

# New York City high-rise to have separate entrances for rich and poor

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A New York real estate developer, the Extell Development Company, has filed plans with the city to construct a 33-story building on the Upper West Side of Manhattan that will have one entrance for affluent condominium owners and another, at the back of the building, for working people who have won a city lottery to obtain affordable apartments in the building.

The building, to be located on Riverside Drive between 61st and 62nd streets, will have 213 condo units that sell at about \$1 million each and 55 two-bedroom apartments that will each rent for \$1099 a month. To qualify for participation in the lottery for the reduced-rate apartments, families must earn no more than 60 percent of the median annual income.

Residential space in the area sells for as much as \$2000 a square foot, making market-rate rentals unaffordable for most New Yorkers. Since the 55 apartments for the poor are technically considered to be a separate building, Extell will receive tens of millions of dollars in tax breaks for building the “affordable” units.

The two types of units will be physically separated, each having their own entrances and doors. The condominium area will include luxury amenities such as swimming pools and full-sized basketball courts. These will be unavailable for use by working-class tenants, who will only have access to a common room on the ground floor. The “affordable” housing will be located behind the condominium area on floors 2 through 6, whereas many of the luxury apartment owners will have a view of the Hudson River.

Such flagrant social segregation is an increasingly common feature of the architecture of Manhattan and other wealthier areas of the city. Two years ago, the *New York Times* reported that a developer in the trendy Williamsburg neighborhood of Brooklyn had

constructed two developments with luxury condo and “affordable” components. The condos sell for between \$385,000 to \$2.9 million and the rental units charge up to \$889 monthly.

As the *Times* noted at the time, “The lobbies of the luxury sides have doormen, plush sofas and potted plants; the lobbies of their affordable counterparts are lined with tiles and little else. Tenants on the affordable side are not allowed access to any of the condos’ many amenities—pools, billiard rooms and Jacuzzis, to name a few.”

The general erosion of living conditions for the working class and the poor in New York is proceeding rapidly. It is one of the main legacies of the city’s billionaire Mayor Michael Bloomberg, who has encouraged luxury housing development for the super-rich and the upper middle class over the last ten years.

Bloomberg is now directing the New York City Public Housing Authority (NYCHA) to lease public land on or near housing developments for working class people to developers of luxury rental and condo buildings. The NYCHA’s plans have encountered widespread resistance from tenants, who rightly suspect they are the beginning of attempts to end affordable public housing in the city. Entrances to some of these proposed building would face away from the facilities that house workers.

The conditions in NYCHA developments for workers are abominable, with rodent infestation in many cases and years-long backlogs in repairs.

The city has over 50,000 people living in homeless shelters and thousands of others on city streets. Meanwhile, Manhattan has increasingly become a playground for the top 5 percent of income earners. Here, in the wealthiest of New York City’s five boroughs, the lowest fifth of income earners has a

median annual income of \$9,681, while the highest fifth has a median income of \$391,022—that is, 38 times more.

Extell, the most active development company in Manhattan, benefits from close ties to the political establishment in New York. In June, state legislators passed a law that gives special tax breaks to five Manhattan properties, including Extell's One57 apartment towers. Just days before Democratic Governor Andrew Cuomo signed the bill, two companies related to Extell made two donations of \$50,000 to the governor's campaign fund.



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