

THE URBAN PROSPECT

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THE SKYLINE IN CONTEXT

For the first time in forty years, New York has set in motion a broad-scale initiative to reform its zoning ordinance. The centerpiece - and the dominant topic of discussion in real estate and community board circles alike - is the Unified Bulk Program.

Through the passage of this reform, the city hopes to regain control of its physical destiny. The 1961 zoning reform established a modernistic vision of New York City with high towers surrounded by park-like open spaces. This vision came to be known as Tower-in-the-Park zoning. Soon after its passage, however, planners realized that the sharp contrast between this vision and the city's predominant built form threatened the character of many of its most desirable neighborhoods. In response, Contextual Zoning requirements established a secondary system of land use regulation. In the years since, the development industry has struggled to meet the demands of a contradictory zoning ordinance, just as planners have struggled to implement it. This goal became increasingly difficult as more amendments were added to correct the design philosophy underlying the ordinance. The Unified Bulk Program represents the final triumph of Contextual Zoning in its long battle with Tower-in-the-Park Zoning.

Blueprints

The Unified Bulk Program was created to preserve neighborhood quality. In the current real estate climate, protecting the profile of New York's residential and mixed neighborhoods has become particularly challenging. Low-rise areas like Greenwich Village now play host to svelte towers that climb air rights transfers to ever higher views. The late-90s competitive market has allowed builders to reach higher and higher for a better return. With the flexibility offered by virtually unlimited zoning lot mergers, the Department of City Planning has been powerless to prevent buildings from soaring above their neighbors. Using standards derived from the current Contextual Zoning, the Unified Bulk Program reduces the uncertainty about the height and massing of buildings. If passed, it will set height limits in all areas of the city for the first time, with the exception of Lower Manhattan, Midtown, Downtown Brooklyn and parts of Long Island City, Queens.

This reform also re-introduces the street wall - the old tradition of building up to the street - after nearly forty years of using the plaza bonus to encourage open space in residential and commercial areas. To make this redefined streetscape friendlier, the Unified Bulk Program applies the stronger landscaping standards now found in the Quality Housing Program to all new residential and mixed developments.

Contextual Zoning's original intent was to use low to moderate building heights and strong street walls to preserve the urban design of many of New York City's historical neighborhoods. As models of desirable development, planners chose the brownstone neighborhoods of Park Slope, the six-story Prospect Heights apartment buildings and at higher densities, the Upper East and Upper West Sides of Manhattan. The appearance of new development in current contextual zones would change little if the Unified Bulk Program were approved.

In later amendments to the zoning ordinance, planners created the Quality Housing Program, which applied design regulations to the interiors and building finishes of all contextual structures. The Unified Bulk Program would redefine most other residential and commercial districts as non-contextual, but would incorporate the Quality Housing Program's urban design requirements as well as similar regulations on height, street wall and setbacks broadly across residential and mixed districts.

Street Life

Even in non-contextual districts, the Unified Bulk Program places greater emphasis on the streetscape. It takes two giant steps in this direction - requiring that buildings be closer to the street and restricting the bonuses available for public space in a private development. The Unified Bulk Program would provide a frame where the briskly striding businessman, the hot dog vendor's hurried customers and the flirtatious couple could meet in the random encounters that make New York's streets the best type of urban theater.

In addition to setting tighter controls on a building's

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Budget Watch

Clinton's Finale

President Clinton's last budget proposal urges the 106th Congress to continue the expansion of HUD funding begun last year. In fiscal year 2000, the HUD budget increased by \$1.6 billion to a total of \$26.1 billion. Although it contains no sweeping program revisions, the current budget gives HUD new Section 8 funding as well as new authority to offer retention incentives to project-based Section 8 buildings. The most significant change concerns the contract term for market-to-market renewals; if the expiring contract has below market-level rents and HUD renews the contract at the FMR, then the contract term will be for a minimum of five years.

