

CITY OF YES FOR HOUSING OPPORTUNITY

Recommendation



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MANHATTAN BOROUGH PRESIDENT

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Introduction

Note from the Manhattan Borough President

An Historic Affordability Crisis

New York is a 21st-century city with a zoning code that largely dates from 1961. In that year, the last in which there was a comprehensive overhaul of our land use rules, the car was king, population was declining, and some experts actually worried the city had too much housing.

The New York of 2024 is a very different place. Today we are experiencing intense demand for housing, a severe shortage of supply, and an anemic rate of production. The direct result of these trends is catastrophically high rents that threaten to upturn the lives of a whole generation of New Yorkers.

There are many causes for our current predicament. Some are tied to national economic forces beyond our control. But arguably our biggest obstacle is entirely home grown: a zoning code from 1961 that makes it far too difficult for us to build the housing New Yorkers desperately need.

Our current zoning code makes it hard to convert vacant office buildings to residences. It prioritizes construction of parking over apartments. It leaves little housing next to some transit hubs and prevents apartments from being built on top of stores in some commercial districts. And worst of all: It does too little to ensure construction of affordable homes.

In the face of such obstacles, we are producing far less housing than other cities. New units permitted per 1,000 residents (between 2017 and 2021).¹

- Jersey City: 83
- Seattle: 67
- Washington, DC: 43
- Boston: 28
- New York: 13

Meanwhile employment growth continues to far outpace housing growth here.²

The resulting housing shortage has been great for landlords. The vacancy rate in New York City is now at just 1.4%, the lowest in half a century. Demand for housing here is so intense—and supply so restricted—that we are seeing bidding wars on rental apartments. Rents in Manhattan have been pushed up to unprecedented heights, now at over \$5,000 per month on average for market-rate units.³

1 Pew Charitable Trusts. [New York's Housing Shortage Pushes Up Rents and Homelessness](#). May 25, 2023.

2 Forbes. [New York City Housing Shortage Highlights Need For More Development](#). March 20, 2024.

3 Douglas Elliman. [May 2024 Manhattan, Brooklyn, & Queens Rental Report](#).

The housing shortage has been a disaster for working-class and low-income tenants. It has contributed directly to the painfully high number of families in homeless shelters. It means even New Yorkers with middle-class jobs are forced to look far beyond Manhattan for housing, and increasingly are being forced to leave the city altogether. The families who remain are heavily rent burdened, with 52% of households here now paying over 30% of their income to rent.

New York was not the only city to institute restrictive zoning rules last century. But many others have now amended those codes to allow for more housing to be created. Minneapolis, MN, Oakland, CA, New Rochelle, NY, Portland, OR, and Tysons, VA have all implemented policies in recent years to increase the pace of housing production, and all have subsequently seen rents rise at a fraction of the pace of the national average.⁴

It is now New York City's turn to act. It's time we address our housing affordability crisis by bringing our zoning code into the 21st century.

Manhattan at the Center

There are two housing myths in Manhattan: that there is no more room to create housing here and that housing created in the other boroughs doesn't impact us.

Our 2023 report, *Housing Manhattanites*, settled the first question. We highlighted 171 sites across the borough where housing can be built. In total it would yield as much as 70,000 units. Following through on this potential would mean that 70,000 additional households could enjoy our transit access, open space and parks, cultural institutions, world-class academic institutions and medical care, and rich cultural diversity.

As for myth number two: The entire New York City region is in fact one housing market. When outer borough neighborhoods prevent housing production, it increases rents across the region, including in Manhattan. Conversely, new housing added in any borough helps relieve the pressure on rents here.

City of Yes for Housing Opportunity would thus help residents in Manhattan in two critical ways: creating additional housing in our borough so that more of us can stay here, and adding housing around the boroughs to help relieve the affordability crisis that is afflicting people in Manhattan and every corner of our city.

4 Pew Charitable Trusts. [More Flexible Zoning Helps Contain Rising Rents](#). April 17, 2023.

Introduction

Summary

Recommendation on Non- ULURP Application No. N240290ZRY – City of Yes for Housing Opportunity by NYC Department of City Planning

The Department of City Planning (DCP) proposes to make a series of amendments to the New York City Zoning Resolution (ZR) that would update and streamline zoning regulations that seek to promote the creation of housing and affordable housing.

The Manhattan Borough President's office is releasing this comprehensive report as part of the Borough President's recommendation because of the significant impact this text amendment could have on the City's housing stock. This report provides an in-depth analysis, examples from other cities, and additional recommendations for some of the proposals.

The report focuses on the five proposals that would most affect Manhattan. These proposals are:

- **Universal Affordability Preference:** Providing residential density bonuses for developments that build affordable and supportive housing
- **Office Conversions:** Facilitating the conversion of office buildings into residential use
- **Flexible Living Arrangements:** Creating more flexibility for different apartment sizes and arrangements
- **Infill Development:** Facilitating contextual infill development on residential campuses and faith-based institutions
- **Parking:** Eliminating requirements for developments to provide a minimum number of residential parking spaces

Each chapter of this report focuses on the individual proposals and their potential impact on Manhattan neighborhoods. **The BP is recommending approval with conditions on all five proposals:**

- **Universal Affordability Preference and New Residential Districts:** Yes with conditions
 - ◊ Require that the City Planning Commission certify that the UAP option has been effectively used by condo and co-op developments prior to eliminating the off-site option
 - ◊ Ensure supportive housing is holistic and includes spaces for programming
- **Office Conversions:** Yes with conditions
 - ◊ Add a sunset date to this provision
 - ◊ Develop guidelines for conversions within historic districts
 - ◊ Require building amenities, including large trash rooms, packages, and bicycle storage
- **Eliminating Parking Mandates:** Yes with conditions
 - ◊ Work with other City agencies to provide alternative infrastructure, including bike and pedestrian infrastructure

- ◊ Work with the Department of Transportation to institute a municipal parking program
- Infill Development on Campuses: Yes with conditions
 - ◊ Require mitigations for loss of well-used open space on campuses
 - ◊ Develop a mechanism to require affordable units where Mandatory Inclusionary Housing would not apply
 - ◊ Ensure ample consultation with local community and NYCHA residents
- Small and Shared Housing: Yes with conditions
 - ◊ Require on-site social services for projects with supportive housing units
 - ◊ Update Department of Housing Preservation and Development requirements and subsidy programs to include alternative housing typologies

