



NEW YORK STATE SENATOR

Brian Kavanagh

Governor Hochul and Local Leaders Reveal Major Housing Breakthrough Bringing Affordable Units to Lower Manhattan at World Trade Center Site

BRIAN KAVANAGH July 31, 2023

| ISSUE: **5 WTC AFFORDABILITY**



Senator Kavanagh joins Governor Kathy Hochul and local leaders at 5WTC press conference

After Months of Stalled Negotiations, Governor and Local Elected Leaders Reached Agreement to Bring 1,200 Housing Units To 5 WTC Site

Governor Kathy Hochul today announced the Public Authorities Control Board's approval of a major, mixed-use development at 5 World Trade Center in Lower Manhattan that will

include approximately 1,200 units of housing — one-third of which will be permanently affordable and a portion of which will be offered for New Yorkers impacted by 9/11. When completed, the development will be one of the largest affordable housing developments in Lower Manhattan and the only residential site at the World Trade Center. It will also include approximately 10,000 square-feet of non-profit community space to be occupied by the Educational Alliance, more than 190,000 square-feet of commercial retail and office space, and a connection to the nearby Liberty Park. Governor Hochul made the announcement alongside elected officials, including New York State Senator Brian Kavanagh, Mayor Eric Adams, Manhattan Borough President Mark Levine and New York City Councilmember Chris Marte.

“The resurgence of lower Manhattan after the 9/11 attacks is an only-in-America comeback story,” **Governor Hochul said.** “With this project, we’re about to transform an old parking lot into new homes for thousands of New Yorkers — bringing new affordable housing and community spaces to this iconic neighborhood. It wasn’t easy to get to this point, but I’m committed to doing everything in my power to build more housing across New York.”

One-third of the development’s approximately 1,200 housing units will be made permanently affordable with affordability levels ranging from 40 percent of the area median income to 120 percent of the area median income. In addition, 20 percent of the affordable housing units will be offered to individuals living and working in Lower Manhattan during the 9/11 attacks and the immediate aftermath.

This project is made possible through a variety of local and state funding sources. Through an agreement between the Executive, Senate and Assembly, the State will contribute \$60 million while an additional \$5 million will be provided from the Battery Park City Authority’s Joint Purpose Fund. In addition, the Port Authority is seeking approval from the Board of Commissioners on a short-term rent deferral to enable the transaction to proceed.

5 World Trade Center is the location of the former Deutsche Bank building, 130 Liberty Street, which was severely damaged on 9/11. In 2019, the Port Authority of New York and New Jersey and the Lower Manhattan Development Corporation issued a request for proposals to redevelop 5 World Trade Center. In February 2021, a contract was awarded to a development team comprised of Silverstein Properties, Omni NY, Dabar Development and Brookfield Properties.

Governor's Housing Agenda

Governor Hochul is committed to increasing the supply of housing, including affordable housing, to make New York State more affordable and more livable for all New Yorkers. Earlier this month, the Governor announced a package of executive actions to promote housing growth across the state. In addition, the Governor spearheaded the enactment of a 5-year, \$25 billion Housing Plan to build 100,000 affordable homes as part of the FY 2023 Budget.

New York City Mayor Eric Adams said, "New York City has a severe housing shortage, and every new home is a step in the right direction. Our administration was happy to support Governor Hochul in advancing this project and advocating for affordable housing, and we look forward to continuing this close partnership with the governor as we work to create the housing New Yorkers so desperately need."

Empire State Development President, CEO and Commissioner Hope Knight said, "Addressing New York State's housing crisis has been a top priority of Governor Hochul's administration, and today's vote by PACB demonstrates a firm, collective commitment to create affordable housing and further support the long-term future of Lower Manhattan. 5WTC represents the positive progress that can occur when government, the community, and the private sector collaborate to reach a common goal. This project would not have moved forward

without the leadership of Governor Hochul, the hard work of our partners in State and local government - especially the team at Empire State Development - and the site developers, community members and advocates who all came together to support what this project, at this site, has come to represent."

Executive Director of the Port Authority Rick Cotton said, "The development of 5 World Trade Center will be a major contributor to Lower Manhattan in many ways and a critical element of the final work to complete the entire World Trade Center campus. We are grateful to all involved, particularly Governor Hochul, for finding such a positive way to move the project forward."

Port Authority Chairman Kevin O'Toole said, "Today's approval of Tower 5's development plan by the Public Authorities Control Board moves the reconstruction of the World Trade Center closer to completion, and it does so in a way that meets the changing needs of the Lower Manhattan community. With hundreds of permanently affordable units, Tower 5 will make an important contribution to the future of an increasingly diverse downtown community."

New York State Homes and Community Renewal Commissioner RuthAnne Visnauskas said, "This innovative mixed-income development will round out the World Trade Center site, serving as a fitting tribute to our diversity and strength as a city and a nation. Importantly, 5 WTC will provide hundreds of permanently affordable apartments for middle- and lower-income residents and provide homes for families whose lives were turned upside down by the horror of 9/11. As we strive to meet the ambitious goals of the State's \$25 billion Housing Plan, 5 WTC will undoubtedly stand as a shining example of the Governor's commitment to making New York City and the entire state a better, more affordable place to live."