Budget Winners

The Housing Certificate Fund received a 10.2% increase in its funding, including sizeable increases for Section 8 contract renewals and 60,000 incremental Section 8 vouchers. Unlike FY99's 50,000 Section 8 vouchers, which were part of a welfare-to-work initiative, the current budget provides funding for 60,000 incremental Section 8 housing vouchers to be allocated on a fair share basis. The most recent NOFA allocated 7,707 of the 60,000 incremental Section 8 vouchers to New York State. It is reasonable to expect that NYCHA and HPD will each apply for the maximum number of vouchers allowed under the regulations, which is 25% of the state's allotment. The Clinton Administration's FY01 budget requested funding for 120,000 vouchers, including 60,000 "fair share" and 32,000 welfare-to-work vouchers. The House Appropriations Subcommittee on VA, HUD and Independent Agencies, however, recommended funding only 10,000 new vouchers. Neither proposal is likely to pass; instead, many policy experts expect Congress to fund 50,000 to 75,000 incremental vouchers.

The FY00 Public Housing Operating Fund rose from \$2.82 billion to \$3.14 billion, an 11.4% increase. In an attempt to negotiate a final rule for the distribution of the operating subsidy that is more equitable for smaller agencies without imposing heavy costs on larger agencies, Congress allocated \$3 million for a Harvard University Graduate School of Design study to ascertain the real costs of operating public housing. This report is due by October 1, 2000 although the research team has not determined a work schedule and expects the project to run longer than the Congressional deadline. Clinton's proposed FY01 budget includes a \$54 million increase for the Operating Fund although the House Appropriations Subcommittee has recommended that it be funded at the same level as FY00.

Budget Losers

Despite the conference committee's stated concern over the unmet needs for capital improvements, it reduced the Public

HUD Appropriations for Major Programs, 1999-2000

	FY99	FY00
	(in millions)	
Housing Certificate Fund	\$10,326	\$11,377
Contract Renewals	9,600	10,990
Section 8 Vouchers	283	347
Relocation	434	438
Public Housing Capital Fund	3,000	2,900
Public Housing Operating Fund	2,818	3,138
HOPE VI	625	575
Community Development Block HOME	4,750	4,781
HOME	1,600	1,600
Housing for Special Populations	854	911
Homeless Assistance Grants	975	1,020
Housing for People with AIDS (HOPWA)	215	232
Fair Housing	40	44
Total HUD Budget	\$24,500	\$26,100

Source: Federal Appropriations Bills for FY99 and FY00

Housing Capital Fund by \$100 million. This budget cut does not bode well for public housing since HUD estimates a \$20 billion backlog of modernization needs among the nation's 3,400 PHAs. The administration's proposed FY01 budget counteracts the FY00 reduction by asking for a \$55 million increase for the Capital Fund. The House Appropriations Subcommittee, however, has recommended another \$100 million reduction for the FY01 Capital Fund.

Despite a \$50 million reduction of the FY00 HOPE VI budget, Congress directed HUD to adapt the Neighborhood Networks Initiative, which creates residential computing centers in multifamily housing, to new HOPE VI projects and report on its efforts by June 30, 2000. Congress has also allocated \$1.2 million for an Urban Institute study on the long-term effects of the HOPE VI program on former residents of distressed public housing developments, focusing on the effects of relocation and improved community and supportive services. Clinton's proposed FY01 budget restores HOPE VI funding to the FY99 level of \$625 million whereas the House Appropriations Subcommittee's version cuts it to \$565 million.

A Look Ahead

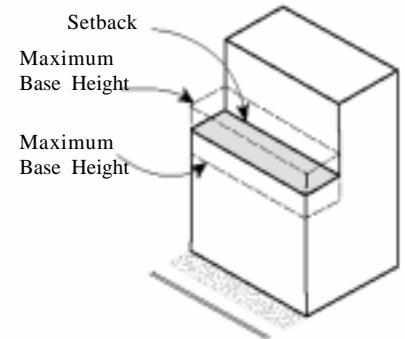
The Clinton Administration's proposed \$32.1 billion HUD budget for FY01 reflects a strong endorsement of HUD and its programs. In addition to proposed increases for all major programs, on March 8 HUD Secretary Cuomo announced his intent to push for a production program using \$5 billion in excess FHA revenues. This announcement has met with support from several Congressmen and national housing organizations. Although the total HUD budget has risen steadily since FY97, the bulk of the increases have been gobbled up by Section 8 contract renewals. The House Appropriations Subcommittee's FY01 budget recommendation is representative of this trend; an increase in the overall budget accompanied by reduced or unchanged levels of funding for HUD's major programs.

