Framework to Preserve Chinatown/Lower East Side

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For Two Bridges Neighborhood Council
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EXECUTIVE SUMMARY

INTRODUCTION

Two Bridges Neighborhood Council undertook this study of Community Board 3 because of its longstanding concern that widespread residential and commercial development is displacing large numbers of poor and working class residents and forcing local mom-and-pop stores to shut their doors. The creation of luxury hotels, market rate residential development and the infusion of high end boutiques, restaurants and galleries have profoundly changed the character of the Lower East Side and surrounding neighborhoods, from an affordable immigrant and working class enclave to a destination hotspot for hipsters, tourists, visitors and college students.

Most of the East Village was rezoned in 2008, where the goals were to preserve the existing neighborhood scale and character by establishing contextual zoning districts with height limits, and provide limited opportunities for residential growth and incentives for affordable housing along the area’s widest streets well served by bus or subway lines. The rezoning sparked concerns in the Lower East Side and Chinatown. Residents and community activists feared that developers, deterred by the new limitations to large-scale development imposed by the rezoning, would focus their efforts now in Chinatown and the Lower East Side. The Chinatown Working Group was formed to address these and other neighborhood concerns, and Two Bridges played a vital role in its establishment and ongoing operations.

Two Bridges presented to the Chinatown Working Group in November 2010 the findings of a land use and soft site study (Soft Site Analysis of Chinatown and Lower East Side—November 2010) that it conducted within a defined study area of almost 1100 parcels in the Lower East Side and Chinatown, which would help guide discussions on rezoning. The Soft Site Analysis found that there was potential for new market rate residential and commercial development and identified 27 privately-owned developable parcels that qualify as soft-sites. While much of the current zoning does not protect the neighborhoods from out-of-scale buildings, there is not a lot of evidence that it acted as an accelerant to gentrification in the study area. The analysis also found there were very few possibilities—the study identified 12 city-owned parcels but all but one were occupied--to build new housing for low income residents, with the exception of the Seward Park Urban Renewal Area (SPURA) and infill development on NYCHA campus. The study also found a cluster of soft-sites were in an area of Chinatown that is zoned C6-1G, a mixed-use designation, which requires a Special Permit to convert to residential uses.

This spring, Two Bridges has conducted additional research, using 2000 Census data and the 2009 American Community Survey (Decade After 9/11: An In-depth Look at How Gentrification Reshaped Manhattan Community Board 3). Not surprisingly, Two Bridges found there were indeed significant demographic and socio-economic changes throughout Community Board 3, but the scope and pace of change varied greatly.
By integrating the work of both studies, Two Bridges has created a Framework to Preserve Chinatown and the Lower East Side—April 2011.

Results from the 2009 American Community Survey show that the median home values in the East Village exploded, from $243,283 to $660,111, in less than a decade, accompanied by a sharp decrease in households earning $75,000 or less. In fact, the median household income rose from $36,243 to $48,874 - roughly $1000 under the New York City median. The data confirms what we have seen empirically: the East Village, over the last ten years, has become more affluent, with more white residents, fewer black and Latino residents, and a smaller percentage of foreign-born residents than ever before. The wave of gentrification that began 20 to 25 years ago—that followed in the wake of a long period of arson and disinvestment—has transformed this neighborhood into one of Manhattan’s most sought-after neighborhoods.

