

George M. Janes

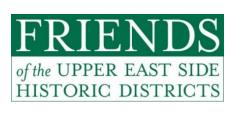
& Associates

250 E. 87th Street

New York, NY 10128

Prepared for:





City of Yes

What is it and What Will it Mean to You?

George M. Janes, AICP 1/18/2024

In May 2022, Mayor Adams and Governor Hochul announced "New" New York

- A "Blue-Ribbon Panel"
- The panel was set up to reimagine "how and where people work"

Mayor Adams, Governor Hochul Launch "New" New York Blue-Ribbon Panel on Future of NYC's, Region's Economy

May 24, 2022

Robin Hood CEO Richard Buery, Former Sidewalk Labs CEO Dan Doctoroff to Lead Expert Panel Set to Convene in June

Panel Will Develop Recommendations for Reimagining How and Where People Work and Driving Inclusive Growth for the City and Region

NEW YORK – New York City Mayor Eric Adams and New York Governor Kathy Hochul today launched a "New" New York blue-ribbon panel to examine the future of New York City and the region's economy, to be led by co-chairs Robin Hood CEO Richard Buery and former Sidewalk Labs CEO Daniel Doctoroff. The "New" New York panel — one of 70 concrete proposals Mayor Adams first announced in his "<u>Rebuild, Renew, Reinvent</u> <u>Blueprint for New York City's Economic Recovery</u>" plan in March — will develop actionable strategies for the resurgence and resilience of the city's commercial districts. The initiative also builds upon Governor Hochul's ambitious 2022 State of the State agenda and fiscal year 2023 New York State budget, which made historic investments to advance economic opportunity for New Yorkers across all communities.

The panel's recommendations will focus on how and where people work as well as the mix and use of space in key employment centers, with a goal of minimizing vacancy, catalyzing vibrancy, and bolstering the tax base. It will also inform New York City's path to an inclusive economic recovery with increased opportunities for New Yorkers to thrive in family-sustaining jobs.

"While our city continues to add jobs at a faster rate than the rest of the country, we have more work to do to ensure all New Yorkers can access family sustaining careers,"

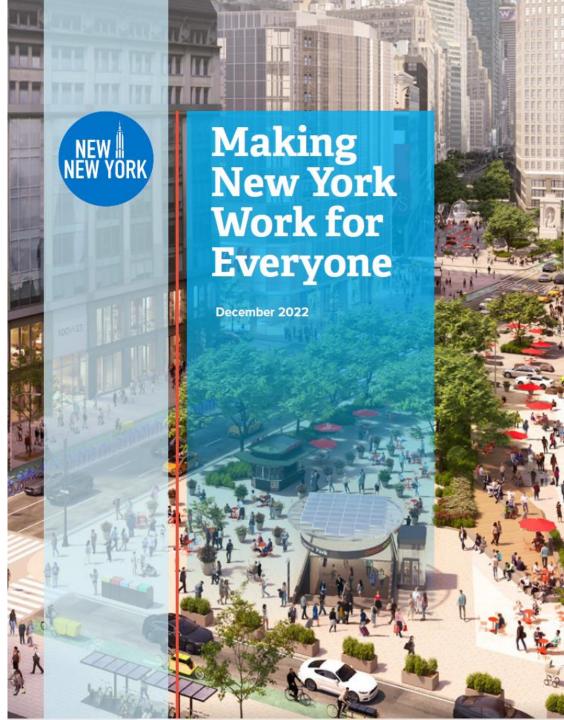
The New New York panel included some of the biggest names in industry

- Bankers
- Real Estate
- Venture capitalists!
- Tech & pharmaceutical
- Lots of CEOs
- Several former Bloomberg administration officials

