LR Item 3
Project Description

1. INTRODUCTION

The New York City Department of City Planning (DCP) is proposing a map amendment and series of text amendments to the New York City Zoning Resolution (the "Proposed Actions") that would apply to an approximately 56-block, 146-acre area (the "Project Area") of the SoHo and NoHo neighborhoods of Manhattan Community District 2. SoHo and NoHo, are two unique and iconic neighborhoods known for their rich cultural history, dynamic mix of residential, commercial, retail, and institutional uses, central location in the heart of Lower Manhattan, and strong local economy employing over 50,000 people. The Project Area is generally bounded by Astor Place and Houston Street to the north; Bowery, Lafayette Street, and Baxter Street to the east; Canal Street to the south, and Sixth Avenue (Avenue of the Americas), West Broadway, and Broadway to the west.

The Proposed Actions are intended to create opportunities for new housing, including affordable housing, better reflect existing built conditions, strengthen the mixed-use character of the neighborhoods, including office and retail uses and celebrate the unique architectural and creative legacies of SoHo and NoHo. The Proposed Actions were developed in response to neighborhood-wide planning challenges brought about by changing economic and demographic trends and informed by local and citywide stakeholder input during the Envision SoHo/NoHo process, a public engagement initiative launched in 2019 by the Manhattan Borough President, the Council Member for City Council District 1, and DCP. The proposed zoning actions would replace zoning regulations that have been in place since 1971 and have not been updated to meet the changing needs and evolving character of SoHo and NoHo.

By allowing for new residential development and requiring affordable housing, removing regulatory burdens for businesses, and supporting arts and cultural activities in a manner that better reflects the needs of the city's artists and creative workforce, the Proposed Actions would ensure SoHo and NoHo's continued cultural vitality, support citywide policies related to housing and equity as articulated in *Housing New York, Where We Live NYC, and PlaNYC/OneNYC,* increase access to the neighborhoods' amenities and employment opportunities, and contribute to economic recovery and resiliency efforts in the wake of the COVID-19 pandemic.

The Proposed Actions include:

- Amendments to the Zoning Map to replace all or portions of existing M1-5A and M1-5B districts with medium- to high-density mixed-use districts and establish a new Special SoHo-NoHo Mixed Use District (SNX) in the Project Area.
- Amendments to the text of New York City's Zoning Resolution (ZR) to establish regulations for the proposed Special SoHo NoHo Mixed-Use District (SNX) and to amend Appendix F of the ZR to apply the Mandatory Inclusionary Housing (MIH) program to the Special District.

As estimated as part of the proposal's environmental review, the projected development sites would create approximately 1,829 new homes, including about 382 to 573 permanently affordable homes, about 61,789 square feet of retail space and about 20,778 square feet of community facility space. The 58 potential development sites may add another 1,719 homes, including about 365 to 545 affordable homes.

2. BACKGROUND

Study Area History

The SoHo and NoHo neighborhoods were used as farm and pastureland up to and through the 17th century, including the significant establishment of Manhattan's first free black settlement in SoHo on land granted by the Dutch West India Company. Portions of the Project Area were developed with manufacturing use as early as the late 18th century and the subsequent draining of ponds in the area and transformation of Broadway into a paved thoroughfare initiated the transformation of the area into a desirable residential district. In the mid-19th century, the neighborhoods emerged as an important manufacturing and commercial district, with Broadway becoming a bustling commercial corridor with marquee retail stores, entertainment venues, and hotels. The neighborhoods' resulting iconic cast-iron loft buildings contain large, contiguous floor plates, high ceilings and sturdy floors that can accommodate a wide range of business activities. This flexibility made them particularly conducive to adaptive reuse in later years.

Starting in the 1860s, fueled by the construction boom of non-residential buildings in Lower Manhattan and an industrializing economy, SoHo shifted from a commercial and entertainment destination to a critical manufacturing and wholesale center for textiles and garments. Other types of industrial businesses—such as wood and metal production, hardware, and paper wholesale—were also present. Post-World War II and through the 1970s, influenced by changes within the manufacturing industry, such as transportation and spatial needs, the number of manufacturing and related businesses in SoHo and NoHo contracted significantly. The dramatic decline of manufacturing, wholesale, and related uses presented an opportunity for artists to repurpose these vacant industrial lofts as live-work space.

In 1971, the City amended SoHo/NoHo's basic M1-5 industrial zoning that had been in place since 1961. The 1971 rezoning sought to address the decline in manufacturing uses and recognize the growing presence of an artist community that was drawn to the area's vacant manufacturing loft buildings. In addition to the commercial and light industrial uses already permitted by the M1 zoning, Joint Living-Work Quarters for Artists (JLWQA) was created as a new manufacturing use within zoning Use Group 17 to allow a limited subset of artists and their households to live and practice their craft in such spaces. At first, the use was permitted only in SoHo, within two newly created zoning districts, M1-5A and M1-5B. In 1976, the M1-5B zoning was expanded to NoHo. The M1-5A and M1-5B zoning required that spaces used as JLWQA must be occupied by an artist certified by the Department of Cultural Affairs (DCLA). DCLA

established criteria for artist certification based on the limited definition of "artist" in the New York State Multiple Dwelling Law (MDL).

In the following decades, as SoHo and NoHo gained increasing popularity as loft districts, residential occupancies not associated with certified artists and their associated arts production became more prevalent. This trend mirrored changes in manufacturing districts elsewhere in Manhattan, as industrial sectors relocated to buildings and areas that could accommodate modern production and distribution and loft buildings were increasingly occupied with residential uses.

In the early 1980s, the City and State introduced zoning and legislative changes to regulate the conversion of non-residential loft buildings after recognizing a growing trend of illegal residential loft conversions. The MDL was amended by the enactment of Article 7C (also known as the "Loft Law"), which enabled the creation of Interim Multiple Dwellings (IMDs), a temporary legal status conferred upon commercial or manufacturing buildings occupied by three or more families with the ultimate expectation that such buildings be upgraded as permanent housing, and established the New York City Loft Board to regulate such conversions to residential use. At its inception, Article 7C provided that residential conversions were only permitted in areas where zoning allowed residential use as-of-right, which effectively excluded IMDs in SoHo/NoHo. In 1987, Article 7C was amended to allow IMDs in zoning districts where residential use was not permitted as-of-right, opening the doors for non-artist residents in the manufacturing districts of SoHo and NoHo to seek Loft Law coverage.

Recognizing that artists' occupations and circumstances could change, and that many residents did not qualify for artist certification, the City later granted blanket amnesties for residents other than certified artists in SoHo/NoHo, allowing units previously restricted to certified artists to be legally occupied by a full range of residents. In fact, a 1983 occupancy survey discovered than only about one third of households in SoHo and NoHo were occupied by a DCLA-certified artist, despite the restrictive zoning in place. Familial successions of JLWQA by non-artists, sales and leasing of units to non-artists, as well as Use Group 2 residential conversions and new construction via zoning variances and special permits contributed to SoHo/NoHo's shift from a limited artist community to a broader residential demographic with people engaged in a variety of professions. While DCLA routinely certified hundreds of artists per year throughout the 1970s and 1980s, that number dwindled to fewer than 10 per year in the latter half of the 2010s. With a population approaching 8,000 according to the 2010 US Census, SoHo/NoHo has a much more significant residential presence than typical manufacturing districts across the City.