The picture is clear: people with limited and fixed incomes have very few viable housing options in Chinatown and the Lower East Side, with the exception of NYCHA and government subsidized housing. With this fact in mind, this framework is dedicated to understanding where new development has taken place and will likely occur during the next housing boom, looking for new opportunities to preserve and create more affordable housing, and suggesting policy and planning strategies that can work as a bulwark against development that has squeezed out working and middle class families over the last decade.
Most of Chinatown and the Lower East Side are within Community Board 3. Map 1 shows the boundaries of CB 3. The population within Community Board 3 is estimated to be 171,876 in 2009, representing a 4.5 % increase from 2000. The area has historically had a large immigrant population – a demographic that has persisted to this day. According to 2000 Census data, 65,970 or about 40 % of the total population within Community Board 3 jurisdiction is foreign-born. In addition, 59,694 or about 38 % of the total population is not proficient in English.
The Two Bridges neighborhood and Chinatown are relatively poor compared to New York City as a whole. In 2007, 48% of the population received some type of public assistance. In 2008, median household income for Community Board 3 was $36,408, or approximately half of the Manhattan median household income and approximately 30% lower than the NYC median household income. Approximately 60% of households in the community earn less than $50,000 a year. As a result of these conditions, in 2008 the poverty rate was about 28% and the unemployment Rate was about 10%, both significantly higher than the figures for all of Manhattan.

In terms of housing, CB 3 contains a relatively large share of affordable units. Of the approximately 80,000 housing units in CB 3, New York City Housing Authority manages 15,000 units. These units represent about 20% of all CB 3 housing units, and 8% of all NYCHA housing citywide. After East Harlem, the Lower East Side has the largest concentration of NYCHA housing. According to the Furman Center, median rent per month in the area was $713 in 2008, which is significantly lower than most Manhattan neighborhoods below 125th Street.

From 1994 to 2002, 105,421 units were lost citywide (an average loss of 13,177 per year) from the privately owned regulated stock, including losses due to co-op/condo conversion, high rent vacancy decontrol, high rent, high income control, expiration of tax benefits and other reasons. In a shorter time period, from 2003 to 2008, 85,765 regulated units were lost, averaging 17,163 units per year. Over the last ten years in CB3, about 11,000 rent-regulated housing units were lost, representing around 7% of all units lost in New York City, even though Community Board 3 has only about 2% of the city’s population. On the other hand, 43,475 units of rent of privately regulated apartments were added citywide between 2003 and 2008 (averaging a gain of 8,695 units), including Mitchell Lama buy-outs, tax subsidized regulated units, and other programs. The number of new units roughly represents half the number of units that left the private regulated stock of apartments during that time period.
Two Bridges is involved in the Chinatown Working Group process and in the creation of this plan to advance the following specific objectives related to zoning, housing, and the local economy in the Lower East Side and Chinatown.

**Zoning**

- Create Special District(s) that include anti-harassment provisions, historic preservation and incentives for affordable housing.
- Promote neighborhood scale and character through contextual zoning (mid-rise, mixed-use) where appropriate.
- Mandate Inclusionary Housing for upzoned and rezoned districts
- Protect waterfront access and views.
- Support local cultural uses through zoning incentives
- Expand existing zoning regulations (C6-1G and C6-2G) to preserve and enhance local commercial and industrial jobs.
- Allow transfer of development rights within specified districts with the goal of protecting neighborhood scale and promoting new cultural uses.

**Housing**

- Increase enforcement of building and health code violations and create incentives for small landlords to upgrade buildings.
- Prevent demolition of rent stabilized buildings through intentional neglect by landlords, as cited in recent study by Asian Americans for Equality.
- Create more affordable housing for seniors through Section 202 and other programs.
- Expand the Lower Manhattan Development Corporation (LMDC) pilot program that provides grants and low cost loans to nonprofits to help them buy and renovate tenement buildings.
- Expand programs that support preservation of government subsidized housing developments.
- Encourage city and state housing agencies to develop new programs to bridge the difference between federal AMI and local AMI ($35,600).
- Seek restrictions for NYCHA properties to insure future development is affordable and community inclusive, and give priority to current NYCHA residents are living in overcrowded conditions.
- Support elimination of rent regulation decontrol laws.
- Eliminate annual rent increases for qualified low-income tenants in exchange for annual tax credits for owners.
**Economy**

- Identify existing jobs and develop strategies to retain them. Encourage promotion of local and authentic cultural tourism.
- Develop worker skills and competency: ESL, community college programs, high school workplace programs, adult education classes.
- Improve connections between creative and service sectors.
- Identify opportunities for new job creation and job training.
- Examine existing City and State programs to insure that it serves community needs.
- Create opportunities for the Go Green Movement to create jobs while reducing business and residential costs.