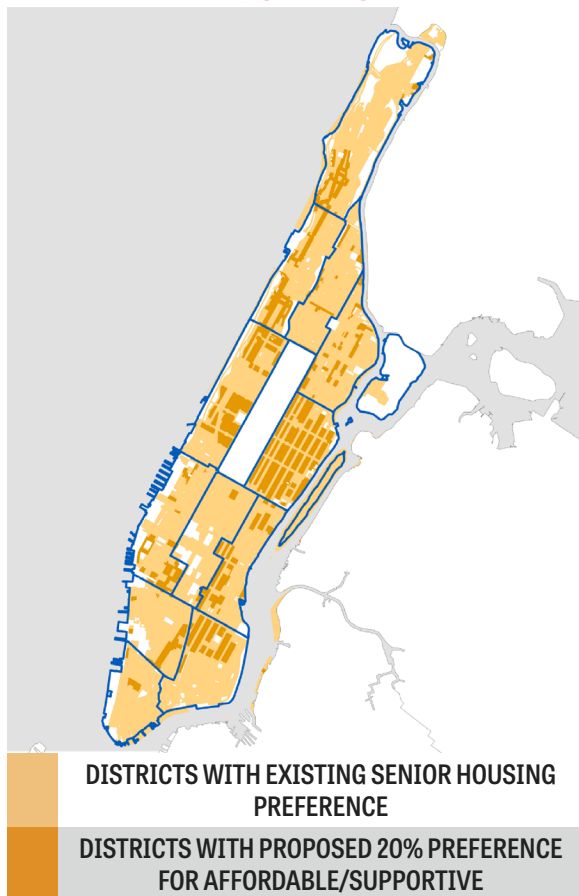
The City of Yes for Housing Opportunity text amendment would also establish new residential districts that would unlock greater density, subject to future rezoning actions. Other proposals address hurdles to housing production, including eliminating exclusionary zoning that reduces height and density in some zoning districts; allowing flexibility for sites that are in irregular or otherwise challenging sites; allowing greater flexibility for the transfer of development rights from landmarked properties; and streamlining and simplifying regulations that govern building size and shape. We believe these proposals are consistent with the spirit of the application: they make building housing easier while causing minimal impacts on the built environment and our neighborhoods. These proposals should be advanced as this application makes its way through the public review process.

In addition to the changes outlined above, COY Housing also includes proposals that would enable neighborhoods outside of Manhattan, many of which have produced less housing, to have incremental growth. These proposals include facilitating the construction of accessory dwelling units (ADUs); incentivizing residential development in areas that have rich access to public transit; and marginally increasing development capacity for one-story commercial buildings located in town centers. Just as Manhattan has to continue making contributions to the housing production pipeline, so too should neighborhoods in other boroughs. Ensuring that every part of our city builds housing advances not only our housing goals, but also our equity goals.

Proposals

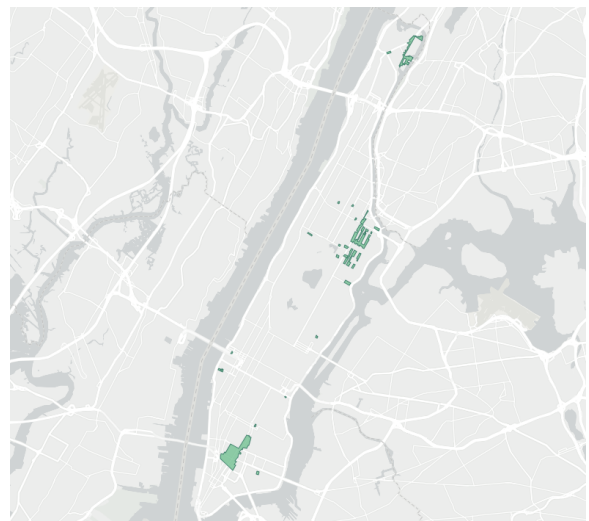
Proposal 1: Universal Affordability Preference

Applicable Geography



“... only 2.3% of Manhattan’s land area, or 4.3% of our lots are mapped with an MIH requirement, resulting in only 800 affordable units being built through the program between 2017 and 2022.”

MIH Mapped Areas



The Limitation of Current Zoning

New York City’s Mandatory Inclusionary Housing (MIH) Program, enacted in 2016, has proven to be an effective tool for creating affordable apartments—but it applies to only a tiny portion of properties today. According to our office’s analysis, only 2.3% of Manhattan’s land area, or 4.3% of our lots are mapped with an MIH requirement, resulting in only 800 affordable units being built through the program between 2017 and 2022. Meanwhile, alternative City-run affordable programs, like the Affordable Independent Residences for Seniors (AIRS) program and the R10 Inclusionary and the Inclusionary Housing Designated Areas programs, have been limited in reach.

Summary of the Proposal

The Department of City Planning (DCP) is proposing a “Universal Affordability Preference” (UAP) framework, which would provide floor area ratio (FAR) bonuses for developments that include affordable or supportive housing units. This provision would apply to R6 through R10 districts, or their commercial district equivalents, which cover the majority of Manhattan, and would not be required to obtain discretionary approval. Buildings taking advantage of this program may also be allowed flexibility in height and setback requirements, depending on their zoning district. The affordable units produced under this program would be required to be affordable to households at an average of 60% of the Area Median Income (AMI)—\$65,220 for one person or \$83,880 for a family of three.

UAP would apply differently in some of Manhattan’s special zoning districts that have specific building height and bulk requirements and lower FAR allowances. In these areas of the borough, a property owner could still take advantage of a UAP bonus but would have to adhere to special height and bulk requirements and/or lower FARs than in other parts of the borough.

The UAP would also replace the City’s Voluntary Inclusionary Housing and R10 Inclusionary programs, both of which have less strict affordability requirements. In addition, it would sunset the “off-site” provision that allows developments receiving an affordable housing floor area bonus to provide the affordable units on another site.

