

GLOSSARY

Affordable housing

Generally refers to housing options affordable to households of low- and moderate-incomes. While the definition of affordable in relation to income range can differ depending on the source or subsidy program involved, one definition of affordable housing refers to households with incomes at or below 80% of the Area Median Income, or \$50,000, for the New York City metropolitan area. (In Bedford-Stuyvesant, 77% of all households had incomes under \$50,000 in 1999).

Area Median Income (AMI)

Area median income is a figure set by HUD (U.S. Department of Housing and Urban Development) for the New York City metropolitan area which includes the five boroughs, Putnam and Westchester counties. The current median income for this area is \$62,800 for a family of four.

Balanced mixed-use zoning district

Currently being promoted by manufacturing advocates around the city, balanced mixed use zoning districts would maintain the mixed use character of many New York City neighborhoods through mechanisms that permit some conversion from one use to another but would ultimately preserve a balance of industrial and non-industrial uses. They would also include "good neighbor" mechanisms to ensure environmental compatibility over issues such as noise, odor and parking. Over the past few years, the City has proposed and mapped "MX" zones that are mixed use in name only. MX districts allow residential development without any government approvals or mechanisms to maintain a balance of uses. Housing, retailing and office uses can generally afford to pay higher rents than manufacturing and other industrial uses. Over time, blue-collar businesses and jobs are pushed out and the mix that originally made the neighborhood attractive would be lost.

Business Improvement District (BID)

A BID delivers supplemental services such as sanitation and maintenance, public safety and visitor services, marketing and promotional programs, capital improvements and beautification to the businesses in a designated geographic area. BIDs are funded by a special assessment paid by property owners within the district. Any commercial, retail or industrial area in New York City may apply for BID status through a local sponsor. BIDs must be approved by the local Community Board, the City Planning Commission, the City Council and the Mayor.

Certificate of Occupancy (a.k.a. C of O)

Document issued by the New York City Department of Buildings which is required prior to the occupancy of buildings that are newly constructed, gut renovated, have major alterations or additions or have changed the existing use. A Certificate of Occupancy is required as proof of compliance with building, fire and development codes.

Community facilities

A wide range of public and private social, educational, cultural, and religious facilities that serve the non-housing and non-employment needs of city residents. They include, but are not limited to: hospitals, libraries, schools, senior centers, day care, in-patient and out-patient health care centers, recreational centers, and museums.

Contextual zoning

Contextual zoning regulates the height, placement and scale of new buildings so that they fit the character of the neighborhoods in which they are built. Contextual zoning districts do not contain the

loophole that standard zoning districts have that allows a community facility to be built at a much larger scale than its existing neighbors.

Commercial overlay

A zoning designation that “overlays” a commercial district onto a residential one to allow for retail or other commercial uses on the first floor. Since they are intended for businesses that cater to local, not citywide or regional markets, commercial overlays have size and density restrictions.

Community land trusts

Nonprofit community-based organizations that hold land for the benefit of the localities they serve. They often provide permanent affordable housing to a segment of their constituents. The modern community land trust model was developed in the 1960s by community activists who conceived a democratically controlled institution that would hold land for the common good and make it available to individuals through long-term land leases.

Typically, a community land trust rents or sells the home to a buyer who fits criteria set by its community-based board. The homeowner--usually a low- to moderate-income family--leases the land from the trust for a period determined by the board, usually 99 years. The trust retains ownership of the land, thus lowering the initial home price for buyers, as well as the subsequent purchase prices. The lease is the key to keeping the property permanently affordable by including a resale formula that limits leaseholders to a share of the increase in the home's value when they sell. (While specifics vary with each agreement, profits from the sale are shared between the seller and the trust.)

Cultural conservancy

A type of non-profit organization that is dedicated to managing a specific cultural asset (such as a cultural center). By facilitating programming and fundraising/development activities, a cultural conservancy can play an important role in the health and longevity of an array of cultural institutions.

Cultural Institution Group (CIG)

85% of the New York City Department of Cultural Affairs' \$250 million capital budget is allocated to a group of 34 “cultural institutions” which receive significant capital and operating support to help meet basic security, maintenance, administration and energy costs. Each of the members of this group are located on City-owned property, and in return for this support, these institutions operate as publicly-owned facilities whose mandate is to provide cultural services accessible to all New Yorkers.