In order to facilitate these objectives, the following report examines a study area encompassing parts of the Lower East Side and Chinatown to identify areas that present opportunity for development. These areas may present opportunities to strengthen protection for existing residents, create new affordable housing, or build on the local economy. By identifying these areas, or “soft sites,” Two Bridges is better able to connect the aforementioned objectives to specific sites within the study area.

**FINDINGS**

**Soft Site Analysis**

The Lower East Side/Chinatown study area examined in this report is characterized by patterns of intense land use, dense urban form, and complex zoning regulations that present both significant challenges as well as limited opportunities for new commercial, residential and mixed-use development.

The study area contains a range of land uses: (1) active commercial corridors along Bowery, East Broadway and Division Streets, (2) a 12-block concentration of mixed-use (commercial/residential) mid-rise buildings in the area east of the Manhattan Bridge, and (3) large residential buildings, commercial and recreational activities clustered near the waterfront. Superblocks replace the dense network of streets in the areas closest to the waterfront.

Though there may be as-of-right development capacity available for development, the preponderance of small lots and ownership patterns impede large-scale development projects in many but not all circumstances. In addition, there are clusters of blocks where existing buildings exceed their current allowable density since they were built before the zoning took effect in 1961. The “overbuilt“ buildings limit the impact of the transfer-of-development rights (TDR), which are often used to build larger residential and commercial buildings in neighborhoods where lots are typically small and shallow. Of the new, larger development projects, hotels may be built on relatively narrow footprints while modern office buildings are
better suited to larger floor plates. The handful of vacant lots that do exist are often limited by their location and zoning, and there are few publicly owned lots that represent opportunities for large-scale affordable housing (the Seward Park Urban Renewal Area is an exception). In addition, unlike the East Village, Chinatown and the Lower East Side below Delancey Street did not suffer from widespread disinvestment and arson during the 1970s and 80s, and therefore most sites remain occupied.

Though opportunities for new affordable housing are very limited, the few privately owned developable sites along South Street could be better leveraged through Inclusionary Zoning. In fact, some sites are already eligible for the city’s original inclusionary housing program that provides density bonuses to developers who have residential properties in zoning districts that allow for a Floor Area Ratio (FAR) of 10.0. These are, of course, very large buildings not subject to building height limitations.

During the late 1980s the city attempted to protect manufacturing and commercial districts in Chinatown by slowing the pace of the conversion of industrial buildings to residential uses in Chinatown through restrictions in the zoning code. We found that fewer new residential developments were built in these areas, a testament to the effectiveness of these specific zoning regulations. However, hotels may be built as-of-right.

**Demographic Findings**

While property owners, both large and small, saw windfall gains, others did not fare as well. For example, according to the 2010 Census, the Latino population has increased citywide, but their numbers shrank dramatically in the East Village and the Lower East Side. Many rental buildings were converted to condos or co-ops, rent stabilized units became de-regulated, and new buildings were out of the price range of most Latino and African American residents. The Lower East Side, by most accounts, is following in the footsteps of its northern neighbor, yet there are still some differences. Despite significant demographic changes during this decade, the Lower East Side is still home to a large foreign-born population, and moderate-income households, earning between $50,000 and $75,000, actually grew by 30%. While median household income rose dramatically from $24,192 to $39,082, it is still substantially below the New York City median household income of $50,173.