- Richard Maroko, President, Hotel and Gaming Trades Council, AFL-CIO
- Raymond J. McGuire, Former Vice Chairman, Citigroup
- Melva M. Miller, CEO, Association for a Better New York
- Mitchell L. Moss, Professor of Urban Policy and Planning, NYU Wagner School
- Regina Myer, President, Downtown Brooklyn Partnership
- Ana Oliveira, President and CEO, New York Women's Foundation
- Dr. Philip Ozuah, President and CEO, Montefiore Medicine
- Charles Phillips, Managing Director and Co-founder, Recognize
- Jenn Piepszak, Co-CEO of Consumer & Community Banking, JPMorgan Chase & Co.
- **Dr. Jocelynne Rainey**, President and CEO, Brooklyn Community Foundation
- Taryn Sacramone, Executive Director, Queens Theatre
- Janette Sadik-Khan, Principal, Bloomberg Associates
- Al Samuels, President and CEO, Rockland Business Association
- Julie Samuels, Founder, Tech:NYC; and Partner, Hangar
- Stephen Scherr, CEO, Hertz Corporation
- Amy Schulman, Managing Partner, Polaris Partners
- David Solomon, Chairman and CEO, Goldman Sachs
- Rob Speyer, CEO, Tishman Speyer
- Jose Tavarez, President, Bank of America New York City; and Vice Chair, Bank of America Private Bank
- William Thompson, Jr., Board Chairperson, City University of New York; and Partner and Chief Administrative Officer, Siebert Brandford Shank
- Mary Ann Tighe, CEO, New York Tri-state Region, CBRE

In December 2022, New New York came out with their action plan

- It has 40 separate initiatives, mostly to streamline regulations in NYC
- The plan calls for changes to regulations that impact how New Yorkers live and work
- <u>No</u> public input asked for. None was given



Also in 2022, the Mayor set up BLAST (Building and Land Use Approval Streamlining Task Force)

• BLAST was to "cut red tape, streamline processes, and remove administrative burdens"

GET STUFF BUILT

A REPORT OF THE BUILDING AND LAND USE APPROVAL STREAMLINING TASKFORCE

BLAST was government-led and consulted with 50 corporations on the administrative burdens they experienced

- The firms consulted are mostly in real estate or work for consultants
- BLAST made <u>111</u> separate recommendations to deregulate the City
- There was <u>no</u> public involvement during the process

- Holland & Knight LLP
- Sheldon Lobel, PC
- Eric Palatnik, PC
- · VHB Inc
- Langan
- · AECOM
- WSP
- Phillip Habib and Associates
- AKRF Inc
- Sam Schwartz
- American Council of Engineering Companies of NY
- Archdiocese of NY
- Genesis Companies
- Enterprise Community Partners, Inc
- LISC NYC
- TF Cornerstone, Inc.
- COVE Property Group, LLC.
- Brookfield Properties
- The Durst Organization
- L&L Holding Company
- Extell Development
- The Brodsky Organization
- Mega Contracting Group, LLC
- · Rise, Light and Power, LLC
- Microgrid Networks, LLC
- New Lab, LLC
- Center for Zero Waste Design
- Karp Strategies

Together, all these "deregulation" efforts are called the "City of Yes"

city of **yes**



City of Yes for <u>Carbon Neutrality</u> is a series of new zoning amendments to facilitate green buildings

city of solar city of health city of energy city of carbon neutrality city of resilience



Detailed Overview Fall 2022

City of Yes for Carbon Neutrality became law about a month ago

- Includes new allowances for solar, mechanical equipment and battery storage systems
- Expect to see a lot more solar and enormous rooftop mechanical systems
- But today we'll be focusing on changes that are still in the process



City of Yes for <u>Economic Opportunity</u> (COYEO) is a massive change to the City's zoning

- At 1,127 pages of zoning text, which would easily be the largest change to the City's zoning since 1961
- Some of it addresses sorely needed updates, other parts are tweaks and reorganizations, and still other parts are radical changes
- We will focus on the parts folks from the neighborhood may notice