Representative Dan Goldman said, "I am excited to see that the development at 5 World Trade Center will be moving forward with significantly more affordable housing than initially

proposed thanks to the hard work of a coalition of elected officials, advocates, community leaders, and the project's developers," Congressman Dan Goldman said. "We have time and again joined with advocates to elevate this site's importance to lower Manhattan and highlight the necessity of greater affordability since the draft agreement was originally proposed. Today, I am proud to stand with Governor Hochul, 9/11 survivors, advocates, and my elected colleagues in support of this deal that will greatly benefit the community, including survivors of 9/11. But our work is not done, and I remain committed to continuing to fight for greater federal funding for affordable housing at this site and around our city."

State Senator Brian Kavanagh said, "This site was always a great opportunity to bring large-scale affordable housing to Lower Manhattan, a community that has lost affordability at a particularly high rate for decades. By providing \$65 million in public funding, we are ensuring that at least a third of this huge building will be affordable, while maintaining the deep affordability that will enable more very low-income families to live in our community, and reserving 80 of the new affordable homes for 9/11 survivors. I thank Governor Hochul, her team, and the State agencies for their collaboration in this effort and their commitment to the goal of increasing the supply of high-quality, affordable housing both here and throughout New York; Majority Leader Stewart-Cousins and Speaker Heastie whose leadership and support were also essential; all my local elected colleagues, especially Congressman Goldman and Assemblyman Fall; Silverstein Properties and their development partners; Community Board 1 and the community leaders and advocates who made this a defining priority over the past two years. Today's announcement should serve as an example of the progress we can make when all levels of government, the private sector, and communities work together and deliver real solutions."

Assemblymember Charles D. Fall said, "I am proud to support the approval of the Public Authorities Control Board (PACB) mixed-use development at 5 World Trade Center. As the

only residential tower in the area, it delivers on the unique opportunity to give back to 9/11 responders, survivors and their families who have sacrificed so much. I want to express deep gratitude to Governor Hochul, Speaker Heastie, Senate Majority Leader Stewart-Cousins, all the city & state agencies involved as well as the community advocates who remained committed in the fight for more affordable units. 5WTC will have a profound impact on our Lower Manhattan residents because we know that affordable housing provides foundation and better opportunities for households to invest in the future.”

Manhattan Borough President Mark Levine said, “This project is the result of the tireless efforts of elected officials at the City, State and Federal levels and New Yorkers who consistently fought for increasing affordability at this site. Thanks to this collaboration, 1,200 new units of housing in the high-opportunity neighborhood of Lower Manhattan will be available to New Yorkers at a broad range of income levels, with a significant portion of the affordable stock being offered to those who lived or worked in this neighborhood during the 9/11 attacks. I would especially like to thank Governor Hochul and State Senator Kavanagh, who advocated and secured funding to make this significant contribution to our housing stock possible during a time of great need.”

Councilmember Christopher Marte said, “I am incredibly excited to support a project that can provide 400 new affordable apartments in the heart of New York City, and I am proud to represent a community that advocates for affordable housing the way the 100 percent Affordable 5WTC Coalition has for the last three years. They have relentlessly fought for each and every apartment at rents that are truly affordable. They organized their elected officials behind them through countless meetings, rallies, and late nights to get the affordable housing the people of this city and state deserve. Without them, we would just have another luxury tower in Lower Manhattan. Through the work of this coalition, and with the help of our State electeds in Governor Hochul, Senator Kavanagh,

and Assemblymember Fall, we are confronting the affordable housing crisis head on.”

B.J. Jones, President and CEO of Battery Park City Authority said, “In keeping with our long record of funding affordable housing across the city, including nearly a half-billion dollars in recent contributions, the Battery Park City Authority is honored to provide support for a permanently-affordable housing solution right here in Lower Manhattan – particularly for those who have lived, worked, and helped to rebuild downtown. This is a historic housing win, thanks to the leadership of Governor Hochul, the Adams administration, our local elected officials, and community advocates who have been focused, together, on creating a more inclusive and affordable New York.”

Melva M. Miller, CEO at the Association for a Better New York (ABNY) said, “New York City's housing crisis casts a shadow over the livelihoods of countless residents, especially those with low- and moderate incomes. However, amidst these challenges, the emergence of 5 World Trade Center stands as a pivotal stride towards addressing this pressing issue and bringing much-needed relief to New Yorkers. This project exemplifies the power of progress, as it offers permanently affordable units for those New Yorkers who need it the most. The Association for a Better New York (ABNY) stands firmly and enthusiastically behind the creation of 5 World Trade Center, recognizing its significance in transforming lives, invigorating lower Manhattan, and ultimately shaping the brighter future we envision for all.”

