

# State of Land Use and the Built Environment

The city approved more units for construction in 2014 than in 2013, but the level remained below that of the mid-2000s. Meanwhile, city-initiated rezonings all but stopped in 2014; the number of blocks rezoned was the lowest since 2002.

## **1. In 2014, planned housing construction activity increased, even as the number of completed units fell slightly.**

Development activity continued on an upward trajectory in 2014, though fewer units were completed than in 2013. As shown in Figure 2.1, 21,478 new residential units were authorized by new building permits, an increase of nearly 22 percent over the previous year. Newly planned and approved housing construction still remained below levels seen during the housing boom between 2005 and 2008, when over 25,000 new housing units were authorized by building permits each year. In 2014, 10,113 units were issued certificates of occupancy, a decrease of 12 percent compared to 2013.

As Figure 2.2 shows, medium and large projects dominated residential construction activity in 2014. Of all the new units authorized by building permits issued in 2014, 72 percent were in projects with 50 or more units.

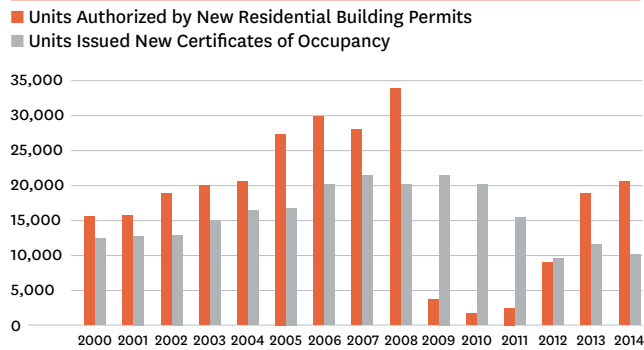
While permitting activity was distributed throughout all five boroughs, as shown in Figure 2.3, there were concentrations of activity in a few communities in Manhattan, northern Brooklyn, and Long Island City.

A portion of those buildings with market rate units are participating in the city's Inclusionary Housing Program (IHP) and therefore will generate units affordable to low-income households earning up to 80 percent of the U.S. Department of Housing and Urban Development's (HUD) Area Median Income.<sup>1</sup> The program allows developers to build larger buildings in the highest density residential districts (R10) or in areas designated in the Zoning Resolution in exchange for the provision of affordable units on site, within the same community district, or within one-half mile. As Figure 2.4 shows, the New York City Department of Housing Preservation and Development signed regulatory agreements for 936 affordable units participating in the IHP in fiscal year 2014. This was the second largest total number of units planned through the IHP for a single year on record.

Figure 2.5 shows the number of units issued certificates of occupancy in 2014 by building type. The number of new rental units remained stable while condo completions continued to fall for the sixth consecutive year. As a result, in 2014, 74 percent of all new residential units were in predominantly rental buildings with five or more units; only 16 percent of new units were in condominiums. By contrast, in 2008, 30 percent of new units were in predominantly rental buildings with five or more units and 51 percent were in condominiums.

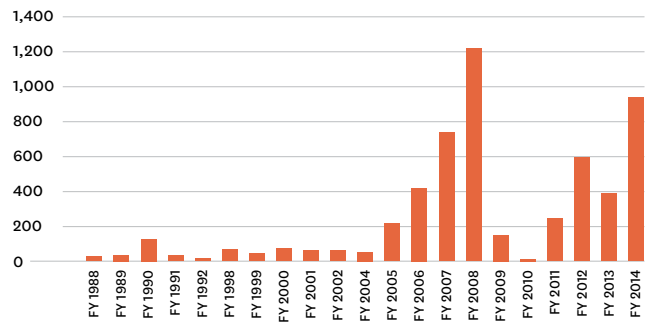
<sup>1</sup> For a three-person household in 2014, 80 percent of the Area Median Income was \$60,400. See the Methods chapter for more information on HUD Area Median Incomes.

