



## **CHPC TESTIMONY: Council Hearing on INT 1004-2018, 11-13-18**

**Committee:** Committee on Housing and Buildings

**Summary:** Establish a demonstration program to facilitate the creation and alteration of habitable apartments in basements and cellars of certain one- and two-family buildings

**Sponsors:** Lander, Espinal, Cabrera, Barron, Yeger, Rivera

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Good morning Chair Cornegy and members of the subcommittee. My name is Katherine Leitch and I am a Policy Analyst at the Citizens Housing & Planning Council. Thank you for the opportunity to testify.

CHPC is a nonprofit, independent, housing research organization that has studied the topic of basement conversions for several years.

We have reviewed the proposed legislation and applaud the Council's innovative and forward-thinking efforts to establish this demonstration program. We are in support of the proposed bill.

This program signifies a critical step towards opening a new supply of rental housing without having to increase permitted density, change zoning, increase the height of buildings, or pay for land. Basement apartments inherently rent for less than comparable above-grade apartments and they provide a secondary source of income for homeowners. Many cities like London, Toronto, and San Francisco, have embraced similar programs to unlock this vital source of rental housing.

Furthermore, due to our housing pressures, New Yorkers are already living in basements whether we want to accept it or not. Homeowners who want to bring basements up to code face a tangle of technical requirements. Even the cost of evaluating the existing conditions and assessing the feasibility of a conversion can be prohibitively complicated and expensive. We must offer a clearer, simpler path for homeowners to provide safe and habitable conditions for their tenants.

CHPC research has estimated that there are between 10,000 to 38,000 basements in single family homes in New York City, outside of flood zones, that could be converted into rental apartments. This legislation encompasses two-family homes as well as cellars, so the potential supply citywide is likely even greater.

CHPC enthusiastically supports the proposed legislation, which will directly address barriers faced by homeowners by providing administrative and code relief, financial assistance, and technical support. Crafting this initiative as a demonstration program, the City will be able to assess how effective the code relief and homeowner support are in expanding the supply of housing and fostering safe conditions for tenants. Though starting small has merit on such a complex topic, we must not stop with a few dozen units in a single neighborhood; this demonstration's successes and challenges must inform future efforts to make basement apartments legal, habitable, and above all, safe.

We are grateful to the many City agencies, non-profit organizations, and stakeholders that have collaboratively enabled this program's creation. CHPC offers its full support to this effort and its services as a housing research organization. We have researched this topic extensively and are submitting, for the record, our report and analysis of the regulatory hurdles faced by homeowners who seek a basement conversion. This winter we are hosting an event, called the Housing Innovation Lab, that will showcase new ideas, approaches, and technologies that can improve the safety and habitability of basement apartments. We invite you all to take part.

Thank you very much for inviting us to testify at this hearing, and please reach out if you would like to learn more about CHPC's research on this topic.

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