DCP's promotional image for: COYEO

1) Home occupations

- NYC currently allows home occupations but there are regulations:
 - No more than one outside employee,
 - No more than 25% of the unit and no more than 500 SF can be used for business, and
 - The following uses are prohibited in the home:
 - advertising or public relations agencies
 - barber shops / beauty parlors
 - #commercial# stables or kennels
 - depilatory, electrolysis or similar offices
 - interior decorators' offices or workshops
 - ophthalmic dispensing /pharmacy
 - real estate / insurance / stockbroker offices
 - veterinary medicine



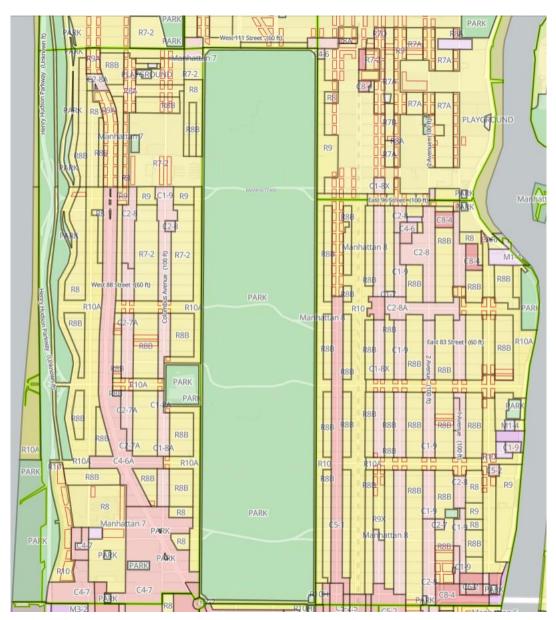
1) Home occupations (Continued)

- City of Yes plans to relax many existing regulations:
 - Outside employees increased to 3 from 1
 - Max. size of the business use increased to 49% from 25%
 - Absolute size restriction (<500 SF) is removed
 - The list of prohibited home occupations is removed
- There are no restrictions regarding traffic or the number of customers served
- If building rules/leases allow it, a person can open a barber shop, veterinary medicine office, photography studio, really most non-retail commercial and even small-scale manufacturing, in their apartment
- The removal of the hard size limit could encourage owners to purchase neighboring units to use for their business



2) Manufacturing

- City of Yes includes a <u>major</u> change in where manufacturing uses can locate
- Currently, most manufacturing uses have to locate in districts zoned M for manufacturing
- There are few M districts on the Upper East or Upper West sides
- City of Yes will allow most manufacturing uses to locate in any commercial district, <u>including</u> <u>neighborhood</u> commercial districts
- Commercial districts are in red and pink to the right



2) Manufacturing (Continued)

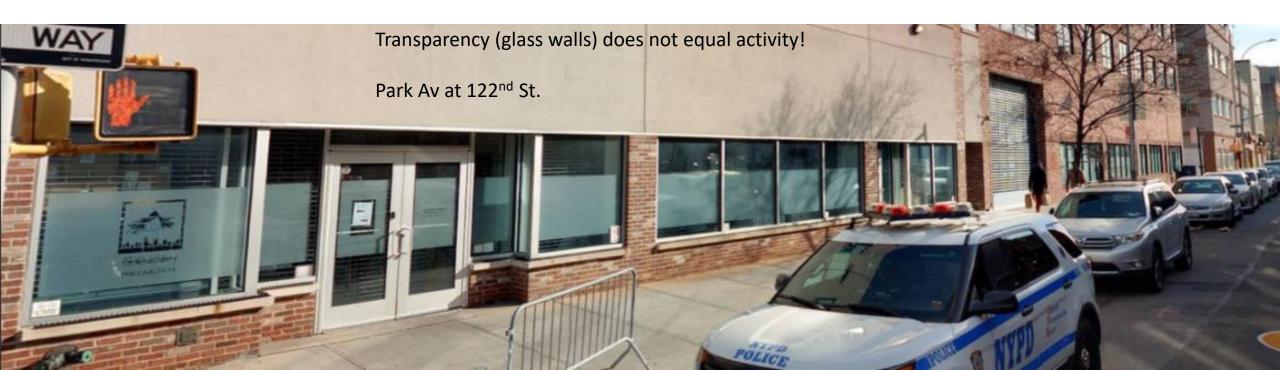
- These can be uses that serve the community (like bakeries and brew pubs), but that's not a requirement; they don't have to be open to the public
- Examples of uses that can locate in commercial storefronts include:
 - Machinery manufacturing
 - Fabricated metal product manufacturing
 - Electrical lighting manufacturing
 - Textile mills
 - Pharmaceutical and medicine manufacturing
 - Medical equipment
 - Soap manufacturing
 - Clothing and shoes
 - Most wood products manufacturing
 - And many more
- These, along with other new uses, may make it harder to locate services that serve neighborhood residents