**Figure 2.1: Residential Units Authorized by New Building Permits and Completed Units Issued Certificates of Occupancy, New York City**



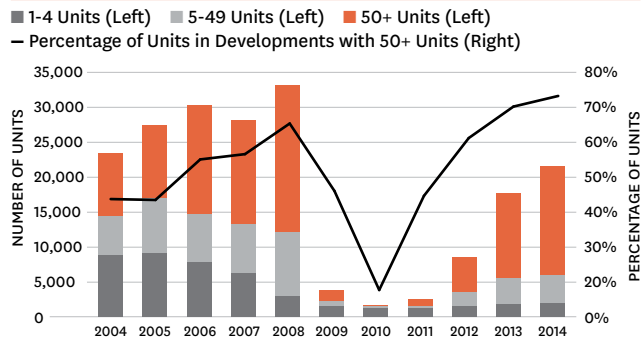
Sources: New York City Department of City Planning, New York City Department of Buildings, NYU Furman Center

**Figure 2.4: Number of Affordable Units Generated Through the Inclusionary Housing Program, New York City**



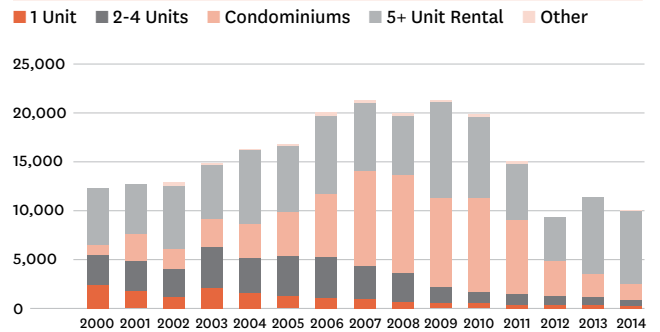
Sources: New York City Department of Housing Preservation and Development, NYU Furman Center

**Figure 2.2: Residential Units Authorized by New Building Permits by Project Size, New York City**



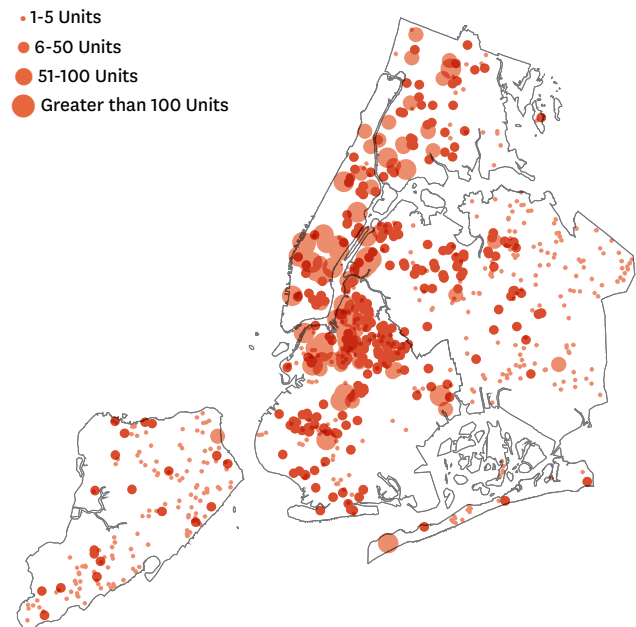
Sources: New York City Department of Buildings, NYU Furman Center

**Figure 2.5: Types of Completed Residential Units Issued Certificates of Occupancy, New York City**



Note: The "other" category includes cooperatives and small mixed-use properties. Sources: New York City Department of City Planning, New York City Department of Buildings, PLUTO, New York City Department of Finance Tax Roll File, NYU Furman Center

**Figure 2.3: Housing Units Authorized by New Building Permits by Block, 2014**



Sources: New York City Department of Buildings, NYU Furman Center

## 2. Fewer land use regulation changes were approved in 2014 compared to the previous year.

In 2014, the city adopted no zoning map amendments (also known as rezonings) initiated by the Department of City Planning. The city did, however, adopt a number of rezonings sought by property owners to accommodate specific plans. These rezonings only affected a small portion of the city—a total of 12 small areas—as shown in Figure 2.6 comprising just 17 blocks. As Figure 2.7<sup>2</sup> shows, the rezonings the city approved included the fewest blocks since 2002.