Although the area's land use regulations have changed very little since the existing manufacturing zoning regime was enacted in the 1970s, SoHo/NoHo has transformed dramatically from a manufacturing center and post-industrial artist haven to one of the most exclusive, sought-after residential enclaves in the city and a magnet for retail and services – becoming, in the process, increasingly inaccessible to most New Yorkers, including many who have called SoHo and NoHo home for decades. At the same time, SoHo and NoHo have seen

the dramatic growth in office uses, including a burgeoning creative sector with sound recording studios, creative services firms, and other professional offices that have helped bring over 52,000 jobs to the two neighborhoods. Alongside these changes, office workers, local visitors, and tourists have brought increasing dynamism and foot traffic to the neighborhoods' bustling streets. While the COVID-19 pandemic has impacted office occupancy and retail and hospitality activity, with particular severity in SoHo and NoHo, the neighborhoods' central location, easy transit accessibility, world-class historic architecture, and unique mixed-use character will continue to be valuable assets contributing to the desirability and ongoing recovery of the area. In light of these changes and pressing challenges, a more modern land use regulatory framework is sorely needed to preserve what makes SoHo/NoHo successful while also creating a more integrated, equitable, and resilient community.

Community Engagement and Interagency Participation: Envision SoHo/NoHo

The impetus for the SoHo/NoHo planning process began in 2015 with a joint letter to DCP from the Manhattan Borough President and the local City Council Member representing District 1, noting, among other matters, the high volume of site-specific land use actions (e.g., special permits and zoning variances) being processed for the neighborhoods, outdated zoning, and the lack of a holistic planning strategy. The letter called for the creation of a new planning framework informed by "a robust public neighborhood process" to encourage the development and preservation of affordable housing, strengthen the varied retail character of the area, promote a diversity of uses and employment base, and recognize the arts and creative foundation of the neighborhoods. The letter also identified three key issues to be examined: 1) the utility and functionality of the JLWQA use category vis-à-vis trends in today's creative sector; 2) retail regulations, including size restrictions and the clarity, predictability, and enforceability of rules, and 3) a potential zoning structure that contributes to the creation or preservation of affordable housing. Additionally, over the past decade, and separate from the letter from the Borough President and Council Member, there were numerous comments and questions from the Chair and members of the City Planning Commission acknowledging the need to update the zoning regulations in SoHo and NoHo.
DCP, working in concert with the Manhattan Borough President and local City Council Member, began a series of technical studies that set a baseline for the community planning process to follow. The studies' findings, which are described in greater detail below, provided specific data confirming the mismatch between the 50-year-old zoning, longstanding perceptions of the nature of the SoHo and NoHo neighborhoods, and actual land use realities.

In January 2019, DCP, in partnership with the Manhattan Borough President and the Councilmember for District 1, initiated the six-month Envision SoHo/NoHo public engagement process to examine key land use and zoning issues in the two neighborhoods, share with the public the results of the technical analysis, and seek community input to develop strategies to both honor SoHo/NoHo's history and ensure the continued vitality of the neighborhoods moving forward.

Guided by an 18-member stakeholder advisory group consisting of residents, business owners, elected officials, and other advocacy organizations, the Envision SoHo/NoHo engagement process gathered local input on a range of topics, including housing, jobs, arts and culture, historic preservation, retail, quality of life, and creative industries. The process included over 40 meetings, including six public meetings/workshops, 17 advisory group meetings, and eight focus group meetings with various resident and stakeholder groups, as well as numerous other individual meetings with key stakeholders and consultations with other City agencies.

In November 2019, DCP, the Manhattan Borough President, and the Council Member for District 1, in consultation with the stakeholder advisory group, issued a final report, Envision SoHo/NoHo: A Summary of Findings and Recommendations (the "Report"), which synthesized the comments and discussions from the public and stakeholder engagement process and provided a series of zoning, land use, and other recommendations and priorities. The report concluded that the current zoning and other land use controls fall short of producing the vision for a vibrant, mixed-use neighborhood. The report articulated the following broad goals to facilitate a successful, diverse, and inclusive community:

- Promote mixed-use development in ways that respect and support neighborhood diversity and character.
- Foster the small business community of SoHo/NoHo by reducing regulatory barriers and providing supportive resources.
- Create housing and live-work opportunities on underused land in ways that respect and support neighborhood diversity and character.
- Maintain, enforce and strengthen existing protections for residents including renters and those in rent-regulated units.
- Support and promote the artist and maker communities while allowing people to live in SoHo and NoHo without artist certification.
- Preserve, promote, and create more spaces and uses for arts, maker uses, and cultural uses.
- Improve quality of life of residents and workers in the SoHo and NoHo mixed-use environment.

Building on Envision SoHo/NoHo's public engagement, DCP continued to work with the community to further refine the neighborhood plan and keep stakeholders informed throughout the process. On October 26, 2020, over 500 New Yorkers attended a virtual public information session on how to participate in the upcoming public review process for the SoHo/NoHo Neighborhood Plan. The two-hour event included a presentation by DCP staff and a question-and-answer session. Over the next several months, DCP, in coordination with HPD, DCLA, DOT, and DSNY, hosted three additional information sessions focused on the topic areas: housing, mixed-use and public realm, and arts and culture.

Vision and Goals

Building on the Report's findings, DCP established a set of planning goals that identify a long-term vision for a balanced, coordinated approach to neighborhood planning. These goals prioritize the preservation of neighborhood character, residential growth, and expansion of locations for job-generating commercial uses. The vision for the future of SoHo and NoHo recognizes the area's varied context and aims to meet multiple planning objectives. As the City proactively plans for the neighborhoods' future, the plan also seeks to meet citywide goals of increasing housing production, including affordable housing, and direct growth to appropriate locations.

Below is a synopsis of the overall vision for the neighborhood as well as specific land use recommendations.

Replace outdated manufacturing districts with mixed-use regulations

In 1971, when the current zoning was adopted, the existing M1-5A and M1-5B zoning was intended to address a narrow issue: to provide a path for existing working artists to legalize their live-work occupancies while preserving space for shrinking manufacturing uses, including textile manufacturing and the wholesale sector. The Project Area's land use pattern and economic landscape have changed significantly since then. Traditional manufacturing and industrial uses have diminished in SoHo/NoHo as they have in most other areas of the City due to broader macroeconomic changes and shift towards a more service-oriented economy. DCP fieldwork conducted between 2015 and 2016 found that there were only about 20 industrial/semi-industrial businesses in operation in the neighborhoods at that time, half of which were semi-industrial or new types of "maker" uses that function in relation to a retail space or office setting (e.g., lighting design, sound recording studio, or 3D printing). According to the U.S. Bureau of Labor Statistics' 2018 Q2 LEHD Origin-Destination Employment Statistics, about two percent of total jobs in SoHo/NoHo were in industrial sector businesses such as manufacturing, construction, transportation and warehousing, and utilities. In contrast, the neighborhood's non-industrial employment base was sizable and exhibited consistent trends of growth, totaling over 53,000 private-sector jobs in the same period. Office-based sectors, including professional and technical services, information, real estate, finance and insurance, management of companies, and administration and support services, accounted for 48 percent of total jobs in the Project Area. Sales trades, including primarily retail and some wholesale, constituted 23 percent of the 53,000 jobs in SoHo/NoHo. According to a 2018 HR&A SoHo and NoHo Retail Conditions Study, SoHo/NoHo's retail businesses contributed an estimated $170 million in sales tax to New York City and State each year, reflective of the neighborhoods' position as the second highest-grossing retail market in New York City and one of the top three retail markets in the entire United States.

Despite the shift towards retail, office, creative production, and other commercial uses, SoHo/NoHo's manufacturing zoning and outmoded provisions continue to prioritize traditional light industrial and related uses that have largely relocated to other parts of the City, region and beyond. These regulations create significant barriers and onerous burdens for property owners

and businesses as they attempt to respond to changing market and industry dynamics. One such example of this mismatch between current land use regulations and existing conditions is the restrictive zoning that generally only permits ground floors to be occupied by light manufacturing uses. Any other uses on ground floors, such as retail, food and beverage, and many other commercial uses, require a special permit that typically requires storefronts to be kept vacant—sometimes for over a year—while an attempt is made to identify an industrial tenant to occupy the space.

