

NYC Straddles Affordable Housing With Inclusionary Housing

New York City is promoting a new type of affordable development that is fundamentally changing the market.

Known as inclusionary housing the projects often consist of market-rate and affordable housing seamlessly mixed into the same building, explained Magnus Magnusson, principal in charge of Magnusson Architecture and Planning, PC.

“Instead of being geared to one economic slice, such as low-income, we’re looking at projects that straddle

the market,” Magnusson said. The city government of New York has endorsed inclusionary zoning housing developments, providing incentives such as tax subsidies to market-rate developers that building the mixed-income projects.

While the city promotes inclusionary housing in neighborhoods that are moving from mixed- to upper-income housing, Magnusson said community groups in traditionally lower-income areas have been among the system’s biggest supporters because

of the benefits quality market-rate apartments can add.

The South Bronx, among the major recipients

of inclusionary zoning, is already seeing more market-rate housing, including its first condominium development, currently under construction.

Magnusson Architecture principal Petr Stand noted that buildings zoned for inclusionary housing are typically built to the standards of the property’s highest income denomination, with market-rate condos and apartments helping to financially compensate for a development’s affordable housing.

For example, Magnusson Architecture and Planning is developing Atlantic Terrace, an 80-unit project in downtown Brooklyn composed of low-, moderate-, and middle-income co-ops and market rate condos. The units designated for families earning 50% of the area median income (AMI) will

be built to roughly the same standard as the building’s market-rate condos.

“The moment you hit the market(rate), you might (add) a granite top (in the kitchen),” Stand said, “(Design) has to be integrated throughout the building.” He also expects that other cities going through affordable housing crises, such as Philadelphia and Boston, will develop inclusionary housing.

Although affordable housing never lacks a market, developers struggle to determine market rates for mixed-income projects because there are no comparable types of housing, Magnusson said. “There are a half-dozen other projects (ready) as soon as the pricing is proven.”

-Colleen Corley