Two 2014 rezonings allowed residential use in what were manufacturing districts and created new IHP Designated Areas on the rezoned lots as an incentive to build affordable housing. At Halletts Point in Queens, the Astoria Cove project will create 1,723 new housing units, 460 of which will be affordable to households across a range of incomes. In Midtown West, another rezoning allows for a residential building in which 237 out of 1,189 units will be affordable.

The city rezoned lots in two Queens manufacturing districts to facilitate new residential development without establishing new IHP Designated Areas at 49th Avenue in Hunters Point and in Woodward Avenue in Ridgewood. The city also approved some small zoning map amendments that increased permitted residential floor area ratios (FAR) in Harlem and Manhattan Valley in Manhattan, at Empire Boulevard in Brooklyn and at Union Turnpike in Queens.

Rezonings in Queens Village and Canarsie allow for a wider range of commercial uses, zoning map amendments at Richmond Avenue and Sollazzo Plaza are facilitating one-story commercial developments and establishment of a new zoning district on a portion of the Grand Central Parkway is facilitating a parking lot expansion.

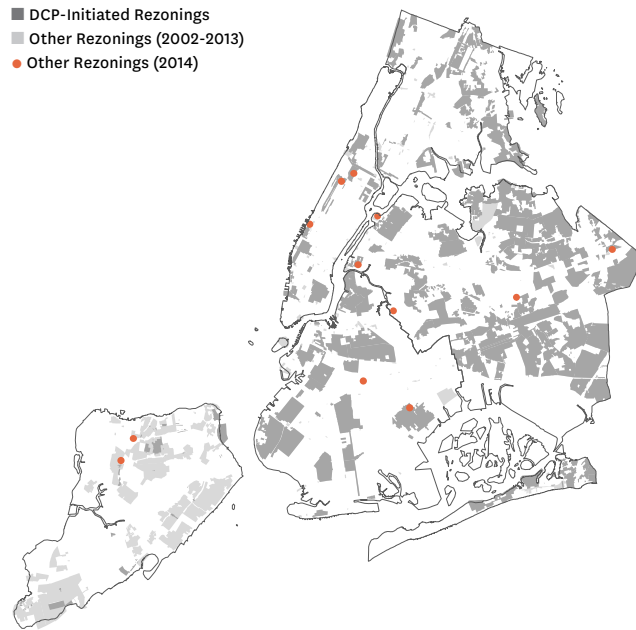
In addition to rezonings, in 2014 the city approved 23 site-specific special permits enabling development or building conversions that do not strictly conform with bulk, use, and other regulations in the Zoning Resolution. Special permits allow modifications for a specific proposal and do not change the underlying zoning for a lot. As shown in Figure 2.8, most special permits were in Manhattan and none were in the Bronx. Ten special permits granted in 2014 facilitated new development or conversions in just two historic districts—the NoHo Historic District and the SoHo-Cast Iron Historic District. Four of the special permits permitted more parking than is allowed as of right. The remaining special permits allowed for deviations from bulk, use, and loading berth requirements in Brooklyn and Manhattan.

## 3. The Landmarks Preservation Commission designated somewhat fewer properties as part of new historic districts and landmarks.

In 2014, the Landmarks Preservation Commission (LPC) designated three new historic districts as shown in Figure 2.9. The Chester Court Historic District designated 18 row houses in the South Crown Heights/Lefferts Gardens neighborhood of Brooklyn (BK 09). The Park Avenue Historic District extends from 79th street to 91st street on the Upper East Side of Manhattan (MN 08) covering 60 parcels. Lastly, the Central Ridgewood Historic District includes 930 properties in the Ridgewood neighborhood of Queens (QN 05). While fewer properties were included in new historic districts in 2014, it marked the fourth year in a row since 2011 in which the city added at least 1,000 properties to historic districts, as shown in Figure 2.10.