Analysis

Inclusionary housing policies have become an important tool for city planners and municipalities to encourage the creation of affordable housing and have had great success across the country. Although the design of these programs varies from case to case, a 2020 nationwide study looked at a sample of 383 inclusionary housing programs and found that these programs are an effective housing production tool, particularly when paired with other affordable housing policies. California, which has some of the country’s earliest inclusionary housing policies, produced an estimated 29,281 affordable units between 1999 and 2007.¹ Importantly, these units effectuate social and economic diversity across neighborhoods—particularly high opportunity neighborhoods.²

The Manhattan Borough President’s office believes this proposal could have a similar impact in Manhattan and significantly increase the number of affordable units built in New York City.

Recent Projects That Could Have Benefitted From an Affordable Housing Bonus

Below are examples of recent developments in Manhattan that would have created affordable housing units if the UAP program was used.

1 “Affordable By Choice: Trends in California Inclusionary Housing Programs.” Non-Profit Housing Association of Northern California, June 2007.

2 Calavita, Nico, and Kenneth Grimes. [“Inclusionary Housing in California: The Experience of Two Decades.”](#) Journal of the American Planning Association 64, no. 2 (June 30, 1998): 150–69.

312 West 43rd Street

312 West 43rd Street, also known as the Ellery is a new building that will provide 330 new units in Midtown/Hell's Kitchen. The building took advantage of the existing R10 Inclusionary program, which required the developer to make 15 of those units, less than 5%, affordable. The building also took advantage of the State's old 421a tax abatement and provided non-permanent affordable units under that program.

If the building had used the UAP program, it would have included approximately 54 additional permanently affordable units, for a total of 69 affordable units and 344 units overall. Although the incremental number of units is only 14, the stricter affordability requirements of the UAP program would have allowed the project to deliver a higher ratio of affordable units.

1516 Park Avenue

1516 Park Avenue, also known as the Pearl, is a new building in East Harlem that will provide 59 new units of market-rate housing. Under the UAP program, the building could have provided 12 additional units—all of which would have been permanently affordable, bringing the total unit count to 71.

Recommendations

The BP recommends approval with the following conditions:

1. Require CPC action to fully sunset the off-site provision after 10 years

Building affordable units on the same site as market-rate units is the preferred approach to creating an integrated housing stock. But we must ensure that eliminating the off-site option entirely does not result in the unintended consequences of constructing less housing. In areas with significant condominium development like Manhattan, we have seen that the legal and operational complexities of mixed rental/homeownership buildings have often necessitated using off-site provision option for project feasibility.

To address this concern, the Department of City Planning (DCP) should amend the proposed text to allow the City Planning Commission (CPC), after 10 years, to authorize a permanent sunset of the off-site program, provided certain findings can be met. During these initial 10 years of UAP, DCP and the Department of Housing Preservation and Development (HPD) should track data on the use of inclusionary housing certificates, how condominium and co-op developments have utilized the UAP, and best practices for building mixed-ownership buildings.

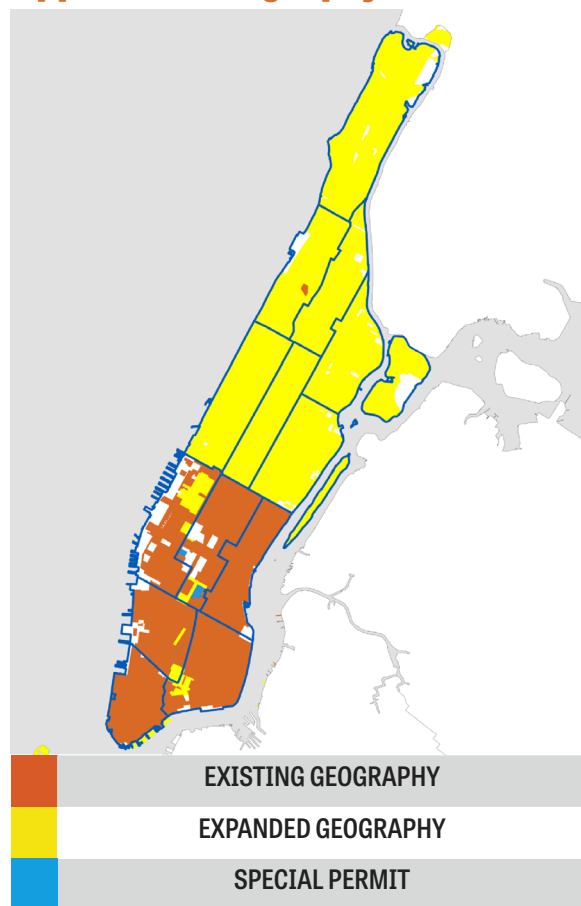
2. Ensure supportive housing is holistic

This proposal would facilitate the construction of new supportive units throughout the borough. Supportive housing needs to be accompanied by all the right tools in order to ensure the success of residents, the building, and the community as a whole. The AIRS program required that a portion of each development include space for “welfare facilities.” Similar provisions could be built into this proposal to ensure that supportive housing residents can thrive.

Proposals

Proposal 2: Office Conversion

Applicable Geography



However, converting office space is an expensive undertaking, and zoning requirements further complicate the path toward residential conversion.

Summary of the Proposal

DCP is proposing several zoning changes to facilitate the conversion of office space into housing. These proposals include extending the eligibility for commercial buildings to convert to residential use, expanding the area in which these buildings can convert, allowing a diverse array of housing typologies in buildings that are converted, and eliminating restrictions that prevent conversions in

The Changing Landscape of Commercial Office Space

The COVID-19 pandemic dramatically altered how we use office space and how much of it we use. Today, it is common for businesses of all sizes to utilize remote and hybrid work arrangements, giving workers far more flexibility in when, and how often, they are in the office. While New York City and the business community have seen increases in the number of New Yorkers working from the office, at least part of this shift away from office use has been permanent. In March of this year, return to office rates were at 27.6% during the lowest occupied day of the week and 63.3% during the highest occupied day of the week.¹ Meanwhile, the vacancy rate for office space in Manhattan has steadily hovered at around 20%, representing 98.4 million square feet of direct and sublet vacant office space that is currently sitting empty in our borough.²

This underutilized commercial building stock offers an exciting and untapped resource that could be used to address our housing crisis.