Despite zoning that restricts retail, food and beverage establishments, and many other commercial uses on the ground floors in most of the districts (excluding limited commercial spaces that pre-existed the current zoning), there has been a proliferation of such uses given SoHo/NoHo's central location, rich transit access, and adaptability of loft buildings. Retail and other commercial uses (e.g., eating and drinking establishments, commercial art galleries, banks, showrooms) occupy ground floor space in most of the Project Area's buildings, with some multi-level stores concentrated along the Broadway corridor. Beyond the ground floor, retail and related uses make up 18 percent of total built floor area in existing buildings. Office uses, which are distributed in commercial and mixed-use buildings throughout SoHo/NoHo, make up a full third of total built floor area.

Absent a zoning framework that responds to these evolved market conditions and trends, property owners in SoHo and NoHo have relied on individual land use applications and other ad hoc approvals to accomplish their development goals. For example, between 2000 and 2019, the City granted over 90 CPC special permits within the bounds of SoHo and NoHo, a portion of Community District 2, significantly more than the volume granted in the entire Community District 1 (21) or Community District 3 (51). The Board of Standards and Appeals (BSA) has also granted numerous variances over the past decades in SoHo/NoHo. Many of these special permits and variances were to allow retail and other commercial uses on the ground floors that are permitted as-of-right in the surrounding neighborhoods. The over-reliance on special permits and variances indicates that the regulatory burdens fall disproportionally on smaller businesses and property owners, who typically have fewer financial resources and less technical sophistication to navigate complex land use, environmental, and public review processes.

The obsolete and onerous zoning, including ground floor use restrictions and limitations on food and beverage uses, in the context of a rapidly evolving retail industry and the economic challenges and uncertainties brought by the COVID-19 pandemic, represents a significant barrier for businesses that wish to remain or locate in SoHo/NoHo, and contributes to high retail vacancies and the lack of storefront diversity. According to DCP's July 2020 study on retail activities across the five boroughs, while all major commercial corridors were found to have a higher share of inactive storefronts in light of the pandemic, SoHo and the Canal Street corridor were the only two areas with over 50 percent of the stores closed or vacant. The presence of outdated regulatory barriers will only serve to exacerbate challenges to recovery for two of New York City's most significant commercial areas.

The Proposed Actions would replace the outdated manufacturing zoning and rigid use restrictions with rational, appropriately flexible regulations that promote the mix of uses and support COVID-19 economic recovery, business adaptation, and long-term resiliency. The broad range of uses would support existing businesses in SoHo/NoHo as they continue to operate, expand, grow and evolve, while allowing a greater range of commercial, cultural, and civic activities within the existing highly adaptable loft buildings and new mixed-use developments. The Proposed Actions would also provide protection for the existing concentration of commercial and remaining light manufacturing uses in large loft buildings to balance non-residential and residential uses and ensure that SoHo/NoHo—especially the Broadway corridor where major employers cluster—continues to thrive as an employment hub and critical Class B and Class C office reservoir.

Introduce residential use and promote equity in housing

While residential conversions have occurred through various means, including legalizations under the Loft Law, as well as use changes, and new construction allowed by CPC or BSA approvals, SoHo/NoHo's manufacturing zoning does not allow residential use (Use Group 2) as-of-right. For units that are approved by discretionary actions, a minimum unit size of 1,200 sf is required by the M1-5A and M1-5B zoning. These are significant hindrances to the equitable production of market rate and affordable housing in two high-opportunity neighborhoods close to transit and employment centers. The neighborhood's existing stock of affordable housing is limited and consists primarily of units subject to rent regulation by way of the New York State Loft Law. The limited number of residential conversions and ground-up developments in the past few decades have only provided market-rate units and made marginal contributions to the City's overall housing supply.

According to the 2010 census, approximately 7,800 residents live in SoHo/NoHo, of which 77.5 percent identified as white non-Hispanic, compared to 48 percent in Manhattan. SoHo/NoHo also has higher household incomes and more owner-occupied housing units, compared to Manhattan or the city overall[1]. According to NYC Housing Preservation and Development (HPD), while SoHo/NoHo has some rent-regulated and stabilized units mostly by way of the Loft Law, the neighborhoods have no government assisted housing or other types of no income-restricted units.

The Proposed Actions would allow residential use in conversions and new construction and implement the City's MIH program within SoHo/NoHo. Residential use would be allowed across the Project Area where the potential for residential conversion and infill development exists; while areas on the periphery of SoHo/NoHo that are largely outside of historic districts present additional opportunities for new residential development and affordable housing production. In addition, the Proposed Actions would shift away from a narrow allowance for only JLWQA manufacturing use to residential use without any occupation-based restrictions, as is typical in

[1] Source: NYC Department of City Planning – Population Division, American Community Survey, 2015 – 2019 Manhattan Block Groups 45001, 47002, 490001, and 55021 were aggregated to approximate the SoHo/NoHo Study Area.

the rest of the City. A wider set of live-work arrangements would also be accommodated through expanded home occupation provisions. This is consistent with citywide housing policies and would address broader concerns about housing equity in the context of Fair Housing laws.

Support arts and culture

The unique JLWQA regulations in the M1-5A and M1-5B districts, established in 1971, played a role in facilitating the transformation of SoHo/NoHo from a declining manufacturing district to a vibrant mixed-use area and arts and culture hub. Today, while certified-artist-occupied JLWQA largely remains the sole as-of-right quasi-residential use (Use Group 17D, not Use Group 2), only about 30 percent of all SoHo/NoHo homes are still listed as JLWQA use that requires certified artist occupancy on buildings' certificates of occupancy. Moreover, these units have a wide array of occupancy and legal statuses as a result of five decades of property transaction history and a confluence of factors, including changes to the original artist residents' occupation, marital status and life arrangements, subsequent amnesties of non-artist residents, as well as enforcement challenges and administrative impracticalities of the JLWQA provisions. The complex interactions between JLWQA zoning regulations and the existing residential landscape have been cited by some local residents—including certified artists and others that lack or do not qualify for certification—as a source of significant uncertainty and potential risk in planning for their families' futures. More broadly, with the emergence of other dynamic and attractive artist communities across New York City, artists do not make up a significant segment of the current 8,000-person residential population or market demand in SoHo/NoHo. Evidence of this trend is the steady decline of the number of artist certifications by the DCLA from hundreds annually in the '70s and '80s to fewer than 10 annually in recent years.

The Proposed Actions would continue to permit JLWQA use and live-work arrangements that already exist in the Project Area and establish a voluntary option to transition JLWQA to regular residential use with conditions that more broadly benefit the arts and creative industries. This would facilitate the legalization of existing non-artist occupancy, broaden live-work to be more inclusive and reflective of modern needs, regularize residential market transactions to align with the rest of the City, and support arts and cultural organizations so that SoHo/NoHo's cultural legacy remains relevant into the future.

Facilitate superior urban design and appropriate building forms

The existing bulk regulations in M1-5A and M1-5B districts do not always facilitate building forms that relate harmoniously to the loft building context within and beyond the historic districts. In such instances, special permits and zoning variances are often needed to allow building forms appropriate for the historic district context and acceptable by the LPC. The Proposed Actions would establish bulk regulations that more appropriately respond to neighborhood context, provide flexibility to minimize the effects of new developments and enlargements on neighboring buildings and allow the LPC to shape the building form in a manner appropriate to the neighborhood and the immediate context without the need for separate land use actions.