The study also showed that Chinatown and Two Bridges were less impacted by the housing bubble and gentrification than either the Lower East Side or the East Village. Two Bridges residents experienced meager income growth of only 3.7%, with income bumping up from $20,585 to $21,346, indicating that these families lost ground as the cost of living grew at a much faster rate. In Chinatown, incomes rose at a healthier rate of 27.5%, from $23,253 to $29,658. Despite this rise in income, families in Chinatown still earned about $20,000 less than city residents as a whole. Median housing values rose significantly in Chinatown but prices are still lower than in the East Village or Lower East Side, due to a number of cultural and physical factors that affect property values in Chinatown. Overall, Chinatown rents are in line with household incomes since median rental prices are roughly equal to 30% of median household income (e.g. households earning $29,658 can afford to pay a monthly rent of $741). However, the bad news is that renters are losing ground as median...
rental prices surged by almost 50%, from $506 to $747 a month, while median household income only increased by 25%. However, the reality is that many families pay more than 30% of their income towards rents and some were forced to pay thousands of dollars of “key money” to obtain their apartments, while living conditions are too often deplorable due to lack of maintenance and repair.

**Challenges to Building Affordable Housing**

While a market study is beyond the scope of this analysis and plan, it is important to understand the current state of affordable housing policies and programs that determine what can or cannot be built in these neighborhoods. While the Bloomberg administration has undertaken an ambitious citywide program to build or preserve 165,000 units of affordable housing, it has not been enough to counter the loss of affordable units through housing deregulation, conversion of rentals to co-ops and condos, and the expiration of government subsidized housing. The current affordable housing programs are designed around two approaches: nonprofit development and public/private partnerships.

First, the city often provides a raft of subsidies to nonprofit developers (and to a small group of private developers who specialize in affordable housing), including access to low cost loans, grants, capital in the form of Low Income Housing Tax Credits, and often access to below-market-rate city-owned land. The second approach offers zoning incentives to private developers, primarily in the form of allowing the developer to increase the bulk of a new building by roughly one third in exchange for a certain percentage of the units—usually 20% to 25%—that are set aside for low-income families for perpetuity. The new low-income units can either be built on-site or off-site, and preservation of low-income units also can count toward the developer’s legal obligations. One of the most attractive aspects of this program is that the affordability requirement does not expire unlike other housing programs. Unfortunately, however, private developers have access to government financing and subsidies, which puts them in competition with nonprofit developers who often build housing that is solely targeted to low-income families and individuals with special needs.

Both approaches have met with considerable success in building and preserving affordable housing throughout New York City over the last decade. However, with a few exceptions, current real estate market conditions and land use patterns in the Lower East Side and Chinatown make these neighborhoods unsuitable environments for the city’s affordable housing programs. In other words, the current city, state and federal housing programs will not come close to countering the loss of approximately 1,000 rent stabilized and affordable units per year in Community Board 3.

Locally, nonprofit developers have had limited success in building housing since land prices have risen so quickly. At the height of the bubble, it cost $450-$500 per buildable square foot to buy privately owned land. For example, private lot that could accommodate 40 units could cost between $18 and $20 million just for land acquisition. This price tag put it out of a reach for all nonprofit developers. The second approach, based on development under the Inclusionary Housing Program, has a track record of mixed results. While this program has created thousands of new low-income housing units citywide, it seems to work best when the
real estate market is favorable, the projects are large-scale, and therefore the incentive to participate in the program is high. Participation in the city’s Inclusionary Housing Program has dropped off significantly since the housing bubble burst.

Therefore, advocates for affordable housing in Community Board 3 are left with few realistic options: build new low income housing on land owned by the government—NYCHA campuses, Seward Park Urban Renewal Area (SPURA), city agency buildings (e.g. DEP site on Allen Street) -- and/or support some form of Inclusionary Zoning that will actually incentivize private developers to include low income units as part of their development. Some critics have expressed concern that Inclusionary Zoning actually displaces more low-income families than benefit from the program, but to date, we are not aware of any study that has documented this concern.