2) Manufacturing (Continued)

- Many local governments are moving away from zoning that separates uses and moving toward zoning that regulates form, so this change is consistent with that trend
- But neighborhood commercial districts are designed to serve the needs of the neighborhood
- And in Manhattan, most walk to meet those needs. If these spaces start getting filled up by uses that don't serve the needs of the neighborhood, this could be a serious inconvenience



3) Agriculture

- Currently, agricultural uses are allowed anywhere if they are open, unenclosed. Enclosed agriculture needs to be in an M zone, or an area for industrial uses
- The change permits <u>enclosed</u> agricultural uses anywhere, even residential districts
- Agricultural buildings can be larger than residential buildings and will compete with residences
- Cannabis cultivation would qualify as agriculture, and so pre-packaged cannabis grow rooms and vertical farms could locate in any district
- City of Yes would also permit the sale of goods grown on site, but not shipped in from other locations
- This seems like it was a mistake, but it was completely intentional





4) Night clubs

- Our regulations have made night clubs very hard to site in NYC
- City of Yes removes nearly all the restrictions that make it hard to site this use
- Live musical shows with dancing will be permitted in all commercial districts
- The size is the major limiter: neighborhood commercial districts will be limited to a 200-person capacity. High density commercial areas can be of unlimited size



5) Amusements

- Currently, most amusement park rides are limited to Coney Island
- City of Yes will allow amusements in more places, as long as they are enclosed
 - Small-scale in neighborhood commercial
 - Large-scale along Madison Avenue, Broadway, Lincoln Sq.
- This glass-enclosed ride has been proposed in a new hotel on 8th Avenue. Its legality under current zoning has been challenged, but under City of Yes it would be permitted along Madison Avenue, Broadway and Lincoln Square
- But you'll mostly see more amusements, like indoor playgrounds, which are currently very difficult to locate



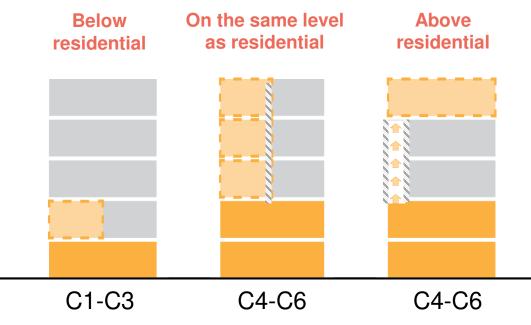
6) Micro-distribution facilities

- Currently, warehouses and distribution centers can only locate in industrial areas
- Increased demand for deliveries have created a demand for "dark stores" in neighborhoods
- In 2022, the Department of Buildings started to allow these, as long as they were at least partially open to the public
- City of Yes permits micro-distribution as long as they are small (<2,500 SF in most places)
- While these take up commercial space, they could help get trucks off the street