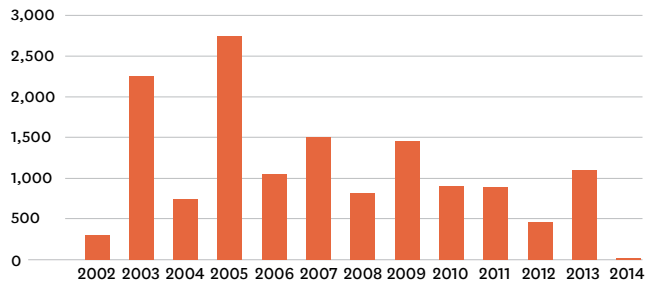
<sup>2</sup> A similar figure in the *State of New York City's Housing and Neighborhoods* in 2013 depicts the number of blocks affected only by DCP-initiated rezonings, while Figure 2.7 includes both DCP-initiated rezonings and those initiated by other actors. Therefore the two figures are not comparable.

**Figure 2.6: Rezoning in New York City, 2002-2014**



Sources: New York City Department of City Planning, NYU Furman Center

**Figure 2.7: Number of Blocks Affected by Rezoning by Year, New York City**



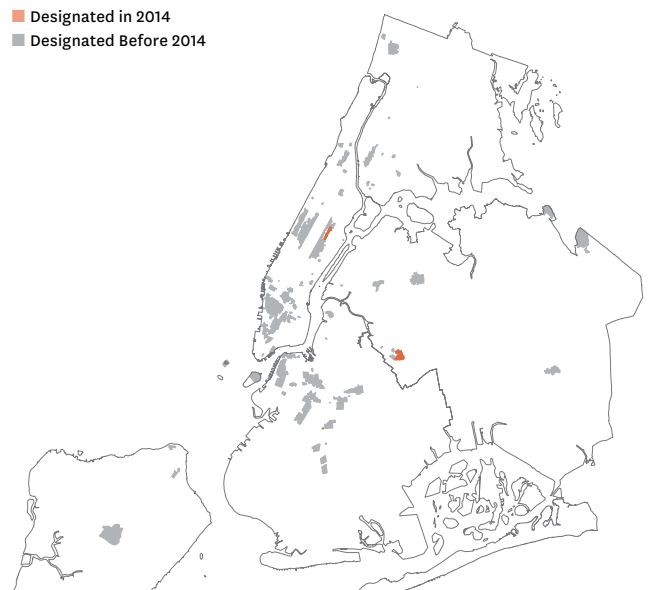
Sources: New York City Department of City Planning, NYU Furman Center

**Figure 2.8: Special Permits Approved in 2014**



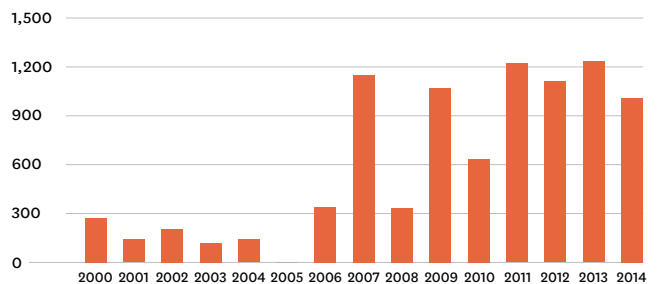
Sources: New York City Department of City Planning, NYU Furman Center

**Figure 2.9: Historic Districts, New York City**



Sources: New York City Landmarks Preservation Commission, NYU Furman Center

**Figure 2.10: Number of Lots Added to Historic Districts, New York City**



Sources: New York City Landmarks Preservation Commission, NYU Furman Center

The city also designated six individual landmarks as shown in Figure 2.11. In Brooklyn, the city designated the Doering-Bohack House and the Ridgewood Lodge No. 710, Free and Accepted Masons in Bushwick and the Fourth Police Precinct Station House in Bedford-Stuyvesant. In Queens, LPC designated the Hawthorne Court Apartments in Bayside. In Manhattan, LPC designated the First German Baptist Church in the East Village as well as the Mills Hotel No. 3 in Midtown.

