process run by the Village can address the property maintenance and overcrowding issues for *all* of the village's building stock and especially its smaller multi-family buildings.

The third strategy related to modification of the Village's development incentive program is an easy fix with broad support and should be done fairly soon so that it can affect imminent development proposals. It is important, however, that the Village not simply establish a policy with regard to tax exemptions for new housing developments but examine the full range of incentives for attracting quality inclusive development to the Village.

The expansion of the Village's network of local housing developers, as expressed in the fourth strategy, is a task highly appropriate for the economic development specialist. And with the development incentive program in place, it will be easier to promote the development of key sites in accordance with the goals of the Village's housing and economic development policies.

The revision of the Village's Affordable Housing Policy should then be done in lockstep with the elimination of regulatory barriers to housing development and the advancement of sustainable transportation policies. Housing, land use, and transportation are all interrelated disciplines that merit careful linkages through the updating of the Village's comprehensive plan. In particular, the densification of land use within the Village's downtown and train station area raises valid community concerns about traffic impacts, school capacity constraints, and community character. As such a holistic approach should be taken to proposals for intensifying land use so that they maximize community benefit and limit adverse impacts.

Finally, with its code enforcement practices, land use regulations, and economic development program firmly in place, the Village should then consider the viability of rent stabilization based upon current market trends and vacancy levels. The deferred consideration of ETPA should not be misunderstood as a

rejection of its merits. As noted in the discussion of Policy Strategy #8, compared with other interventions, rent stabilization indeed promises the greatest protection against displacement for the tenants residing within ETPA eligible units. However, ETPA does not address the overwhelming variety of housing units in the Village nor can it fully resolve all of issues that the Village is currently confronting. For example, the issue of poor building conditions can and should be addressed for all residential units, not a subset of them. Moreover, careful attention must be paid to the supply of new housing units coming online into the Village. While ETPA confers benefits to existing tenants, it does not ensure fair and equitable access to new housing units nor does it link housing eligibility to economic need. The prospect of Ossining becoming increasingly unaffordable is a legitimate concern especially given the spillover effects of the New York City housing market and changing settlement patterns in the Hudson Valley. If rental increases and tenant displacement in ETPA eligible buildings demonstrably begins to soar and if other code-enforcement strategies prove ineffective in redressing the building condition issues in older multi-family buildings, the Village should then re-evaluate the prudence of rent stabilization. However, the other more broadly applicable policies outlined in this framework should be implemented first.