While the number of rent stabilized units that have left the program is by itself a troubling sign, the challenge to provide decent housing at rents affordable to families earning modest incomes between $20,000 and $30,000 – the median household incomes of Two Bridges and Chinatown—is actually greater. At this income level monthly rents above $750 begin to represent a financial hardship for families, though this rent is still $1,250 below the $2,000 vacancy decontrol cutoff. Housing policies and programs that specifically target low-income families (e.g. Section 8 Vouchers) and developments that are legally required to keep rents targeted to families earning no more than 80% of Area Media Income (LIHTC Projects) are critical to maintaining the socio-economic diversity of these communities. In addition, we have serious concerns about the living conditions of many low-income families, as landlords do not keep up with repairs and violations mount, leading to serious and even deadly consequences.

While the emphasis must be on enforcing the city’s building codes, it is an inconvenient truth that some property owners, particularly those that own one or a few small buildings, often having problems making a reasonable profit from their buildings as the rent roll is often inadequate to pay the mortgage, taxes, insurance, repairs and utilities. To compensate, landlords scrimp wherever they can and, as mentioned above, the consequences can be fatal. That is why new programs are needed to provide tax relief for owners who maintain their buildings well and serve low-income families. Additionally, zoning proposals that would reduce the market value of these buildings—as would likely happen if the area were to be down-zoned—would likely result in widespread neglect and could ignite a wave of disinvestment and arson as burnt out buildings become more valuable than occupied ones.
RECOMMENDATIONS

We are making the following recommendations based on the soft site analysis of 1,060 lots in the study area:

1. Mandate Inclusionary Zoning in specific areas where there is potential for residential development (e.g. waterfront, wide streets, and near parks). Several large parcels near the East River Waterfront were identified as developable sites.

2. Mandate anti-harassment regulations as a condition for demolition, major renovation and conversion of buildings.

3. Preservation of rent-regulated units and support for subsidized units should form the core of an affordable housing strategy as existing economic and physical conditions severely limit new housing opportunities for low- and moderate-income families. None of the 12 government owned parcels identified in the soft site analysis are likely to be developed for affordable housing.

4. The best opportunities for the creation of new housing for low-income families can be found on the SPURA site and on NYCHA campuses. There should be a planning and urban design study of the NYCHA campuses to determine the scale and scope of new infill development.

5. The preservation and strengthening of historic buildings, light industry and mixed-use buildings will help preserve their current and historic roles as live, work, and visit neighborhoods. The study identified a 12 block concentration of mixed-use, mid rise buildings east of the Manhattan Bridge, which should be preserved as such. The analysis shows that there is currently a cluster of developable sites in this area, but we suspect the limitations created by the current zoning on converting from industrial to residential uses have been effective.

6. Height caps of 60-75 feet should be considered on narrow streets (which are currently in C6-1 and C6-2 zoning districts) to prevent out-of-scale development on these blocks, which is allowed under current zoning. The study found large number of tenement style buildings were not in compliance in R7-2 district but were in compliance in neighboring C6-1G and C6-2G districts since larger building envelopes are permitted there. Therefore, reduction in permitted bulk may be highly problematic.

7. In addition to height restrictions, review the scope of permitted uses under the C6-1G and C6-2G zoning and allow exceptions for targeted uses like permanent housing for senior citizens or assisted living accommodations.

8. Additional studies are suggested including: Planning and Urban Design Study of the NYCHA campuses, Planning and Economic Impact Study of the Second Avenue Subway line, Urban Design Study and Market Analysis of commercial corridors, Contextual Zoning to Protect Neighborhood Scale and Built Form.
Map 2 shows the composition of the study area for the soft site analysis. The study area was originally composed of all areas within the Lower East Side that were excluded from the East Village Rezoning process and are within the scope of the mission of Two Bridges Neighborhood Council. The following areas were then removed from consideration for a variety of reasons explained below:
1. **New York City Housing Authority (NYCHA) Housing.** These properties are subject to federal jurisdiction, but, for now voluntarily comply with the city’s land use and zoning regulations. Government policy not market conditions will determine their eventual disposition.