1 [Occupancy by Day of Week](#). Kastle Systems. (n.d.).

2 Cushman & Wakefiel. (n.d.). [Marketbeat Manhattan Office Q1 2024](#).

certain commercial districts.

Currently, only commercial buildings built before 1961 and 1977 are eligible for conversion in most zoning districts. The proposal would extend the cutoff date from 1977 to 1990, unlocking the potential of an additional 6,000 units over the next 15 years—about half of which would be in Manhattan. Additionally, DCP would allow rooming units and community facility uses with sleeping accommodations to qualify for conversion. This proposal would lift provisions that were meant to preserve light industrial uses in certain commercial districts, where those provisions have been scarcely used, freeing up more space to be developed into housing. Finally, DCP proposes to extend residential conversions to community facility buildings, such as former churches and schools, and other religious institutions.

“The proposal would extend the cutoff date from 1977 to 1990, unlocking the potential of an additional 6,000 units over the next 15 years...”

Analysis

The conversion of commercial space to residential can, in the right circumstances, significantly increase the number of homes in a neighborhood. We have to look no further than the experience of Lower Manhattan in the 1990s and early 2000s to learn a few important lessons about how impactful office conversion can be.

In the 1990s, in the wake of an economic downturn, Lower Manhattan’s office stock saw a stark decrease in demand similar to the one we see throughout the city today. The City and State responded by enacting a series of zoning and policy changes known as the Lower Manhattan Revitalization Plan. The focus of this plan was to encourage Lower Manhattan’s transformation into a mixed-use neighborhood through tax incentives, flexibility for minimum unit size and layout of residential units, and incentives for commercial tenants. As a result of the plan, the Multiple Dwelling Law (MDL) was changed to allow buildings in Lower Manhattan to exceed the MDL’s cap on the size of residential buildings, which limits them to 12 times the size of their lot. This exemption on the residential floor area applied to buildings built between 1961 and 1977. Additionally, the state legislature approved a tax abatement, known as 421-g, for buildings in Lower Manhattan that converted office space to residential space. The abatement included a one-year tax exemption during construction, followed by 26 years of tax abatements that gradually reduced. Combined, these changes generated almost 13,000 units of housing, 75% of which were rental units and 975 of which were rent stabilized, in 98 formerly commercial buildings.³

The conversion of office space to residential in New York City will primarily be seen in the Manhattan core, making it an exciting opportunity to create badly needed housing in these areas. The Manhattan Borough President’s office believes these opportunities cannot be left on the table.

3 Shkury, S. (2024b, May 8). [New Housing Policy could trigger development boom in New York City](#). Forbes.

Examples of Office Conversions in Manhattan

45 Wall Street – Converted 1997

In 1997, 45 Wall Street was converted from an office building to 435 rental apartments. One of the first projects to be converted to residential as a result of the Lower Manhattan Revitalization Program, the building is 27 stories and 493,187 square feet. The former bank building contains a mix of residential units including studio, one-, two-, and three-bedroom units as well as multiple amenities. As part of the Lower Manhattan Revitalization Program, the units were entered into the Rent Stabilization program. However, that designation ended upon the expiration of a 14-year property tax abatement. Today, studio apartments in the building rent for \$4,470–\$4,880.

160 Water Street – Conversion in Progress

160 Water Street is a 24-floor, 481,858-square-foot office building with an FAR of 20. Upon completion, the conversion will yield 588 luxury residential units ranging from studios to two-bedrooms, with 45% of units containing a home office. In order to convert the property to residential use, the developers are adding five new stories on the tower, but in order to meet light and air requirements for the residential units, they are also carving out a shaft in the middle of the building's floorplates. This scope of work means construction will be very costly. Studios in the building are expected to rent for about \$3,500. The project is expected to be completed this year.

95 Madison Avenue – Proposed Conversion

95 Madison Avenue is an individual landmark in NoMad that currently has almost 95% vacancy. The owners of the 16-floor building, which was constructed in 1912, are considering conversion of the property to residential use. However current zoning regulations make conversion into housing not only expensive, but also time consuming as various approvals and exemptions would be necessary to facilitate residential use. In August 2023, the Mayor announced that this building would enter the Office Conversion Accelerator Program, which works with property owners and various city agencies to fast-track approvals to make conversions possible.

New Tax Incentive

The 421-g program played an instrumental role in Lower Manhattan during the 1990s. Similarly, a new program to assist with conversions was recently passed by the New York State legislature. The Affordable Housing Commercial Conversion Tax Incentive Benefits (AHCC) would require projects to make 25% of their units affordable at an average of 80% AMI. For conversion projects in Manhattan south of 96th Street, projects will receive a 35-year benefit with a 90% property tax exemption for the first 30 years and decreasing by 10% for the last five years. Projects in Manhattan north of 96th Street will receive a 65% exemption for the first 30 years before a five-year step-down. This abatement will make many conversions across Manhattan financially feasible while also bringing affordable units.

Recommendations

The BP recommends approval with the following conditions:

1. Require a sunset provision

The city's underutilized office stock can be a significant resource in alleviating our housing shortage. However, we must balance the goal of boosting our housing production with that of supporting our central business districts. DCP estimated that this proposal could help create 6,000 units over 15 years. With new State tax abatement, 467m, also designed to facilitate conversions, we could see these units come online even sooner. Therefore, the provision extending the number of buildings eligible for conversion should have a sunset date. Upon that expiration, the CPC, along with DCP, should assess the success of this program and its impacts on our business districts—including if additional opportunities for conversions should be facilitated via a new zoning provision. An extension of this provision, or any new provisions, should only be allowed if the CPC can find that the program has not had any adverse impacts on our business districts.

2. Develop guidelines for conversions in historic districts

Office conversions within historic districts that would alter a significant portion of a building's exterior would be required to obtain approval from the Landmarks Preservation Commission (LPC), which often includes a hearing and vote by the corresponding community board. This process can be lengthy and is usually iterative, with owners modifying plans based on feedback from the public and LPC. Given the complexity of office-to-residential conversions, LPC should provide guidelines for conversions that would fall under their purview in order to ensure that the review process is streamlined, while also protecting our historic districts.