3. DESCRIPTION OF THE PROJECT AREA

The Proposed Actions would apply to an approximately 56-block, 146-acre area of the SoHo and NoHo neighborhoods of Manhattan, Community District 2. The Project Area is generally bounded by Astor Place and Houston Street to the north; Bowery, Lafayette Street, and Baxter Street to the east; Canal Street to the south; and Sixth Avenue, West Broadway, and Broadway to the west. Canal Street is the gateway to the SoHo neighborhood and Houston Street is the major artery separating NoHo to the north from SoHo to the south. Broadway is the primary north-south corridor that extends the entire length of the Project Area. Other secondary corridors within the Project Area include West Broadway, Lafayette Street, Centre Street, and Broome Street. The Project Area consists of distinct subareas of commercial corridors and residential blocks, with differing building typologies and character. Most of the Project Area is located within the SoHo–Cast Iron Historic District and its extension, the NoHo Historic District and its extension, and the NoHo East Historic District.

Historic Districts

Over 80 percent of the Project Area is within City-designated historic districts. Proposed development projects in SoHo/NoHo historic districts are subject to LPC review, inclusive of any alteration, reconstruction, demolition or new construction affecting buildings. Areas outside of historic districts (for example, in the southeast and southwest corners of SoHo, and certain areas along Bowery) are generally transitional areas and possess a different built character compared to the cores of the SoHo and NoHo historic districts where cast-iron loft buildings are concentrated.

The SoHo–Cast Iron Historic District was designated by the LPC in 1973 and listed on the National Register of Historic Places and declared a National Historic Landmark in 1978. The district is bounded by Canal Street, Broadway, Howard Street, Crosby Street, East Houston Street, West Houston Street, and West Broadway, and consists of 26 blocks and contains approximately 500 individual buildings. The SoHo–Cast Iron Historic District Extension, designated in 2010, consists of approximately 135 properties located on the blocks immediately adjacent to the east and west sides of the SoHo–Cast Iron Historic District. The SoHo–Cast Iron Historic District and Extension are significant not only for their historic role in the commercial development of New York City, but also for the survival of the largest concentration of full and partial cast-iron façades anywhere in the world.

The NoHo Historic District, designated by the LPC in 1999, consists mainly of the blocks east and west of Broadway between Houston Street and 9th Street, and is comprised of approximately 125 buildings. The NoHo Historic District represents the period of New York City's commercial history from the early 1850s to the 1910s, when the area prospered as one of the city’s major retail and wholesale dry goods centers. Today, the historic district is distinguished by unifying streetscapes of marble, cast iron, limestone, brick, and terra-cotta façades. The NoHo Historic District was further extended to the east in 2008.

In 2003, the LPC created the NoHo East Historic District, which is centered on Bleecker Street between the Bowery and Lafayette Street, and consists of 42 buildings constructed between the early 19th and the early 20th centuries. The district's low-scale, early-19th century houses on Bleecker Street and Elizabeth Street are reminders of the area's early residential history, while the larger store and loft buildings testify to the New York's growing importance as a hub of commercial activity. Today, this diversity of small dwellings, apartment buildings, factories, lofts, and stables represent an intact and unusual historic mixed-use neighborhood in lower Manhattan.

A small portion of the Project Area's western edge is within the Sullivan-Thompson Historic District. Designated in 2016, the historic district is characterized by a diversity of row houses, tenements, commercial structures, and institutional buildings that developed in the early 19th century.

Neighborhood Context

The SoHo and NoHo neighborhoods are unique in that they are uniformly mixed-use. Unlike most other neighborhoods in Manhattan and elsewhere that have commercial uses concentrated on avenues and wide streets and predominantly residential use in the midblock and side streets, SoHo and NoHo have various uses side-by-side—and, in many cases, above and below within individual buildings—on nearly every street. This pervasive mixed-use character contributes to the charm and vibrancy of SoHo and NoHo and presents unique conditions related to zoning, land use, and quality of life. Within SoHo and NoHo, built conditions, area context, and existing use patterns also combine to form several distinct subareas, as detailed below.

SoHo East and SoHo West

The areas along the periphery of the Project Area, including the area generally south of Grand Street and east of Crosby Street (SoHo East) and the area generally south of Watts Street and west of West Broadway (SoHo West), are mostly outside of the historic districts. West Broadway, measuring between 74 to 75 feet wide, and Watts Street, measuring between 72 to 86 feet wide, anchor the SoHo West subarea. Subway access is provided by the A/C/E station at Canal Street and 6th Avenue. Lafayette Street, measuring 80 feet wide, and Centre Street, measuring between 74 and 75 feet wide, anchor the SoHo East subarea. Subway access is provided by the J/Z and 6 lines at Canal Street.

These areas tend to contain a high concentration of low intensity uses relative to other parts of the Project Area, including low-rise industrial buildings, parking lots and garages, and one-story eating and drinking establishments. FARs in the area generally range from 3.0 to 6.5, though some of the older commercial office buildings can far exceed this range and can reach up to 12.0.

Recently, a number of hotels ranging between 16 and 26 stories have located in the area. The existing zoning permits these large towers to set back from the street and rise sheer to their full height, in stark contrast to the typical tenement and loftlike building forms found throughout the Project Area. While framed by major wide streets, these areas are generally less residential and less built up than the other areas described above. SoHo West serves as a transitional area between the SoHo Historic Core and Hudson Square to the west. Hudson Square is known as a high-density mixed-use district characterized by high lot coverage, large office buildings and new residential development. SoHo East is a transitional area where SoHo, Little Italy, Chinatown, and the Lower Manhattan Central Business District intersect.

Bowery Corridor

The Bowery, a major, 120-foot-wide commercial corridor, is located at the northeast corner of the Project Area in NoHo between Great Jones Street and Astor Place. Bowery separates the Project Area from the East Village to the east. The stretch north of East 4th Street is characterized primarily by mixed residential and commercial buildings and a large institutional presence, with heights ranging from four to 21 stories and FARs generally between 5.0 and 9.0. In the area outside of the historic district, along and south of East 4th Street, there are a number of underbuilt sites, including vacant land, low-rise tenements, and single-story semi-industrial or formerly industrial buildings that have been converted to eating and drinking establishments. Ground-floor retail is more common south of East 4th Street than the area to the north.

Broadway and Houston Street Corridors

Broadway is a major, 80-foot-wide commercial corridor that runs the entire length of the Project Area within multiple LPC-designated historic districts. While Broadway bisects SoHo, in NoHo, Broadway separates the Project Area from Greenwich Village and the NYU campus to the west. Houston Street, at approximately 125 feet wide, is the primary east-west artery that separates SoHo to the south from NoHo to the north. The N/Q/R/W subway lines run below Broadway and includes stops at Canal Street, Prince Street, and 8th Street. The B/D/F/M subway lines run under Houston Street with a major node at Broadway-Lafayette and connecting to the 6 subway stop at Bleecker Street.

Buildings along Broadway, between Crosby and Mercer Street in SoHo, and along the adjacent Lafayette Street in NoHo, are generally taller and bulkier than those in the historic cores to the east and west: between six and 12 stories tall with FARs often exceeding 10.0— and consist of a mix of older loft buildings and more recent construction. The Broadway corridor contains the Project Area's largest floorplates, with a high concentration of commercial uses, particularly offices and destination retail. The corridor is an employment hub and has the lowest concentration of residential uses in the Project Area. The Broadway corridor north of Fourth Street in NoHo has a relatively high concentration of institutional uses, interspersed with a number of low-rise industrial uses, and low-intensity uses such as vacant land and garages.

Canal Street Corridor

Canal Street is a 100-foot-wide thoroughfare that connects the Holland Tunnel to the west with the Manhattan Bridge to the east. Subway stations along Canal Street include the N/Q/R/W trains at Broadway, the 6 train at Canal Street and Lafayette Street, and the J/Z train at Canal Street and Centre Street.

Canal Street, once renowned as a corridor for discount shopping and construction materials, is characterized by a mix of tenements, federal-style rowhouses, historic cast-iron lofts, newly constructed residential buildings, low-rise retail stores, and some low-intensity semi-industrial businesses and parking garages. Building heights generally range between three and six stories tall with FARs between 3.0 and 5.0. As potential development sites become increasingly scarce in the SoHo core, interest in the Canal Street Corridor has grown. New residential development projects are transforming the corridor by replacing low-intensity uses, such as single-story discount retail buildings and parking lots. 341 Canal and 419 Broadway, at six and eight stories respectively, are establishing Canal Street as a gateway to the neighborhood and serve as a transition between SoHo and the taller commercial buildings south of Canal.