2. **East Village/Lower East Side rezoning.** This area was rezoned in 2008 with extensive community input and support and is highly unlikely to be included in any new rezoning initiative.

3. **Seward Park Urban Renewal Area (SPURA).** This area is the subject of current discussion in Community Board 3 and the New York City Economic Development Corporation, which will oversee its development. The eventual development of these parcels will be the result of city government decisions and market conditions, and are outside the scope of our soft site analysis.

4. **Historic Chinatown.** This area is outside the scope of the Two Bridges catchment area and has been the subject of multiple studies that should be re-evaluated in the context of all Chinatown Working Group proposals. Preservation of the scale, character and uses of the district should be the overriding impetus.

5. **Special Districts.** These areas have zoning protections in place that already limit new development.
The remaining study area contains about 1,060 total lots over 11,554,160 square feet, or approximately 265 acres. The layout and urban form of the neighborhood varies widely along a spectrum from small, dense low-rise tenement blocks to high-rise buildings and superblocks. Essex and Madison Streets form loose boundaries between these two typologies, with dense, small development clustered to the northwest and larger lots to the southeast. The corridor of development along East Broadway is an exception to this pattern, as it goes from mid-rise near Chatham Square to high-rise as one moves eastward past Seward Park.

For the purposes of this analysis, the primary land uses are residential, commercial, and industrial. Within the study area, there are a wide variety of uses that follow distinct geographic patterns. Map 3 shows the distribution of land use in the study area. Commercial uses, which account for 12% of total parcels, cluster
along the Bowery and Division Street. Mixed-use buildings mirror the clustering of commercial use and are also concentrated in a twelve-block area bounded by Division, Grand, Forsyth, and Essex Streets. The majority of large, private residential buildings in the study area are found east of Essex Street and south of Cherry Street. Together, residential and mixed-use buildings make up 43% of the total study area. Again, this number reflects a study area in which public housing has been specifically excluded. When examined along with the previously excluded NYCHA housing developments, NYCHA accounts for an additional 32% of the total area. In the original study area, industrial uses are also found close to commercial and mixed-use development, accounting for only 3% of the study area. Public facilities and open space represent other significant uses in the study area, occupying larger, scattered lots.
Zoning is designed to separate incompatible uses and to control the bulk, height, and density of buildings. In New York City, density is regulated in terms of the allowable floor area ratio, or FAR, for a parcel or lot. FAR defines a building's allowable density as a multiple of the area of the lot. For example, if a 10,000 square foot lot is zoned with an FAR of 4.0, there can be 40,000 square feet of floor area developed on the lot, as-of-right. In this way FAR does not regulate the height, width, or depth of a building specifically, but instead the overall density that is a combination of these dimensions. Building height, frontage, and other characteristics may be limited by other regulations.
Over time, zoning creates layers of regulation based on different land use control goals. In New York City this creates neighborhoods that are often complicated to develop, especially on a large scale. The Lower East Side/Chinatown study area is no exception. There are seventeen separate zoning categories represented in the study area (see Map 4). Each of these zones affects development in distinct ways. In addition, due to the presence of incompatible uses and changes in zoning, the reality of land use on the ground does not always reflect the characteristics prescribed by the zoning code.

In general, most of the commercial zoning in the study area is classified as “C6” zones, which allow for a variety of both commercial and residential uses and typically mid to high rise building forms. The small C8-4 zone prohibits residential use and represents a transitional zone between commercial and manufacturing uses. The residential zones in the area are mostly R7-2 and R8 zones, which allow for medium bulk density and mid to high rise residential buildings, respectively. The exception is the East River Waterfront where development may reach as high as a 12 FAR under the current Inclusionary Housing bonus program.

Though the NYCHA housing in the study area falls within the R7-2 zones with a residential FAR of 3.44, these buildings are built on federally owned land and are not subject to such density restrictions. The small R8X zone along the Bowery is regulated by the Quality Housing Program, which limits maximum building height in dense areas.