7) Location of commercial uses within buildings

- Currently, on the UES and UWS, if there is commercial in the building, apartments must always be placed over commercial uses, never below or along side
- City of Yes will allow commercial and most manufacturing uses on the same floor as a dwelling and in some cases above the dwelling, if there are separate entrances
- Any noise generating use must be separated by 15 feet from a residence, <u>or</u>
- Provide sound, vibration and air quality mitigation





7) Location of commercial uses within buildings (continued)

- Any use allowed in higher density areas will be permitted above residences, including:
 - Bars/nightclubs with outdoor roof decks, like this \rightarrow
 - Manufacturers, commercial kitchens
 - Amusements and rides, dog kennels
 - Basically anything except heavier industrial uses
- There are environmental protections for vibration, noise and air quality, but:
 - They only apply to units in the same building, not neighboring buildings
 - Do not include other issues like odor, traffic, and "other objectionable effects"
 - Smaller commercial uses (<75 person capacity) are entirely exempted from all environmental standards
- Most impacted areas: Madison Ave, Broadway, Lincoln Square, areas close to Midtown



8) Research Laboratories

- City of Yes would allow research laboratories in all Manhattan commercial districts
- Up until 2016, regulations required research labs to locate in industrial areas
- In 2016, the City published this memo that said research laboratories could also go into many, but not all, commercial districts
- City of Yes will replace this memo and permit research laboratories in all Manhattan commercial districts

To:	Alicia Glen, Deputy Mayor for Housing and Economic Development				
From:	DOB: Thomas Fariello, First Deputy Commissioner				
	DCP: Carl Weisbrod, Commissioner				
	EDC: Maria Torres-Springer, President				
Subject:	Life Sciences in Commercial Zoning Districts				
Date:	December 13, 2016				

This memo summarizes the conclusions based upon discussion among the Department of Buildings (DOB), the Department of City Planning (DCP) (collectively, "the agencies") and the Economic Development Corporation (EDC) about the zoning implications of life sciences research, testing, and development ("Life Sciences") in commercial zoning districts.

A. <u>Scope of research and testing</u>: As stated in ZR 32-18 (Use Group 9A), "Medical or dental laboratories for research or testing, or the custom manufacture of artificial teeth, dentures or plates...." are permitted in C2, C4, C5, C6, C8, M1, M2, and M3 districts. The agencies and EDC are in agreement that the synthesis and manipulation of chemical substances, biological matter, and animal models (as described further below) are integral activities in commercial medical laboratories devoted to research and testing, as referenced in ZR 32-18. Activities in these laboratories may also include the assembly of medical technologies, diagnostic devices, and research instrumentation for use in prototype experimentation, pre-clinical studies or clinical testing.

• = Permitted \Rightarrow = Permitted with limitations \circ = Special permit required										
	- = Not permitted									
$\underline{S} = \underline{Size} restriction$ $\underline{P} = Additional conditions$ $\underline{U} = \underline{Open} use allowances$										
<u>Uses</u>	<u>C1</u>	<u>C2</u>	<u>C3</u>	<u>C4</u>	<u>C5</u>	<u>C6</u>	<u>C7</u>	<u>C8</u>		
Laboratories										
Laboratories	•	•	-	•	•	•	•	•		
	Р	Р		Р	Р	Р	Р	Р		

USE GROUP 7 – OFFICES AND LABORATORIES

8) <u>Research Laboratories</u> (continued)

• Also, in 2016, the <u>NYC Department of Health & Mental Hygiene</u> sponsored a change in the health code that required certain research laboratories to register with the City, writing:

"[t]he Department [DOHMH] is concerned that an accident in a New York City-based high-containment research laboratory could have catastrophic consequences, . . . "

- DOHMH has refused to publicly release the list of facilities it has collected calling such release "an untenable security risk"
- So, on one hand, the City is making this use easier to site, basically anywhere, while on the other hand, the City is saying that these facilities are too dangerous to even disclose, and an accident could cause catastrophic consequences
- I have no expertise in this area, but find the lack of a consistent messaging concerning
- The City has barely acknowledged the Department of Health's concern, and does not plan on making any changes