SoHo and NoHo Historic Cores

The historic cores are generally located east of Crosby Street and between West Broadway, Grand Street, Mercer Street, and Houston Street in SoHo, and between Great Jones Street, Bowery, Broadway, and Bleecker Street in NoHo. In SoHo, West Broadway, at approximately 74 feet wide, is the major north-south corridor; Broome Street, approximately 68 feet wide, is a major east-west corridor and truck route connecting the Holland Tunnel to the west of the Project Area with the Williamsburg Bridge to the east. In NoHo, Bond Street, at approximately 70 feet wide, is the primary east-west corridor and Lafayette Street, about 80 feet wide, is the primary north-south corridor running through the historic core. In general, the historic cores tend to lack the transit accessibility of the other subareas with the exception of the 6 subway stop at Spring Street and Lafayette Street.

These core areas consist primarily of high lot coverage, well preserved cast-iron and/or masonry loft buildings constructed during the mid- to late-19th century and are typically five to seven stories tall with FARs generally ranging between 3.0 to 6.5, but with building heights on some sites reaching 11 stories and FARs on certain blocks reaching 10.0 or more. The areas' unique character is distinguished by this building stock which existed prior to the M1-5A/B zoning districts, resulting in building bulk and envelopes that are not wholly consistent with the existing zoning but are preserved through the area's LPC-designated historic districts. Much of the core areas' streets retain their original Belgium block pavers. These areas are overwhelmingly mixed-use residential and commercial. Smaller retail uses predominate on the ground floors while most of the upper floors of the loft buildings have been converted from their original light industrial uses to JLWQA, residential, and office uses. Bars and restaurants are interspersed across the Project Area, but are more prevalent along Lafayette Street, Great Jones Street, Bond Street, and West Broadway.

4. EXISTING ZONING

The existing zoning in the Project Area consists of M1-5A and M1-5B districts that have been in place since 1971. These zoning districts were designed to address conditions unique to SoHo and NoHo, specifically to recognize the growing presence of artist live-work arrangements in former industrial lofts not zoned for residential use, while also aiming to preserve the light manufacturing and warehousing sector that, at the time, still represented an important economic base for the city. As a result, SoHo and NoHo are the only areas of the city where the M1-5A and M1-5B zoning districts are mapped. The M1-5A and M1-5B districts have been the subject of a small number of minor amendments in the 1970s and 1980s related to special uses.

In general, M1-5A and M1-5B districts follow many of the same use and bulk regulations as the standard M1-5 manufacturing district, except for certain use restrictions that apply only to SoHo and NoHo. The M1-5A zoning district is mapped exclusively in SoHo, across approximately 13 blocks along and east of West Broadway between East Houston Street and Canal Street. The M1-5B zoning district covers most of the Project Area and is mapped across 11 blocks in NoHo and approximately 32 blocks in SoHo.

Both districts permit a maximum FAR of 5.0 for commercial and manufacturing uses and 6.5 FAR for community facility uses. The maximum height of a building at the street wall is six stories or 85 feet, whichever is less; an initial setback of 20 feet (on a narrow street) or 15 feet (on a wide street) is required. Maximum building height and setbacks are controlled by a sky exposure plane (2.7:1 on a narrow street or 5.6:1 on a wide street), which may be penetrated by a tower under certain conditions. Although new industrial buildings are usually low-rise structures that fit within the sky exposure plane, commercial and community facility buildings can be constructed as towers. A 20-foot rear yard is required in most cases.

M1-5A and M1-5B districts allow a broad range of light manufacturing and commercial uses as-of-right. Residential uses in the Project Area, which are not permitted as-of-right, consist of residential lofts legalized under the Loft Law, residential units that are pre-existing non-conforming uses, or units permitted by a special permit granted by the CPC or by a variance granted by the BSA. JLWQA, a Use Group 17 manufacturing use that provides for combined live and workspace for artists with certification from DCLA, is permitted through conversion of existing floor area, however, buildings containing JLWQA units may not be enlarged as-of-right. While this zoning framework sought to balance the needs of an emerging community of artists with the City's desire to preserve its light manufacturing sector, the evolution of the neighborhoods – both economically and demographically – is no longer served by the status quo. As the artistic community has evolved to include a greater diversity of makers and creative professions, overly proscriptive rules governing residential use coupled with DCLA's narrow definition of artist have made it increasingly difficult to find housing in SoHo/NoHo for both artists and non-artists alike. Indeed, as artist certifications have declined precipitously over the years and the city further transitions to a post-industrial economy, a land use regime that

privileges a class of residents who happen to share a common occupation at the expense of neighborhood- and city-wide affordable housing policies is no longer tenable.

In addition to the prohibition on residential use, the M1-5A and M1-5B zoning impose controls on certain commercial and large entertainment uses. Introduced in 1976, these regulations were meant to preserve larger buildings and prime ground floor space for industrial purposes. Eating and drinking establishments are only permitted subject to size restrictions and other limitations. Non-commercial clubs, theaters of 100 seats or more, entertainment uses such as banquet halls are not permitted as-of-right anywhere in the building. Retail establishments of 10,000 sf or more, as in all M1 districts, are only permitted by special permit. Additionally, museums and non-commercial art galleries are subject to specific bulk and floor area restrictions and are limited to certain locations within buildings. Many of these rules were intended to protect the industrial sector of the city's economy and preserve prime spaces for such uses to operate.

The primary distinction between M1-5A and M1-5B districts relates to the location of certain uses within a building. In the M1-5B district, only uses listed in Use Groups 7, 9, 11, 16, 17A, 17B, 17C, or 17E, which exclude retail, eating and drinking, office, amusement and entertainment uses, are allowed below the floor level of the second story as-of-right. In the M1-5A district, the restrictions on the location of Use Groups 7, 9, 11, 16, 17A, 17B, 17C, or 17E do not apply to buildings occupying less than 3,600 sf of lot area. Similarly, in the M1-5B district in buildings occupying less than 3,600 sf of lot area, JLWQA may not be located below the floor level of the second story unless modified by the CPC. In the M1-5A district, but not M1-5B, the CPC may authorize a museum or non-commercial art gallery where it is not permitted as-of-right.

5. PROPOSED ACTIONS

The Proposed Actions are intended to address the significant mismatch between the five-decade old M1-5A and M1-5B zoning and the existing conditions in SoHo/NoHo, remove barriers for housing and businesses, strengthen mixed-use, support arts and culture, and promote equity and affordability. The Proposed Actions would:

- Allow a wider range of non-residential uses and remove outdated ground floor commercial use restrictions and support a healthy retail ecosystem.
- Allow residential use and apply MIH in a manner that recognizes unique conditions in historic districts and addresses practical challenges presented by SoHo and NoHo's loft building typologies.
- Respect the Project Area's status as an important hub for office, businesses and jobs and strengthen the mixed-use character of the neighborhoods by introducing non-residential floor area preservation provisions for large commercial and mixed-use buildings.