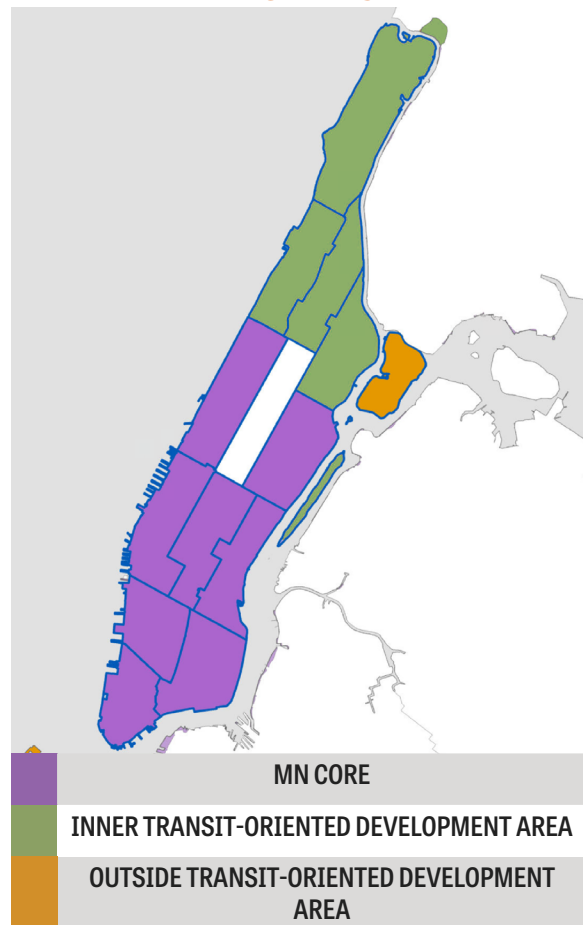
3. Require building amenities to minimize impacts of new residential uses

Much of the office space that is anticipated to be converted in Manhattan exists in dense commercial districts. As conversions begin to come online, and particularly as some owners take advantage of the State's removal of the 12 FAR cap, we may see some large residential buildings. These buildings should be required to include space for amenities that reduce challenges that could otherwise arise. For example, ample room for building trash, package collection, and bike storage would help ensure that those uses do not infringe on the public spaces and sidewalks around the building.

Proposals

Proposal 3: Parking Mandates

Applicable Geography



“... in Manhattan, more than 80% of residents do not own a vehicle...”

Parking minimums: taking space and driving up the cost of housing

Parking minimums require developers to include a certain number of off-street parking spaces as part of their developments. These requirements were instituted in zoning codes nationwide to prevent “spillover” parking, wherein cars from residential buildings drive through the streets to search for on-street parking. However, in Manhattan, more than 80% of residents do not own a vehicle, and parking garage capacity in many communities is high. Moreover, current parking requirements take up space that could otherwise be available for housing, making them an important factor that limits the development of the affordable and market-rate housing our city needs. Furthermore, building parking in Manhattan is difficult and expensive due to the nature of the hard bedrock on which Manhattan sits. Studies have shown that this construction cost trickles down to renters as developers offset the costs of building parking with the rents they charge.

Summary of the Proposal

This proposal would remove residential parking minimums citywide and lift nonresidential parking requirements for mixed-use developments in some areas. This framework establishes four zones based on transit access, and each of these zones would have different regulations. The following two zones apply to Manhattan:

- **Manhattan Core (Community Districts 1-8):** There is currently no parking required in the Manhattan Core. The proposal would make adjustments to the width of curb cuts, parking facility size, and special permit processes for increasing parking in existing buildings.
- **Inner Transit-Oriented Development Area (Manhattan Community Districts 9,-12 and Roosevelt Island):** This geography includes the multifamily zoning districts located approximately half a mile or less from a subway station and conforms with the Transit Zones established in the 2016 Zoning for Quality and Affordability. Parking would no longer be required for residential and mixed-use developments in these areas. A discretionary action would be created to remove existing parking in residential and mixed-use buildings if desired, making the space available for new use.

These proposed regulations would not prohibit any developer from providing off-street parking for their development if they choose to do so.

Analysis

The impact that parking requirements have on the space available for housing and on financing residential development has long been examined by policymakers in New York City, and the elimination of required off-street parking is not a new concept in Manhattan.

Creation of the Manhattan Core

In 1982, the City established the Manhattan Core, defined as Community Districts 1–8 in Manhattan, and eliminated minimum parking requirements in that area. The regulations, which are still in place today, also instituted parking maximums based on the number of housing units created. A 2009 analysis conducted by DCP found that most of the new parking built between 1982 and 2009 in the Manhattan Core was public and therefore useable for residents who need it.¹ That trend was formalized in a 2013 amendment to the Manhattan Core provisions, which required that accessory off-street parking spaces be made available for public use.

Parking Minimums in Zoning for Quality and Affordability (ZQA)

In 2016, the City made further adjustments to parking requirements through the ZQA zoning text amendment, which waived parking minimums for affordable and senior housing developments in the Transit Zone, a type of zone established in the ZQA to generally mean areas within a half mile from subway stations where car ownership is low. ZQA also allowed the elimination of parking at existing affordable housing developments through discretionary action.

In 2020, the Regional Plan Association found that in the first four years of the ZQA provisions going into effect, the production of new affordable units in the Transit Zone increased by 36% compared to before it was passed. That analysis showed that when coupled with other pro-housing policies, easing parking requirements for affordable developments can increase the production of affordable housing.²

1 [Manhattan Core Public Parking Study. Department of City Planning.](#)

2 [“Parking Policy Is Housing Policy.” RPA, December 2022.](#)

The Current Parking Landscape in Manhattan

On average, it costs \$67,500 to build one underground parking space in New York City, and that number significantly increases development costs, which are often passed on to New Yorkers in the form of higher rents. Underground spaces in Manhattan often involve digging through bedrock, which is challenging, time consuming, and expensive. Surface parking, on the other hand, takes up developable land and increases the amount of non-permeable surface, which presents issues in flood-prone areas. Together, the expense and space associated with each parking spot mean that parking requirements directly contribute to the high cost and lack of adequate affordable housing in New York City.

“... it costs \$67,500 to build one underground parking space in New York City...”