FAR (Floor Area Ratio)

The ratio of the total floor area of a building to the area of the lot on which the building is located. The zoning code dictates a lot's maximum allowable FAR. For example, for a lot with a maximum FAR of 1, a one-story building could cover the entire lot, a two-story building could cover half the lot, or a four-story building could cover a quarter of the lot.

Foreclosure

An action taken by lending institutions when the homeowner (mortgage holder) is consistently delinquent on mortgage payments and a workout plan has not been established. In a foreclosure, the lending institution takes back the mortgage loan and takes ownership of the property.

Housing cost affordability

Across federal, state and local agencies and programs, housing cost affordability is commonly determined as 30% of a household's gross income.

Housing cost burden

When households are paying more than 30% of their gross incomes for rent, they are considered rent burdened. If they are paying more than 50% of their gross incomes for rent, they are considered severely rent burdened.

Inclusionary zoning

Requires that a percentage of housing units in new residential developments be made affordable to low- and moderate-income households. In exchange for providing affordable housing, developers are granted various forms of compensation (i.e., density bonuses, zoning variances, and/or expedited permitting) that reduce construction costs and ensure that they continue to profit. Currently, the New York City zoning resolution has only one inclusionary housing provision in the densest residential district (R10) and its commercial equivalent.

Local Development Corporation (LDC)

LDCs are private, non-profit organizations that strive to improve an area's economy by promoting businesses and job creation. They do this by administering governmental and private loan programs and encouraging, through incentive loans, the development of local businesses.

Merchants association

A formal or informal group of business owners, typically from a contiguous geographic area such as a particular street, who get together to address common concerns.

Mixed-use area vs. Mixed-use zoning

After World War II, many planners encouraged the separation of residential and commercial uses from industrial uses and used zoning to accomplish this. However, older and more historic neighborhoods developed with these uses side by side, or mixed. As such, they are de facto, or naturally occurring, mixed use areas. Today, cities such as New York prescribe mixed use areas by implementing mixed use zoning districts to allow for residential, commercial, and/or industrial uses where they can coexist without conflict.

Mixed-use zoning district

Currently, New York City zoning regulations contain a generic mixed use zoning district (commonly referred to as "MX") that can be mapped in areas to allow industrial uses to co-exist with residential and/or commercial uses. However, there is nothing in the provision to ensure a balance of different uses, and as a result, many of the areas that have been mapped with this district are quickly transitioning away from industrial and into residential or commercial districts in nature.

Predatory lenders

Lenders that will often require high interest rates and fees and qualify applicants for more home than they can really afford, thus leading to high rates of foreclosure. These lenders are often turned to as a

last resort by prospective home buyers who have not been able to qualify for standard mortgages by accredited banks and lending institutions.

Setback

The amount of space local zoning regulations require between a lot line and a building line

Special district (a.k.a. Special purpose district)

A special purpose district is a zoning district created by an amendment to the text (and map) of New York City's zoning ordinance. It is a customized district (as opposed to a generic one) intended to either protect a particular area from development pressure or to preserve its unique appearance.

Subprime lending

Subprime Lending was developed to help higher risk borrowers obtain a mortgage. Because of the higher risk associated with lending to borrowers who have a poor credit history (and who therefore may not qualify for a conventional loan or low down payment loans), subprime loans typically require a larger down payment and a higher interest rate. Subprime loans are made by both traditional lenders as well as predatory lenders.

ULURP (Uniform Land Use Review Procedure)

The official process by which the City of New York publicly reviews applications affecting the land use of the City. It has mandated timeframes within which an application's review must take place, and the key players are the Department of City Planning, the City Planning Commission, Community Boards, Borough Presidents, Borough Boards, the City Council, and the Mayor.

Upzoning

Upzoning is a rezoning action that changes the land use of an area from manufacturing to residential and/or mixed use or increases the residential or commercial density of a district. Such actions have implications on the physical and demographic character of an area since they increase the value of the land and its potential for development.

Variance

Even without the sanction of formal rezoning actions, land use changes in New York City can be accomplished on a property-by-property basis through variances granted by the Board of Standards and Appeals. A variance is a mechanism which grants the owner an exception to the ordinance when a literal enforcement of its provisions will result in unnecessary hardship. The exception allows a change in use or bulk of the property.

Zoning

Through zoning, a city regulates building size, population density and the way land is used.