#### 4. The city continued to experience a loss of space classified as industrial and manufacturing.

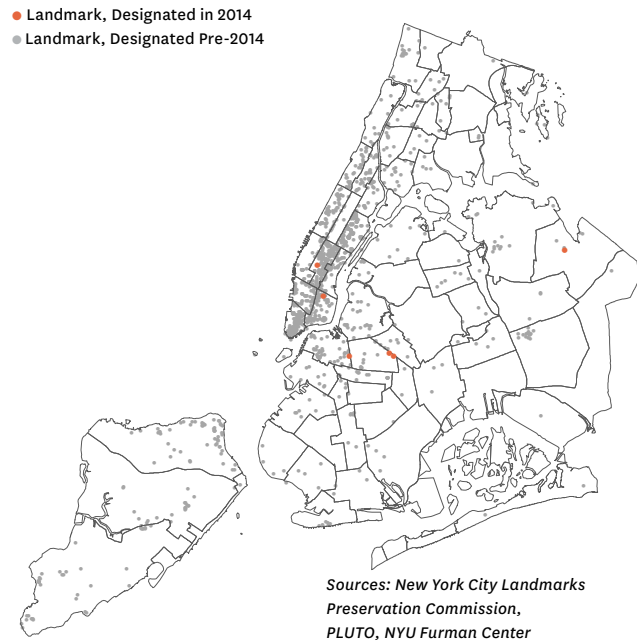
As shown in Table 2.1,<sup>3</sup> over 40 percent of the city’s land area was classified by the Department of Finance as used for housing in 2013, while less than 15 percent was classified for commercial, office, public facility, institution, hotel, industrial and manufacturing uses combined.<sup>4</sup>

As Table 2.1 shows, between 2003 and 2013, the land area in the city classified for manufacturing and industrial use declined by 9.9 percent. This had a dramatic effect on the amount of floor area in buildings the city classified for these purposes, as depicted in Figure 2.12. Between 2003 and 2013, the gross square footage of floor area in buildings classified as industrial and manufacturing use shrank by 23 percent. The drop was especially pronounced in Manhattan with a loss of 46 million square feet of floor area—a 55 percent decline. Brooklyn also lost a notable amount of floor area in properties classified as industrial and manufacturing, nearly 18 million square feet, over the same period. The reduction in all five boroughs may have come about through new residential construction facilitated through rezonings (to districts permitting residential), new hotel construction allowed as-of-right, repurposing of existing structures for commercial or office use, and formal reclassification by the Department of Finance of properties that had previously converted without filing a building permit.

<sup>3</sup> To maintain consistency with other indicators in this report, several land use categories differ from their original definitions in PLUTO. 1-4 unit residential includes three- and four-unit buildings (not cooperatives or condominiums) previously classified as multifamily walkup or elevator buildings. 5+ unit rental includes walkup and elevator buildings not classified as cooperatives or condominiums in addition to primarily residential building classes originally classified as mixed residential and commercial. Cooperatives, residential condominiums, and hotels occupy separate categories.

<sup>4</sup> Actual use of property may be different than use classified by the New York City Department of Finance.

**Figure 2.11: Individual Landmarks, New York City**



**Table 2.1: Land Area by Use Type (As Classified by the New York City Department of Finance), 2013**

Land Use	Land Area (Square Feet), 2013	Percent Change 2003-2013
1-4 Unit Residential	2,034,464,536	1.0%
5+ Unit Rental	621,113,017	2.4%
Commercial and Office	264,620,465	9.9%
Condominium (Residential)	59,883,098	73.4%
Cooperative	23,226,710	1.1%
Hotel	9,467,082	20.5%
Industrial and Manufacturing	236,401,441	-9.9%
Mixed Residential and Commercial	118,369,029	15.4%
Open Space and Recreation	1,819,899,293	8.1%
Parking	87,517,139	-0.3%
Public Facilities and Institutions	459,830,730	-8.6%
Transport and Utility	512,301,537	1.4%
Vacant	449,987,212	-10.3%

Sources: PLUTO, NYU Furman Center

**Figure 2.12: Change in Gross Floor Area in Buildings Classified as Industrial and Manufacturing (Square Feet) by Borough**