In some cases, the complexity of zoning regulations has complicated and limited opportunities for development in the study area. Specifically, two C6-2G zones are located along Essex Street and there is a larger C6-1G zone to the west bordered by Allen, Bowery, and portions of East Broadway and Henry. These commercial zones limit the conversion of non-residential use floor area to residential use by requiring a special permit, which slows the development process and impedes large-scale residential conversion. However, hotels are allowed as-of-right, and this exception has resulted in burst of new hotel development in the area. The remaining commercial zones in the study area are mostly C6-1 and C6-2 zones, which allow for a variety of medium density commercial and mixed residential and commercial uses. The manufacturing zones in the study area allow for medium to high density industry, but are limited to the waterfront.
In addition to use regulation through zoning, the dominance of medium density zoning in the area over the past 50 years has had a visual impact on the character of the neighborhood. Map 5 shows permissible FAR in the study area.

This map reflects zoning for all land uses, showing that the higher allowable densities are clustered along the waterfront in the southern part of the study area and in the southwestern corner. These higher density areas represent M1-6 and C6-4 manufacturing and commercial zones that reflect the density of lower Manhattan and the accessibility of transportation in the area. Other than these areas, the majority of the study area is zoned for allowable FAR of 4 to 6.
SOFT SITE ANALYSIS

SOFT SITE CRITERIA

A “soft site” is defined as a lot or an assemblage of lots where redevelopment is likely to occur. Soft sites are particularly relevant to the process of rezoning because they represent areas where land use control can have the most effect, either to encourage or discourage development or to shape the nature of that development. Though vacant parcels represent the most obvious location for development, in densely developed New York City development potential is measured according to many complex and interdependent characteristics.

For the purposes of this study, a soft site is identified by the confluence of five conditions. These conditions account for the return on investment for urban development projects as well as the regulations in place in New York City that may prohibit development. In our study, in order to be classified as a soft site, a lot or assemblage of lots must:

1. The gross floor area be larger than 5,000 square feet;
2. Contain at least 50% available residential or commercial FAR;
3. Not be residential condos or co-ops;
4. Residential buildings of six units and built before 1974;
5. Buildings built in the year 2000 or later.

The lot size criterion takes into consideration that new development on lots smaller than 5,000 square feet is likely to yield an unsatisfactory return on investment since new buildings must adhere to costly building code requirements. Second, the FAR requirement of 50% is designed to include buildings that have significant unused FAR, and therefore factors that have limited development so far are due more to zoning controls and not physical limitations of the site. Third, while it is legally possible to demolish rent stabilized buildings, it is rarely done due to legal protections afforded to rent stabilized and rent control tenants. Fourth, condos and co-ops are excluded because they are highly unlikely candidates for new development, as well as new buildings.
Though the majority of parcels in the study area exceed the 5,000 square foot criterion for soft sites, many are still too small to make large scale development possible without assembling several privately owned lots, which is often difficult to accomplish and sometimes cost prohibitive (see Map 6.) There are smaller, densely packed lots concentrated along commercial and mixed-use corridors on the Bowery between Delancey and Canal Streets; Division, East Broadway Henry Streets, and Madison Streets; and Market and Catherine Streets between Division Street and Madison Streets. The largest lots are occupied by high-rise residential buildings along Grand Street, east of Essex Street, as well as parcels close to the waterfront.