Jessica Lappin, President of the Downtown Alliance said, “The Downtown Alliance welcomes the news that an agreement has been reached to devote a larger percentage of units at Site 5 to affordable housing and that those units will also reflect a steeper mix of subsidies to serve more New Yorkers who are in greater need. This project for WTC Site 5 is a great accomplishment. It will help complete the Trade Center redevelopment and significantly contribute to Lower Manhattan's long term success and prosperity. Bringing new residents

into the area is more important now than ever to support our local retailers and restaurants. A completed Site 5 will make an estimable contribution to the dynamic mix of commercial and residential life that makes this neighborhood uniquely resilient.”

Gary LaBarbera, President of the Building and Construction Trades Council of Greater New York said, “If we are to properly address housing issues throughout the city and enable more economic growth in our communities, we must approve and complete more projects that not only provide accessible housing, but create good paying, family-sustaining careers for hard working New Yorkers. The approval of this project by the Public Authorities Control Board is a win-win for our city and its workers, as it will provide much-needed affordable housing in Lower Manhattan and provide hundreds of opportunities for our union tradesmen and tradeswomen. We applaud Governor Hochul for her leadership in driving this initiative forward and are eager to work with her and the city to get this project started.”

Carlo A. Scissura, President and CEO of the New York Building Congress said, “We are thrilled to see that the governor and key legislators are in agreement on the mixed-use development at 5 World Trade Center. Approval on this critical project by the NYS Public Authorities Control Board will bring over 1,200 units of much-needed housing to lower Manhattan. We laud our partners in government for identifying additional subsidies, allowing the project to fund even more affordable housing units, bringing the total to 400, and with deepened affordability. We have been proud to support this critical project, which will deliver five times the number of affordable homes produced across all of Lower Manhattan in a typical year and further demonstrates this administration’s commitment to increasing our housing supply amid a growing housing crisis.”

Manny Pastreich, President of 32BJ SEIU said, “For the second time in a week, the Governor has delivered housing and good jobs for New Yorkers. By linking public subsidies and funding to the creation of good jobs, this project defends vital labor standards at a time

when working class New Yorkers are struggling to keep up. There is no greater expense that impacts the lives of 32BJ members than the skyrocketing cost of housing. We are grateful that 5 World Trade Center will be part of the solution by creating hundreds of affordable housing units.”

Jolie Milstein, President and CEO of the New York State Association for Affordable Housing said, “Today’s vote to advance this project with a greater depth of affordability at 5 World Trade Center is exactly the kind of creative and nimble solution New York needs to boost housing supply in a significant way. We commend Gov. Hochul and her administration for working with all parties to supplement the State’s existing housing capital investment. Furthermore, this commitment will help create a diverse community at one of the most prestigious addresses in the world and access to the opportunities, education, and services that go along with it.”

Tom Wright, President and CEO of Regional Plan Association said, “RPA is pleased to see the approval of the Public Authorities Control Board for the 5 World Trade Center project that adds homes and deepens their affordability,” said Tom Wright, President & CEO, Regional Plan Association. “We have long been advocates for a thriving and diverse downtown, and we believe this project completes the vision for a new World Trade Center well by adding additional residents and improving housing affordability. Congratulations to Governor Hochul for securing the passage of the single largest addition of affordable housing to downtown since the 1970s.”

Rich Baum, President & CEO of Educational Alliance said, “Educational Alliance is excited to launch our newest community center at 5 World Trade Center and to expand our services in lower Manhattan. We have been supporting our neighbors in Manhattan for more than 130 years and today, our network of community-based programs, including the Manny Cantor Center and the 14th Street Y, serve tens of thousands of New Yorkers annually. 5 World Trade

Center offers a unique opportunity to bring people together in a brand-new, world-class facility and we are thrilled at the opportunity to offer high-quality, transformative programming that this diverse community wants and needs.”

Marty Burger, CEO of Silverstein Properties said, “Today’s vote is an important milestone in the development of 5 World Trade Center. We would like to thank Governor Hochul and her colleagues in the State Senate and Assembly for their hard work and commitment to this important project. We would also like to thank our public partners – the Port Authority and Empire State Development – and look forward to working with them to build this special part of the new World Trade Center.”

The Coalition for 100 Percent Affordable 5 WTC said, “The Coalition for 100 Percent Affordable 5WTC appreciates the efforts of our state, federal and local representatives to create greater affordability at 5WTC. This agreement adds an additional 100 affordable housing units at 5 WTC without sacrificing availability for very low-income tenants. Importantly, it leaves the door opened for the Coalition and elected officials to obtain additional funding to further increase the number of affordable units. This agreement reflects the community’s advocacy to increase the diversity in the areas surrounding the site and recognizes a preference for the 9/11 survivors and first responders, who paid a high price to rebuild Lower Manhattan. The state-owned 5WTC site is a once-in-a-lifetime opportunity to create desperately needed affordable, diverse housing in a high-opportunity neighborhood.”