

The Honorable Kathy Hochul  
Governor of New York State  
NYS State Capitol Building  
Albany, NY 12224

January 22, 2024

**RE: AIA New York's Support for Governor Hochul's FY25 Executive Budget**

Dear Governor Hochul,

American Institute of Architects New York writes to express our support for a number of housing, sustainability, and transportation and infrastructure policies in the Fiscal Year 2025 New York State Executive Budget. AIANY represents more than 5,000 architects and design professionals committed to positively impacting the physical and social qualities of New York.

New York is facing crises like never before with affordable housing being out of reach for many New Yorkers, more frequent extreme weather events, and an uncoordinated use of public space. We applaud the Governor's approach to tackling these core issues burdening New Yorkers, specifically affordable housing. While there is always more to be done, the policies outlined in the FY25 Executive Budget are important incremental steps towards addressing these challenges and are essential towards achieving these overarching goals of change.

AIANY is particularly supportive of the housing policies included in the FY25 Executive Budget. A comprehensive approach combining incentives and the elimination of key barriers for adaptive reuse and development are essential steps towards addressing New York's housing affordability crisis. By extending the expired 421a program's completion date to 2031, it will allow the housing units stuck in the pipeline to be developed as initially planned instead of forcing developers to reevaluate plans to make projects economically feasible. Creating a new program similar to the former 421a program will be a tool to encourage development, and more specifically, the development of more affordable units. In the current economic climate, tax incentives are necessary tools for developers to build affordable units, and without it, these projects are nearly impossible.

In looking at adaptive reuse, enabling office to residential conversions and eliminating a number of key barriers to conversion projects will be valuable in tackling the ongoing crisis. Any additional housing unit created takes pressure off of the housing market, which is being tied down by extremely low vacancy rates leaving tenants with little to no options and creating poor and unaffordable living situations; this is a particularly sensitive issue for the working-class New Yorkers who are leaving the state due to the lack of affordability. One of the main barriers to office to residential conversions is the FAR cap. Commercial buildings are permitted a greater FAR than residential buildings, so conversions of commercial buildings greater than 12 FAR face an immediate roadblock. AIANY strongly supports providing NYC with the authority to use the local land use review process to allow for denser residential development.

Additionally, AIANY supports creating a pathway to legalize basement dwellings by giving NYC the authority to provide amnesty for units that meet health and safety standards. As long-time advocates of health and safety standards, particularly around light and air, we want to ensure that the tenants living in these basement units have access to the full spectrum of protections available to them and make sure these are not subpar units. AIANY also supports the directive to DEC to identify efficiencies in its SEQR regulations to promote environmentally friendly housing growth.

In terms of climate and sustainability policy, AIANY supports the Affordable Gas Transition Act proposed in the FY25 Executive Budget. The elimination of the “100 foot” rule will have significant impact on reaching the state and city’s ambitious electrification and emission reduction goals, while allowing the elimination of burdens on existing customers.

AIANY also supports the continued expansion and investment in NYC’s public transit network and are pleased to see the extension of the Second Avenue Subway westward on 125<sup>th</sup> Street and the Interborough Expressway project in the FY25 Executive Budget.

New Yorkers need to see the state taking action to improve their daily lives, and AIANY believes these policies are a step in the right direction towards remedying the most pressing housing, sustainability, and transportation and infrastructure challenges. AIANY looks forward to continuing to work with the governor and the state legislature on a final budget.

Sincerely,  
Jesse Lazar, Executive Director, American Institute of Architects New York