- Establish contextual building envelopes to better reflect the existing character and enhance the historic built environment while also providing design flexibility for new developments.
- Support the arts and creative industries that serve the community and the public with use allowances and the establishment of a SoHo/NoHo arts fund

To accomplish these goals, DCP is proposing zoning map and zoning text amendments that would affect approximately 56 blocks in SoHo and NoHo. The Proposed Actions include the following:

Zoning Map Amendments

The Proposed Actions would rezone an approximately 56-block area of SoHo and NoHo, replacing the existing M1-5A and M1-5B zoning districts within the Project Area with M1-5/R7X, M1-5/R9X, and M1-6/R10 zoning districts. One of the primary goals of pairing manufacturing districts with residential districts is to strengthen the mixed-use character of the neighborhoods and allow for a broad range of diverse uses, many of which are present in SoHo and NoHo today – including residential use – and are non-conforming under existing zoning. Under the proposed zoning, as of right uses would include residential uses in Use Groups 1 and 2; community facility uses in Use Groups 3 and 4 such as schools, libraries, museums, doctors' offices, and non-profit art galleries; commercial uses such as offices, theaters, restaurants, bakeries, delis, book stores, clothing stores, salons, and drug stores; and manufacturing uses such as wholesalers, theater scenery workshops, ceramic studios, and garment manufacturing, among many other common uses that contribute to thriving, mixed-use districts. The proposed zoning map amendment would also establish the Special SoHo NoHo Mixed-Use District (SNX) boundaries coextensive with the Project Area. The proposed special district would modify certain aspects of the underlying use and bulk regulations, as well as establishing special provisions for conversions, urban design, arts and culture and affordable housing. The zoning districts, as modified by the special district, are proposed to reflect differing conditions between corridors and interiors of the neighborhood, expand housing opportunities and require affordable housing, achieve the right balance among uses, establish densities commensurate with the area's central location and transit access, and facilitate appropriate building forms, good design, and pedestrian-friendly streetscape.

Proposed M1-6/R10 (Existing M1-5A & M1-5B)

The M1-6/R10 districts are proposed to be mapped along the Project Area's periphery and are generally outside of historic districts. These areas have a more highly varied character when it comes to height and bulk - parking structures and one-story taxpayers are intermingled with high-rises approaching 330 feet in height. The more generous floor area allowances proposed in these transitional areas are designed to encourage the development of new, high-density residential and mixed-use buildings and represent the greatest opportunity for the creation of permanently affordable homes under MIH.

M1-6/R10 zoning districts are proposed for approximately 13 full or partial blocks in three general areas:

- Along the west side of Bowery between Astor Place and Great Jones Street.
- Between Canal Street, Baxter Street, Grand Street, and the western side of Lafayette Street.
- Between Canal Street, West Broadway, Watts Street, and 6th Avenue.

The proposed M1-6/R10 districts, as modified by the SNX, would allow a maximum FAR of 12.0 for residential uses with MIH, a maximum FAR of 10.0 for commercial and manufacturing uses, and a maximum FAR of 6.5 for community facility uses. As described in greater detail below, the three areas mapped within M1-6/R10 zoning districts would modify the underlying base height and building height regulations to create loft-like contextual envelopes to accommodate appropriate density and support the housing objectives of the SoHo/NoHo Neighborhood Plan.

Proposed M1-5/R9X (Existing M1-5A & M1-5B)

An M1-5/R9X district is proposed to be mapped along the Project Area's wider corridors that are generally within historic districts, but where taller and bulkier buildings form the existing built character; buildings here typically range between 70 and 150 feet in height. Many of the older buildings along the heavily trafficked corridors, in particular Broadway and Lafayette Street in NoHo, are over-built pursuant to existing M1-5A and M1-5B floor area regulations - more generous floor area rules are intended to allow for new contextual development, conversions and expansions of existing buildings while also bringing older structures into compliance with zoning. Compared to the historic cores, which are mapped with M1-5/R7X districts, these corridors are generally better served by transit and therefore are better suited to receive higher density allowances than buildings along the side streets within historic districts.

An M1-5/R9X zoning district is proposed for approximately 26 full or partial blocks in two general areas:

- Along and east of Broadway the entire length of the Project Area and along Lafayette Street north of Great Jones Street.
- The north side of Canal Street between West Broadway and Lafayette Street.

The proposed M1-5/R9X districts, as modified by the SNX, would allow a maximum FAR of 9.7 for residential uses with MIH and 6.5 for community facility uses. The maximum FAR for commercial and manufacturing uses in the M1-5/R9X district north of Howard Street would be set at 6.0; the maximum FAR for commercial and manufacturing uses in the M1-5/R9X district south of Howard Street would be 5.0. Residential buildings with qualifying ground floors developed pursuant to IH would have a base height ranging between 85 and 145 feet, a setback above the street wall and a maximum building height of 205 feet.

These regulations are designed to respect and enhance Broadway's reputation as an important office cluster with a high concentration of buildings with large, flexible floorplates. The intention of these rules is to facilitate built forms that are consistent with the older, bulkier loft buildings along the major corridors which tend to have varied street wall and building heights.

Proposed M1-5/R7X (Existing M1-5A & M1-5B)

The M1-5/R7X districts are proposed to be mapped in what are typically considered to be the historic cores of SoHo and NoHo and are intended to be contextual with the prevailing built character of the smaller-scale, loft-style buildings described in more detail above, that are generally five to seven stories tall at the street wall, or approximately 60 to 100 feet. The paired mixed-use district essentially maintains the maximum FAR of the existing zoning districts while introducing residential uses and a broader range of community facility uses, which is meant to allow for renovations, conversions, and expansions of existing historic structures within a contextual bulk envelope while also encouraging new development at a scale appropriate for the mid-rise historic districts.

An M1-5/R7X zoning district is proposed for approximately 29 full or partial blocks in four general areas:

- Between Great Jones Street, Shinbone Alley, Jones Alley, Lafayette Street, and Bleecker Street.
- Between East Houston Street, Mercer Street, along and east of West Broadway, and along Grand Street.
- Between Prince Street, Lafayette Street, Broome Street, Centre Street, Grand Street, and Crosby Street.
- The southern half of the block bounded by Prince Street, Mulberry Street, Lafayette Street, and Jersey Street.

The proposed M1-5/R7X districts, as modified by the SNX, would allow a maximum FAR of 6.0 for residential uses with MIH, 5.0 for commercial and manufacturing uses, and 6.5 for community facility uses. Residential buildings with qualifying ground floors developed pursuant to MIH would have a base height ranging between 60 and 105 feet, a setback above the street wall and a maximum building height of 145 feet.

Zoning Text Amendments

DCP proposes a series of amendments to the text of the New York City Zoning Resolution to facilitate the land use objectives of the SoHo/NoHo Neighborhood Plan. The following is a summary description of the proposed text amendments.

Proposed Special SoHo/NoHo Mixed-Use District (SNX)

The proposed SNX would be mapped across the entire Project Area, encompassing approximately 56 blocks, and would modify certain underlying regulations and establish special use, bulk, height, urban design regulations, and additional parameters for future development derived from and responding to block- and neighborhood-wide characteristics in order to reflect and enhance SoHo and NoHo's unique history, building typologies, existing and anticipated mix of uses, and to support the above-specified planning goals.

Use Regulations

The proposed underlying paired districts - M1-5/R7X, M1-5/R9X, and M1-6/R10 - allow a broad range of residential, community facility, commercial, and light manufacturing uses as of right.

Joint Live-Work Quarters for Artists (JLWQA) and Arts Fund

The SNX would allow existing JLWQA to remain as a legal non-conforming use. Existing artists occupying their homes as JLWQA use would see no change under the proposed zoning. Units that legalized, or are in legalization process, under the Loft Law will also not be affected by this new provision.

The SNX would additionally provide an option to allow the conversion from Use Group 17D JLWQA to Use Group 2 residential use by requiring a onetime contribution to an Arts Fund that would be administered by DCLA or a nonprofit entity designated by the city. Such contribution would be permitted by a newly created CPC chairperson certification.

The Arts Fund would provide funding for programmatic and/or facilities-related expenses to qualifying arts-related organizations that promote the public presence of the arts. The fund would prioritize under-resourced organizations and groups in under-served areas within Lower Manhattan south of 14th Street. Based on preliminary market analysis, the proposed contribution amount would be set at $100 per square foot in the current fiscal year, increasing over time with inflation per the Consumer Price Index.