In areas of Manhattan that do require parking minimums, those minimums do not properly reflect the percentage of Manhattanites who actually own cars. In Community Districts 9–12, off-street parking requirements are defined by the residential zoning districts in which they are located. These districts are predominately zoned R7-2, R7A, and R8. In R7-2 and R7A districts off-street parking is generally required for 50% of dwelling units, and in R8 districts for 40% of dwelling units. Yet relatively few Manhattanites in these community districts – just 21%– own a car in the first place, suggesting that much of the required parking currently goes beyond what is necessary, taking up space for badly needed housing.

Community District	CDs 1 & 2	CD 3	CDs 4 & 5	CD 6	CD 7	CD 8	CD 9	CD 10	CD 11	CD 12
% of Households with Vehicle Access	22.3%	16.8%	16.4%	22.3%	27.8%	29.5%	20.7%	23.7%	17%	24.3%

Recommendations

The BP recommends approval with the following conditions:

1. Supplement new regulations with alternative infrastructure

The elimination of parking requirements should be accompanied by additional investments in public transit and bike/pedestrian infrastructure. Though some households may not have the option of reducing their car usage, others may be incentivized to use their cars less or eliminate car usage completely without guaranteed parking spots. It is therefore important that these households have a viable and reliable alternative mode of transportation, including a robust public transit system. Public investment or mitigations by developers for projects of a certain size that may add strain to the existing infrastructure should also be explored.

2. Insitute a municipal parking program

A city's transition to a less car-reliant lifestyle is a gradual process. As projects that take advantage of this proposal begin to come online, some areas of Manhattan may see pressure on the availability of on-street parking. In order to decrease the strain on Manhattanites who need to have a car and decrease the competition with out-of-town drivers, a municipal parking plan should be considered to ensure that there are parking options available for New Yorkers who need them.

City of Yes for Housing Opportunity Proposals

Proposal 4: Campuses

Limitation of Current Zoning

New York City is home to numerous residential campuses that were built in the “tower in the park” design, a planning style popular from the 1930s through the 1960s. While these campuses, which include New York City Housing Authority (NYCHA), Mitchell-Lama, and co-op developments provide thousands of affordable and middle-income homes, their arrangement and layout often result in less housing than would otherwise be possible with more traditional building types. They also stand in stark contrast to their surrounding area, as they are typically not aligned with the city’s street grid and often look “inward” toward a courtyard or open space that is far too frequently under-resourced and disinvested in.

Unhelpfully, in some parts of the city, the current Zoning Resolution makes it difficult to build more contextual, quality housing on these residential campuses, which in turn constrains the amount of affordable housing that could be built.

“... in some parts of the city, the current Zoning Resolution makes it difficult to build more contextual, quality housing on these residential campuses...”

To preserve and expand the affordable housing stock on these campuses, developers and policymakers have suggested developing on some underutilized areas of tower-in-the-park properties to generate revenue for badly needed capital repairs and create new homes for local communities. Investment is essential for the survival of many of these “tower-in-the-park” campuses that have been neglected and poorly maintained for years, particularly NYCHA and Mitchell-Lama campuses. NYCHA’s citywide portfolio alone was recently estimated to have capital repair costs of a staggering \$80 billion or more.

Difficulties in developing on these underutilized areas due to the irregular lot sizes and shapes are compounded by current zoning regulations. Developers need flexibility with building envelopes, open space, and other zoning requirements to allow for projects to take place. But under the current zoning code, such flexibilities would require an expensive and time-consuming approval process, which can hinder such projects.

Summary of the Proposal

This proposal would facilitate the creation of new housing on underdeveloped portions of residential campuses as well as other large pieces of land, such as those owned by religious institutions. This

proposal would allow infill buildings on campuses that follow height factor regulations to follow Quality Housing standards within the same campus, which allow shorter, bulkier buildings. Distance requirements for two buildings on the same zoning lot would also be changed to conform to the requirements set forth in the State's Multiple Dwelling Law: 40 feet for any portion of a building below 125 feet, and 80 feet for any portions of a building above that height. DCP also proposes to eliminate the "sliver law" which limits the heights of buildings that are on lots less than 45 feet wide, as long as they follow Quality Housing regulations. Finally, the proposal would establish an approval process for proposed buildings that would still necessitate bulk waivers.

Other changes that are part of this proposal include creating flexibility regarding height and setback requirements for developments in waterfront areas, replacing open space ratio requirements with a maximum lot coverage of 50% for campus zoning lots of at least 1.5 acres, requiring that infill developments only plant new street trees in front of their new building, as opposed to around an entire superblock, and providing flexibility for curb cut requirements.

Analysis

Infill development on residential campuses is not governed by any one citywide program or rule, meaning many proposals to build housing must receive a wide range of approvals and/or variances in order to be allowed, including Uniform Land Use Review Procedure (ULURP) approvals, special permits granted by the City Planning Commission, and mayoral zoning overrides. The lack of certainty, as well as the length of time required to obtain these approvals, is a serious barrier for developers proposing the creation of housing. This proposal aims to solve this problem by creating regulations that would streamline and encourage the creation of new housing that meets Quality Housing standards.

Previous proposals to build housing on underutilized property and raise revenue for NYCHA capital repairs have so far been limited in success. In 2013, NYCHA launched the Land Lease initiative, which granted developers a 99-year lease on public property in exchange for the creation of affordable units and financing capital repairs. That program was suspended shortly thereafter due to concerns about environmental impacts and the use of community and outdoor space.

Similarly, NYCHA's 2018 2.0 Plan included the Build to Preserve initiative, which was designed to create new housing on "underused" public land with revenues from these new buildings funding repairs to existing NYCHA buildings and units. The new buildings would have been required to meet Mandatory Inclusionary Housing affordability requirements.¹ It was estimated that the program could generate \$2 billion in revenue for major repairs to 10,000 units of NYCHA housing. While there have been various proposals for infill development since the program was instituted, none have been completed.

¹ Corwin, Michael. ["NYCHA 2.0: New Comprehensive Plan to Fix & Preserve Public Housing - NYCHA NOW."](#) December 12, 2018.