distance from the street, the Uniform Bulk Program also accentuates the street wall by restructuring bonus plaza provisions. According to the Department of City Planning's research, residential plazas have provided open space primarily to their residents, or have been reconfigured once the building's bonus was secure. The UBP greatly restricts the conditions under which residential projects and arcades may receive plaza bonuses, and eliminates them for sidewalk widenings. As in the oft-cited Avenue of the Americas example, plazas in commercial spaces provide valued places for employees to lunch, shoppers to rest, and tourists to gawk. For the pedestrian and office worker alike, an even greater advantage may be the better access they provide to the rare slice of sky. Eliminating floor area bonuses for plazas in residential areas while retaining them in commercial zones will achieve a better balance in the tally of private benefit to public gain.

Under this proposal, height would be a function of identifiable conditions, not of the manipulation of bonuses and zoning lot mergers. The Unified Bulk Program would place limits on the infrequent, but overpowering, projects that can now be constructed with the help of these techniques. By borrowing unused floor area from surrounding buildings, many projects have been able to reach twice the height of their neighbors. An earlier version of the proposal placed a second control with strict limits on the minimum percentage of the lot a tower could cover. In response to concerns expressed by CHPC, the American Institute of Architects and other civic and professional organizations, this limit was relaxed to promote greater architectural flexibility.

The figure above right illustrates one of the two forms most buildings would take in mid-rise (R6-R8) districts. First

aligning with an existing building or the street, it would then rise from the sidewalk to the appropriate base height and set back ten feet along wide streets or fifteen feet along narrow streets. A second option would allow the development to set back the maximum amount from the street and rise directly to the standard height limit. The second building type bears a remote resemblance to the tower-in-the



Courtesy of: Department of City Planning, Unified Bulk Program

park model, because of its more linear form, and slightly higher percentage of open space. Under the new height limits, however, the "tower" buildings would resemble the structures of the Brooklyn waterfront more than the mid-to late-century tower.

In Construction

Discussion of this zoning reform has tended toward the theoretical, but if passed, it would have a noticeable effect on the environments where New Yorkers live and work. Most New Yorkers live in R6-R8, or mid-density, districts. Neighborhoods as diverse as Greenwich Village, Flushing and Co-Op City are zoned R6, while R7 districts include the East Village and the Lower East Side. Building forms in these mid-density zones range from two-story rowhouses to relative high-rises of twelve to fifteen stories. Neighborhoods mapped as R8 can be as high as twenty stories, and are located along the Grand Concourse in the Bronx, the Upper West and East Sides of Manhattan and in Washington Heights.

The Unified Bulk Program was crafted to be development neutral, which means the change would impact a building's height and form, rather than its permitted floor area. Community Boards and civic associations have been largely supportive of City Planning's attempts to make the results of development more predictable. The proposed tables of district height limits and setbacks would give lay people relatively straightforward answers to their questions about building types allowed in their neighborhoods.

The proposal's greatest opposition has come from institutional developers of community facilities and luxury residential developers. Although this reform proposes no change to building area, it does assume floor-to-ceiling heights which could be too low for the needs of facilities such as schools and hospitals. Real estate interests object to what they perceive to be foregone revenue associated with height limits and bonus plaza provisions. They are concerned that height limits could reduce the high

CITIZENS HOUSING AND PLANNING COUNCIL

50 East 42nd Street Suite 407 New York NY 10017
Please call (212) 286-9211 for membership information.

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returns associated with the upper floors of residential development. Changes to plaza bonuses also place tighter restrictions on the total potential for marketable square footage.