SoHo/NoHo's landscape of creating and making is intimately tied to the ability to work and create in one's own home environment. Therefore, ensuring that JLWQA continues as a permissible use protects existing artist residents and honors the critical role that pioneering artists played in shaping the neighborhoods' identity. However, the current outdated zoning and associated system of artist certification fails to account for new forms of creative expression, the changing nature of artist communities over time, or the evolving needs of the creative communities in our city. It also provides extremely limited capacity to accommodate an occupancy landscape that has evolved dramatically over the past 50 years. The proposed conversion option paired with a contribution to the arts fund will accommodate a far broader range of people and occupancies, translate an outdated occupancy requirement into benefits for arts and cultural organizations, programming and projects in SoHo/NoHo and the surrounding the Lower Manhattan Neighborhoods. The proposed SoHo/NoHo Arts Fund will sustain SoHo/NoHo's status as an important locus of creative expression.

The proposed reforms also respond to city, state, and federal fair housing laws. The notion that housing in an entire neighborhood would be reserved statutorily through zoning for people in a narrow subset of a specific profession must be considered in the context of broader concerns about housing equity. Instead of requiring housing to be occupied by a subset of the population as the current regulatory framework does, the proposal recognizes demographic and land use changes over the past five decades, considers current and future live-work trends, and is intended to be more consistent with the City's stated goal of furthering housing affordability, neighborhoods' social and economic diversity, and Fair Housing goals.

Home Occupations

In newly constructed and converted residential units, the proposed SNX includes an expanded home occupation provision. Regulations allowing home occupations to occupy a dwelling unit as an accessory use, which already apply to certain commercial and mixed-use zoning districts elsewhere in the city, would be adapted for the SoHo and NoHo's live-work tradition and modern live-work needs.

Up to 49% of the floor area of the dwelling may be used for workspace - whether for fine arts, music, film, or other media - and may employ up to three non-residents. Additionally, the definition of home occupation would be expanded to include most commercial and manufacturing uses permitted by the underlying zoning, including professional offices. As the nature of work has been disrupted by the COVID-19 pandemic, it's crucial that zoning regulations recognize live-work arrangements more inclusively, especially as many industries and sectors begin to adopt flexible work-from-home policies.

Special Uses

The Proposed Actions recognize that SoHo and NoHo are already served by wide range of retail businesses, from small, locally owned boutiques to large, international brands. In the SNX, all Use Group 10A retail and service uses, such as department stores without limitation on floor area, would be permitted as-of-right. This change is intended to reflect existing conditions, promote a diversity of both small and large businesses, implement economic recovery efforts due to COVID-19 disruptions, and support existing businesses seeking to expand and evolve beyond their current footprints. Consistent with existing zoning regulations, the SNX would require a special permit for any new hotel developments in zoning districts that permit transient hotels. Rather than require a BSA special permit, Physical Culture or Health Establishments (PCEs) of any size, as defined in the Zoning Resolution, such as gyms and licensed therapeutic massage studios, would be allowed as of right – a policy consistent with recent neighborhood-wide rezonings that recognizes the ubiquity of gyms and spas and the central role that health and fitness plays in New Yorkers' daily lives.

Location of Uses Within Buildings

To better support the mixed-use character of SoHo and NoHo and to make it easier for buildings with existing tenants to convert floor area to a different use, the SNX would introduce greater flexibility for the location of uses within the same building. For conversions within existing buildings, commercial and manufacturing uses may be located above residential uses. For new mixed developments or enlargements, dwelling units on the same story as a commercial use would be permitted, provided there is no access between them.

Non-Residential Floor Area Retention

SoHo and NoHo contain many older loft buildings with large, flexible floorplates that are well suited to offices, showrooms, ateliers, and other commercial and manufacturing uses. These large commercial buildings represent less than 10% of the overall building stock in SoHo and NoHo but contain the majority of its commercial floor area and attendant jobs and therefore have outsize importance to the neighborhoods' vibrant and diverse economic base. The SNX would introduce a mechanism to preserve the mixed-use character of the neighborhood and ensure that SoHo and NoHo retain their status as regional employment hubs. For redevelopments, enlargements, and conversions of existing buildings containing at least 60,000 square feet of floor area and in which at least 20 percent of the floor area within such building was allocated to non-residential uses, new residential floor area would be permitted only upon certification by the Chairperson of the CPC that the amount of existing non-residential floor area would be retained at a one-to-one ratio with future non-residential uses on the zoning lot. In conjunction with such certification, a restrictive declaration would be required to be executed and recorded requiring the amount of pre-existing non-residential floor area in the existing building to be maintained on the zoning lot. Non-residential uses include commercial (except hotels), community facility (except community facility uses with sleeping accommodations), warehouse, and light manufacturing (except JLWQA). Interim Multiple Dwellings, units currently undergoing residential legalization under the Loft Law, will not be subject to this requirement.

Active Ground-Floor Uses

The SNX would include supplemental ground floor use regulations in key locations to require active non-residential or commercial uses and minimum levels of transparency as well as limit curb cuts, where appropriate. Non-residential ground-floor uses (i.e., commercial space, light industrial space, arts-related space, or community facilities) would be required along key corridors. The controls are intended to foster a safe, varied, and walkable pedestrian experience along major corridors as well as help activate and sustain the mixed-use character of the neighborhood. The supplemental regulations would apply to the following corridors:

- Broadway
- Canal Street
- Lafayette Street
- Centre Street
- Houston Street

- Broome Street
- Bowery
- West Broadway
- Avenue of the Americas

Floor Area, Height, and Bulk Regulations

In order to ensure a desirable mix of residential, commercial, manufacturing, and community facility uses and facilitate appropriate building forms, the SNX would modify the floor area, height, and bulk regulations of the proposed paired districts in the following ways:

- The maximum FAR for Community Facility uses throughout the SNX would be set at 6.5, meaning that there would be no change from existing zoning.
- To reflect the status of Broadway and the northern portion of NoHo as major commercial corridors and employment hubs, in the paired M1-5/R9X zoning district north of Howard Street, the maximum FAR for commercial and manufacturing uses would be increased from 5.0 to 6.0 and non-residential uses up to two stories would be a permitted obstruction in rear yards.
- The following streets would be treated as wide streets for the purpose of applying setback and street wall regulations to better reflect their status as generously-proportioned throughfares:
    - West Broadway
    - Watts Street
    - Centre Street
    - Great Jones Street
- The SNX would apply the following special height regulations to be more consistent with the muscular, loft-like building forms common in the neighborhoods. Along major corridors that are generally within historic districts, the special height regulations of the proposed M1-5/R9X zoning districts are designed to respect the unique historic character of SoHo and NoHo. In transitional areas along the periphery of the Project Area mostly outside of historic districts, the special regulations would modify the height and bulk regulations of the typical M1-6/R10 district to allow sufficient flexibility to achieve the development and housing goals while responding to neighborhood context both within and around the Project Area.
    - In M1-5/R9X zoning districts, the minimum base height would be 85 feet and the maximum base height would be 145 feet on both narrow and wide streets.
    - In M1-5/R9X zoning districts, the maximum building height would be 205 feet on both narrow and wide streets.
    - In M1-6/R10 zoning districts, the minimum base height would be 125 feet and the maximum base height would be 155 feet on both narrow and wide streets.
    - In M1-6/R10 zoning districts, the maximum building height would be 275 feet on both narrow and wide streets.