Completed and Proposed Infill Projects in Manhattan

Problematic example: 200 Amsterdam

200 Amsterdam Avenue is an example of a development that complied with current zoning requirements, and the resulting development was poorly integrated into its surroundings. The building's design relied in part on a gerrymandered zoning lot that maximized the amount of buildable floor area on the superblock where the site is located. Given that the development was considered infill as the lot was also part of the Lincoln Towers campus, the development only had the option of following height factor regulations. This resulted in a tower that stands in stark contrast to its surrounding buildings.

Under the COY Housing proposal, a development such as 200 Amsterdam would have the option to instead follow Quality Housing regulations. A building following Quality Housing regulations in an R8 district such as the one 200 Amsterdam is located in would not be subject to the open space ratio, allowing the building to be shorter and bulkier by taking up more lot area and being required to be closer to the street line.

Positive example: Harborview Terrace

NYCHA's Harborview Terrace, located between West 54th and West 56th Streets between Ninth and Tenth Avenues, presents an example of how an infill proposal can be developed with extensive community input and support. This infill development was proposed in 2005, as part of the Hudson Yards Points of Agreement. The Points of Agreement estimated the creation of 155 units of affordable to moderate- and middle-income households on portions of the campus that were contemplated but not developed during the initial NYCHA construction in 1977. The undeveloped portion of the campus currently has 37 parking spots and basketball courts. Notably, NYCHA infill projects do not have to undergo ULURP approval, but extensive community input took place for this proposal nonetheless. In 2013, the Harborview Working Group was established in collaboration with the Harborview Tenants Association and undertook a visioning process. The concept, which received broad approval from residents and the community board, includes 230 units of affordable housing as well as open space improvements. The massing proposed by the working group resulted in a bulkier building envelope with height shifted toward the midblock. As recently as 2016, Manhattan Community Board 4 passed a resolution calling for elements of the community-led infill plan to be implemented.

Recommendations

The BP recommends approval with the following conditions:

1. Mitigations for loss of open space

Infill is often proposed in areas of campuses that are underdeveloped. While these areas may be key sites for developing more housing, that development will nonetheless decrease the amount of open space on a campus—no matter how unused that space is. Development plans should include thoughtful planning for open and/or recreation space, including community facilities, green space, and playgrounds. Moreover, the proposed zoning text should allow for innovative solutions, including use of rooftop space.

2. Affordability requirements

While this proposal does not create additional floor area, these new provisions would facilitate the realization of a campus' development rights. While this condition does not legally trigger Mandatory Inclusionary Housing requirements, DCP should explore a mechanism to ensure that where a development benefits greatly from these new flexible rules, an affordability requirement is imposed on the new building.

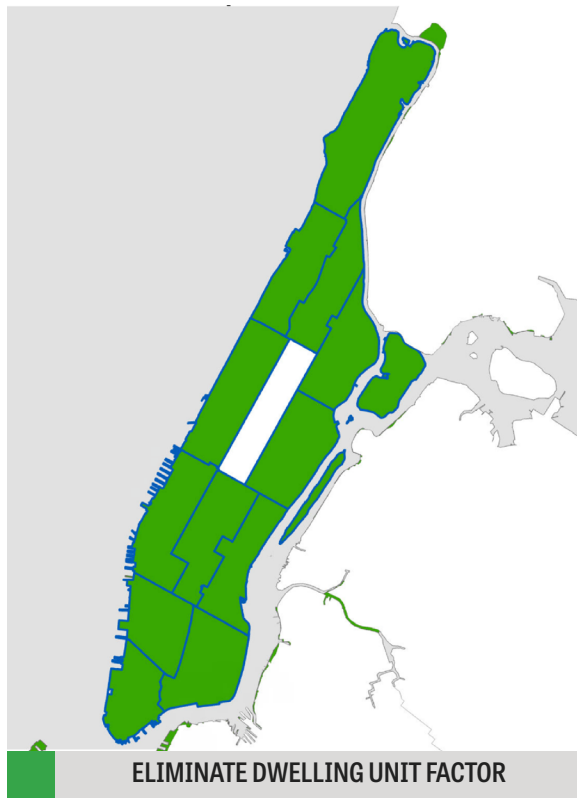
3. Resident and community input

Given resident concerns regarding infill projects, it will be important for community engagement to be part of large infill proposals. Community boards should be notified to allow for transparency in the process. Furthermore, infill developments should be designed to be the least disruptive to the existing buildings and residents as possible and integrate effectively into the existing campus. Resident engagement during the design process could help to meet these goals. Where not already required by NYCHA practice, co-op by-laws, or other mechanisms, existing residents should receive information about the new development proposal including any impact to related community facilities or open space. This outreach will ensure the infill projects are not only compatible with existing services and amenities that resident have, but also build upon them.

Proposals

Proposal 5: Small and Shared Housing

Applicable Geography



“[Micro-units and shared housing] ensure that families are not competing for the same apartments as groups of individuals who room together due to the lack of affordable, single-person housing.”

Limitation of Current Zoning: Restricting Housing Types

Our City once allowed single room occupancy housing with furnished residences and shared amenities. These arrangements, which provide residents with private space along with communal living, cooking, and/or bathroom spaces, ensured a variety of options for New Yorkers that were significantly more affordable than traditional apartment arrangements. Shared housing models have been implemented in several one-off projects, but the New York City Zoning Resolution hinders the construction of these and other typologies, limiting affordable options for New Yorkers.¹ For many New Yorkers, particularly single-person households, the lack of affordable options is particularly hard felt. The 2021 Housing and Vacancy Survey found that a staggering 46% of single-person households in New York City were rent burdened.² Micro-units and shared housing not only provide a potential pathway to affordable housing for this population; they also ensure that families are not competing for the same apartments as groups of individuals who room together due to the lack of affordable, single-person housing.

Summary of the Proposal

This proposal would facilitate the construction of residential developments with smaller units as well as shared housing. Our Zoning

1 Sullivan, B. J., & Burke, J. (n.d.). [Single-room occupancy housing in New York City: The origins and dimensions of a crisis](#). CUNY Academic Works.