CHPC's Zoning Committee strongly supports the reform. Non-contextual envelopes will help establish a consistent urban design pattern while providing a greater level of predictability in the range of height and bulk. Simplifying density and envelope calculations will streamline the cumbersome ULURP process. Exceptions granted for unique design circumstances such as bulk waivers, alternate height limits and an Advisory Design Panel add some flexibility. The one difficulty the Zoning Committee foresees is that new height limits could restrict developers' ability to provide relatively inexpensive parking.

The Department of City Planning conducted a height study of the city's building stock. They concluded the majority of new buildings in the outer boroughs are fewer than nine stories and that the housing market would be unaffected by the new height limits in these mid-density districts. While relatively few R6-R8 buildings exceeded that height, their total number of residential units represents a significant portion of those constructed between 1980-1997. This is especially true in Queens, where 30 percent of all new housing is in buildings higher than nine stories. CHPC's Zoning Committee surmised from its research that many of these taller buildings were built to accommodate a greater level of surface parking.

Builders surveyed confirmed CHPC's analysis. A taller building can accommodate the same square footage, while consuming less of its lot. This leaves more room to meet or exceed parking requirements at-grade, for a savings of up to \$50 per square foot in construction costs, and as much as \$8000 per space. To keep the combined cost of housing and parking competitive, many outer-borough developers of middle-income housing are currently using as much of their lot area as possible to meet district parking requirements.

CHPC's Zoning Committee has proposed that developments providing 100 percent parking be eligible for the district height limit. The standard height that would govern most buildings under Unified Bulk would result in a lower, higher lot coverage building and make it difficult to meet parking requirements economically. District height limits are used to grant exceptions to sites on a full block, those adjacent to elevated highways, railroads or buildings exceeding the standard height, Large Scale Developments and R9 and R10 tower-on-a-base buildings. Because buildings are assumed to have less impact on community character under the above circumstances, the reform would allow them to rise above their surroundings.

Off-street parking improves neighborhood quality of life by providing an amenity that is standard in the counties surrounding New York City. It reduces congestion, improves safety conditions and increases a neighborhood's attractiveness. In the outer boroughs, the car to household ratio is greater than 80 percent

according to 1999 DMV data. While building height is admittedly a flash point for community controversy, there is a subtle trade-off between height and parking capacity which is seldom appreciated by neighbors until a building is completed and fully occupied. CHPC's Zoning Committee believes parking is a public benefit that should be encouraged by the zoning resolution.

Neighborhood Impacts

Of all of the issues addressed in the reform, community facilities has provoked the most public discussion. Facilities such as schools, doctors' offices, churches, synagogues and a variety of social service establishments fall into this land use category. The Unified Bulk Program makes initial steps toward limiting the physical impact of these uses on residential neighborhoods. The level of interest in this topic, however, indicates that additional efforts will be needed to redefine the appropriate locations for these new and expanding activities. Their programming needs have been steadily growing since the 1961 ordinance, when they were still relatively small, neighborhood serving functions. Individual facilities have grown into sprawling campuses, while religious institutions have expanded their role in secular society. Many now perform multiple functions and draw employees and clients through all hours of the day and night. In the R6 through R8 zones in particular, community facilities are allowed a significantly greater height and floor area than the surrounding residential buildings.

Community facility uses continue to provide access to important social services, and are increasingly important to New York's service-oriented economic growth. A new balance must be struck that encourages the development of needed facilities while protecting neighborhoods from inappropriate land uses. A campus option for facilities with multiple structures is now under discussion and might provide a flexibility in heights and setbacks that would be amenable to both neighbors and facility developers. The eventual redefinition of these uses, however, will be crucial to achieving the goals elucidated by Chairman Joe Rose at the outset of his program of zoning reform.

Continuing Revolution

In the course of this reform, the Department of City Planning has delved into several of New York City's most intractable zoning problems. It has taken a bold step in submitting the first major zoning reform in almost forty years. Although this reform treats the structural, rather than the geographical issues associated with zoning, the initiative paves the way for other topics that have long demanded attention. Citizens Housing and Planning Council supports this proposal and the philosophy of reform that underlies it. The passage of the Unified Bulk Program should further an ongoing review of the zoning ordinance's effectiveness in accommodating New York City's changing economic and development needs.