Though it was excluded from the study area, it is worth noting that SPURA occupies a large footprint in the Lower East Side. Its size represents substantial potential for residential (affordable) development in the area, hence the deliberate and often heated nature of the discussions about the future of the site.
Though most parcels in the study area qualify for the lot size criterion, built density reveals the problems for new development created by zoning (see Map 7). Because most of the older buildings in historic sections of Chinatown and the Lower East Side were built long before the current zoning code was established in 1961, many are overbuilt, according to the requirements for new development. These tenements, located along East Broadway and Henry Street and between Market and Catherine Streets, were grandfathered into residential zones with a low 3.44 allowable FAR. The presence of overbuilt sites in the study area limits the potential for large scale development, as developers are not able to purchase unused development rights from adjacent property owners since there are none.
At first glance, the map indicates there are several very large lots and a significant number of smaller lots within the study area with at least 50% FAR available to develop, especially the huge parcels along the waterfront. However, upon closer examination, many of these lots are not unlikely to be developed because available FAR must be considered along with other development criteria, including location limitations, lot size, recent development on the sites, or the presence of condos/co-ops, rent regulated buildings, or landmarks on these lots (see Map 8). Where these buildings or lots are privately-owned, opportunity for the development of affordable housing is limited, at best.
SOFT SITES

Once lot size and available FAR have been analyzed, condominiums, cooperative housing, rent-regulated apartments, and recently built buildings must be eliminated. The resulting list of soft sites as-of-right must still be examined for other contextual limitations. For example, there are three corridors of lots that appear to have available FAR that are actually located under the Williamsburg, Manhattan, and Brooklyn Bridges. In addition, the St. James Church, the Mariners Temple, and St. Augustine’s Episcopal Church must be eliminated as they have landmark status.

Map 9
The resulting soft sites are shown in Map 9 and are distinguished by ownership. Two potential sites have been identified along the Bowery that fall just outside of the study area. These were included because they may represent opportunities for new Inclusionary Housing. Among the soft sites in the study area, about seven of them are limited in terms of future development by G-suffix zoning regulations. A few of them are privately-owned parking lots or stalled development sites. Table 1 lists the soft sites in the study area.

**Table 1: Soft Sites, exceptions eliminated**

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<thead>
<tr>
<th>PRIVATELY OWNED SITES</th>
<th>GOVERNMENT OWNED SITES</th>
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<tr>
<td>0  Land's End II</td>
<td>28  Department of Housing Preservation and Development</td>
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<td>1  Bialystoker Nursing Home Park</td>
<td>29  New York Public Library</td>
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<td>2  Dai Sing Corp.</td>
<td>30  US Post Office</td>
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<td>3  Parking Lot</td>
<td>31  Board of Education</td>
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<td>32  Department of Transportation</td>
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<tr>
<td>11 1 Orchard Street</td>
<td>39  Board of Education</td>
</tr>
<tr>
<td>12 Manhattan Mini Storage</td>
<td>40  Department of Environmental Protection</td>
</tr>
<tr>
<td>13 Gouverneur Clinic</td>
<td></td>
</tr>
<tr>
<td>14 Eisner Brothers</td>
<td></td>
</tr>
<tr>
<td>Seward Park Housing Corporation</td>
<td></td>
</tr>
<tr>
<td>(Property includes Emigrant Savings</td>
<td></td>
</tr>
<tr>
<td>Bank and Hand in Hand Development)</td>
<td></td>
</tr>
<tr>
<td>15 Two Bridges Helen Harris Senior Residence</td>
<td></td>
</tr>
<tr>
<td>16 Land's End I</td>
<td></td>
</tr>
<tr>
<td>18 31 Canal Street (former theater)</td>
<td></td>
</tr>
<tr>
<td>19 Warehouse</td>
<td></td>
</tr>
<tr>
<td>20 Grand Street Co-op Lot</td>
<td></td>
</tr>
<tr>
<td>21 UJC Bialystoker Housing</td>
<td></td>
</tr>
<tr>
<td>22 Auto Repair</td>
<td></td>
</tr>
<tr>
<td>23 Two Bridges Housing</td>
<td></td>
</tr>
<tr>
<td>24 Mobile Gas Station</td>
<td></td>
</tr>
<tr>
<td>25 47 Chrystie Street</td>
<td></td>
</tr>
<tr>
<td>26 Pathmark</td>
<td></td>
</tr>
<tr>
<td>27 Gouverneur Shopping Center</td>
<td></td>
</tr>
</tbody>
</table>


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