2 Bureau, U. C. (2023, August 18). [New York City housing and vacancy survey \(NYCHVS\)](#). Census.gov.

Resolution uses a dwelling unit factor (DUF) to determine the maximum number of housing units that can be built in a development. In Manhattan, which is almost entirely mapped with high-density residential districts, the DUF is 680 square feet, meaning that the most units a building could have would be the total allowable residential floor area, divided by 680.

This proposal would lift the DUF within the Inner Transit-Oriented Development Area, which includes all of Manhattan (with the exception of Governors Island, Roosevelt Island, and Randall's and Wards Island). This proposal would also remove barriers in the zoning regulations regarding building conversions, as well as the City's Building and Housing Maintenance Codes to facilitate rooming units and shared housing arrangements.

Analysis

Single room occupancy (SRO) housing is typically comprised of common areas with amenities including kitchens and full bathrooms that can be accessed by all residents.³ In the mid-1900s, New York City had an estimated 200,000 SRO units.

Over the decades, as the state of these SROs deteriorated and they were perceived as “housing of last resort,” local opposition led to the closing of and legislating against these housing arrangements. In 1955, the New York City Council banned the construction of new SROs altogether in an effort to address SRO decline and promote development of single-family housing.⁴ The impact of these efforts was staggering. Today, the number of SROs citywide is estimated to be less than 30,000, according to a study by the Furman Center.⁵

Meanwhile, demand for SRO-type housing is at all-time high. While it is difficult to assess the exact level of need, we know that about 1.2 million renters live alone or with a roommate, a renter type that has historically been well suited for SRO housing. With studio apartment supply at less than 200,000 units citywide, there is a significant need to provide alternative options to the close to one million renters in search of such homes.⁶

“... about 1.2 million renters live alone or with a roommate”

The Manhattan Borough President's office believes that allowing for more SRO units and micro-units could provide an affordable solution to help address our housing crisis, because smaller units are

3 “21st Century SROs: Can Small Housing Units Help Meet the Need for Affordable Housing in New York City?” Eric Stern and Jessica Yager, NYU Furman Center, 2018.

4 Trokel, N. (2023, August 20). [Single-room occupancy apartments can ease New York's Housing Crisis - NYU Wagner Review](#). NYU Wagner Review.

5 “21st Century SROs: Can Small Housing Units Help Meet the Need for Affordable Housing in New York City?” Eric Stern and Jessica Yager, NYU Furman Center, 2018.

6 Ibid.

cheaper and less complex to build compared to other housing types, leading to lower rental prices.⁷ This is partly because SROs require much less space or individual unit infrastructure than larger multi-bedroom units, including bathrooms and kitchens, which are the most expensive rooms to build in a new development⁸, allowing for faster production to meet housing demand.

Projects with Alternative Housing Typologies



266 West 96th Street

266 West 96th Street will include 171 units of rental housing, comprised of 90 regular-sized units and 80 micro-units on the Upper West Side. To meet the dwelling unit factor requirement, the developer balanced the micro-units with larger apartments. Of these units, 68 will be permanent affordable housing. The building will also include 8,961 square feet of community facility space. The development is a result of a collaboration between Fetner and Urban Atelier Group.

Number of Residences	171
Building Square Feet	153,000
Floors	23
Average Unit Size (sf)	290-340
Building Amenities	Health club and more
Affordability Range	50, 70, and 130% AMI



244 East 106th Street

244 East 106th Street will bring four duplex units and one simplex shared unit to East Harlem, which will provide 32 opportunities for housing. The 10-story building is a collaboration between Ascendant Neighborhood Development and Ali Forney Center and will provide housing to individuals leaving the shelter system and low-income households. The building is part of the ShareNYC program, which provides public funding to developers to

⁷ Ginsberg, M. (2023, March 3). [Small is beautiful: Micro-units can help make NYC housing affordable](#). Manhattan Institute.

⁸ Ibid.

construct co-living and micro-unit projects.⁹ ShareNYC housing units are reserved for extremely low-, very low-, low-, and moderate-income households.¹⁰

The program is a pilot that was established with the purpose of allowing HPD to explore alternative housing models. This project, along with two other projects in Brooklyn, received funding in 2019.

Number of Residences	32 rooming units
Building Square Feet	21,827
Floors	10
Average Unit Size	~81 square feet per rooming unit
Building Amenities	Laundry, work/study space, multi-use space, landscaped yard
Affordability Range	Up to 60% AMI



335 East 27th Street - Carmel Place

Carmel Place offers 55 units of rental micro-housing ranging from 260 to 360 square feet each. The development won the adAPT NYC Competition in 2013, a Bloomberg-era competition for micro-unit housing innovation. Each unit is fully furnished, and residents are also offered access to indoor and outdoor amenities.

Number of Residences	55
Building Square Feet	20,593
Floors	9
Average Unit Size	260-350 square feet
Building Amenities	Gym, den, storage, bike storage, public space with seating, laundry, community room, roof terrace
Affordability Range	80-155% AMI

9 Rebong, K., & Staff, T. (2018a, November 1). [Co-living NYC: Sharenyc: Co-living developments](#). The Real Deal.

10 NYC HPD. (n.d.). [Featured Projects - ShareNYC](#).

Recommendations

The BP recommends approval with the following conditions:

1. Require social services for supportive housing projects

This proposal could provide significant housing opportunities to those in need of supportive housing. If SRO or micro-unit developments are going to serve the needs of this population, it is critical that they also include the services that will ensure the long-term success of residents, such as medication management, counseling, and educational and vocational assistance, among others. Providing these services ensures the success of not only building residents, but also the building and the neighborhood as a whole.

2. Update HPD requirements and subsidy programs to include alternative housing typologies

In order for these housing types to help alleviate the current affordable housing crisis, it will be necessary to provide developers with subsidies to offset the cost of providing such housing. Existing loan programs and tax incentive programs may need to be amended in order to include and incentivize new types of shared housing models beyond supportive housing. HPD's Supportive Housing Loan Program, NYC 15/15 Rental Assistance Program, and HCR's Supportive Housing Opportunity Program should all be amended or expanded to include shared housing options, along with Article XI and ELLA tax incentives for affordable housing. Additionally, HPD's minimum apartment size requirements should be updated commensurate with any changes in the dwelling unit factor to ensure that projects have a streamlined subsidy application process.