Special: Madison, Columbus, Amsterdam & Broadway are "Special Zoning Districts," which have special rules that only apply on those streets

• City of Yes changes these special zoning districts

Special: Madison Avenue's special district was designed in 1973 to protect Madison Avenue's character as a premier shopping street

- Many commercial uses usually permitted in commercial areas <u>are prohibited</u> on the ground floor of Madison Avenue (uses like offices, print shops, catering halls, wholesale uses, gyms, and the like)
- City of Yes eliminates <u>all</u> the existing these restrictions, replacing them with generic restrictions
 - Limits on parking/curb cuts
 - No ground floor dwellings
 - Limits on lobby size
 - Transparency (glass)
- City of Yes also adds in new uses we discussed:
 - Nightclubs
 - Amusements
 - Micro-distribution
 - Most manufacturing



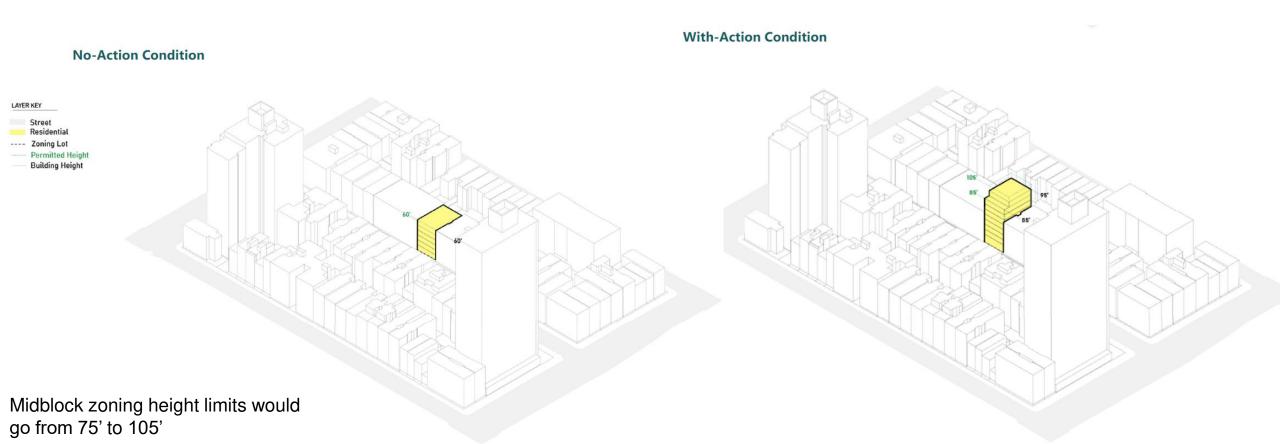
Special: The enhanced commercial districts on Broadway, Columbus and Amsterdam were adopted in 2012

- They were designed to encourage small scale retail by limiting establishment size (on Columbus and Amsterdam) and certain uses, like banks
- City of Yes eliminates most of the custom rules, but keeps the size restrictions on Columbus and Amsterdam
- They are replaced with new generic rules that will apply to all districts:
 - Limits on parking/curb cuts
 - No ground floor dwellings
 - Limits on lobby size
 - Transparency (glass)
- The new generic rules are similar to the rules that were in the special district, but the limit on the size of banks is removed



More to come: City of Yes for <u>Housing Opportunity</u> would also be a major change, but it hasn't started the review process yet

- It is schedule to start a few months
- It will include <u>many major changes</u>, including a 20% bonus for all buildings that provide affordable housing



Discussion / Questions



George M. Janes

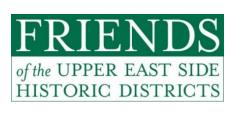
& Associates

250 E. 87th Street

New York, NY 10128

Prepared for:





City of Yes

What is it and What Will it Mean to You?

George M. Janes, AICP 1/18/2024