- The SNX would modify certain yard regulations of the underlying zoning districts to reflect the high lot coverage conditions of the loft typology, help bring sufficient light and air to adjacent buildings, as well as provide appropriate relief for the many small, shallow, and oddly shaped lots that are common throughout the Project Area and for which designing efficient floorplates presents unique challenges.
    - For residential buildings on interior and corner lots, required rear yards would be reduced from 30 feet to 20 feet.
    - For shallow interior lots, the depth of a required rear yard may be reduced by six inches for each foot by which the depth of a zoning lot is less than 90 feet, not to be reduced to less than 10 feet.
    - For through lots, there would be no required rear yard equivalent for non-residential uses.
    - For though lots with residential uses, the required rear yard equivalent would be 40 feet.
    - Minimum dimensions of inner courts would be reduced.
    - Small court provisions of the underlying districts would apply.
- In order to maintain and promote an inviting and active pedestrian experience, 100% of a building's street wall would be required to be located at the street line.
- For zoning lots located within LPC-designated historic districts, the SNX would introduce special rules that would give the LPC the flexibility to modify the minimum and maximum base height regulations to match that of adjacent historic structures.

Mandatory Inclusionary Housing (MIH) Program

The Proposed Actions would amend Appendix F of the ZR to apply MIH Option 1 and Option 2 to the proposed M1-5/R7X, M1-5/R9X, and M1-6/R10 districts to require a share of new housing to be permanently affordable where significant new housing capacity would be created. As described below, the established MIH program would apply, with targeted adjustments for developments and conversions for the unique built and regulatory context in SoHo and NoHo, where idiosyncratic building types, and historic district limitations may result in atypical configurations and inadvertent incentives for underbuilding.

The MIH program would require permanently affordable housing within new residential developments, enlargements, and conversions from non-residential to residential use within the mapped MIH Areas. The program requires permanently affordable housing set-asides for all developments over 10 units or 12,500 zoning square feet within the MIH designated areas, or, as an additional option for developments between 10 and 25 units, or between 12,500 and 25,000 zoning square feet, a payment into an Affordable Housing Fund. Within the SoHo/NoHo MIH Area, MIH will apply to any residential floor area developed on a lot that permits 12,500 square feet of residential floor area on top of a non-residential ground floor, regardless of how much residential floor area is developed.

In cases of hardship, where these requirements would make development financially infeasible, developers may apply to the BSA for a special permit to reduce or modify the requirements.

Additionally, within the SNX, for conversions from non-residential to residential use in buildings that are not otherwise subject to the MIH program's affordable housing fund provisions, the BSA may permit a contribution to the affordable housing fund where strict compliance with the options for affordable housing requirement may not be feasible. In such case, the BSA must determine that the configuration of the building imposes constraints such as deep, narrow or otherwise irregular floorplates, limited opportunities to locate legally required windows, or pre-existing locations of vertical circulation or structural column systems that would create practical difficulties in reasonably configuring the required affordable floor area into a range of apartment sizes and bedroom mixes.

The MIH program includes two primary options that pair set-aside percentages with different affordability levels to reach a range of low and moderate incomes while accounting for the financial feasibility trade-off inherent between income levels and size of the affordable set-aside. Option 1 would require 25 percent of residential floor area to be for affordable homes for residents with incomes averaging 60 percent of the Area Median Income (AMI). Option 1 also includes a requirement that 10 percent of residential floor area be affordable at 40 percent AMI. Option 2 would require 30 percent of residential floor area to be for affordable for residents with incomes averaging 80 percent of AMI. For both options, no homes could be targeted to residents with incomes above 130 percent AMI.

Discretionary Approvals

Though much of the proposal provides a future as-of-right zoning framework to achieve the stated land use objectives of the rezoning, the Proposed Actions provide for two special permits that may be pursued by applicants in the future:

- Create a CPC special permit to allow hotels in the Project Area (as permitted by the underlying zoning district regulations).
- For conversions from non-residential to residential uses in existing buildings, create a BSA special permit to allow a contribution to the affordable housing fund in lieu of providing on-site affordable residential homes if the building's configuration creates practical difficulties in physically siting such affordable homes.

Additionally, as described above, the following Chair certifications would apply to the SNX:

- Create a Chairperson certification to allow for conversions of Use Group 17D JLWQA to Use Group 2 residences upon a one-time contribution to the Arts Fund.
- Create a Chairperson certification to allow for the conversion of non-residential floor area to residential floor area in large buildings containing over 60,000 square feet of floor area.

6. CONCLUSION

The SoHo/NoHo Neighborhood Plan, which the Proposed Actions seek to implement, establishes a set of planning goals that lay out a long-term vision for a balanced, coordinated approach to neighborhood planning. These goals prioritize the preservation of neighborhood character, residential growth, and expansion of job-generating commercial uses. The vision for the future of SoHo and NoHo recognizes the area's varied context and aims to meet multiple planning objectives - create opportunities for new housing, including affordable housing, better reflect existing built conditions, strengthen the mixed-use character of the neighborhoods, and celebrate the unique architectural and creative legacies of SoHo and NoHo. By allowing for new residential development and requiring affordable housing, removing unnecessary regulatory burdens for businesses, and supporting arts and cultural activities in a manner that better reflects the needs of the city's artists and creative workforce, the Proposed Actions would ensure SoHo and NoHo's continued cultural vitality, support citywide policies related to housing and equity as articulated in *Housing New York, Where We Live NYC, and PlaNYC/OneNYC,* increase access to the neighborhoods' amenities and employment opportunities, and contribute to economic recovery and resiliency efforts in the wake of the COVID-19 pandemic.

Absent approval of the Proposed Actions, the land use objectives and housing goals of the SoHo/NoHo Neighborhood Plan would not be implemented. Future development in SoHo and NoHo without the Proposed Actions would continue as it has for the past 50 years – in a piecemeal fashion according to archaic and arcane rules that create unnecessary regulatory burdens for residents, property owners, and business owners as well as unpredictable and unplanned outcomes for the greater community. Cumbersome and costly special permit and other discretionary approval processes at the CPC and BSA – the primary mechanism by which conversions and residential development have occurred – would continue to artificially depress the retail and services job market, limit opportunities for where arts and other cultural uses can locate, and further cement SoHo/NoHo's status as one of the most exclusive housing markets in the country.

The Proposed Actions seek to avoid a haphazard approach to neighborhood development and would facilitate the implementation of the SoHo/NoHo Neighborhood Plan by comprehensively updating the zoning in an approximately 56-block area to allow a wide range of residential, commercial, light industrial, and community facility uses. The existing outdated manufacturing zoning only permits a limited range of industrial and commercial uses with no new residential uses. Current zoning does not include incentives or requirements for permanently affordable housing. New development has been limited by the existing zoning's relatively low permitted densities and building envelopes that are not tailored to the historic fabric. Additionally, the restrictive use regulations of the M1-5A and M1-5B zoning districts do not support the needs of artists and cultural institutions that have made SoHo and NoHo such a vibrant and popular destination.

The Proposed Actions would support the creation of new housing and jobs in a neighborhood with superior public transit access to two major employment centers - The Financial District and Midtown Manhattan. In fact, SoHo and NoHo are important employment centers in their own right with over 50,000 private sector jobs. Crucially, SoHo and NoHo contain large amounts of

Class B and C office inventory that attract start-ups, creative firms, non-profits, and entrepreneurial businesses seeking affordable, flexible space. This mix of residential and commercial uses – in many instances within the same building – is not merely incidental to SoHo/NoHo's character but central to the neighborhoods' identity. The Proposed Actions seek to strike a balance between the city's housing and economic development goals by preserving the Project Area's largest commercial buildings and establishing comparable residential and commercial FAR allowances to enable new development and conversions to meet the demands of market conditions as they evolve over time.

To help alleviate New York City's housing crisis, provide new housing choices for a wide range of incomes and households, and to support socioeconomic integration, the Proposed Actions would create opportunities for new housing in mixed-use developments and requirements that such development include permanently affordable homes, particularly in transit-rich corridors along Canal Street, West Broadway, Lafayette Street, and Bowery.

By establishing a fund to support the arts and allowing for a diversity of live-work arrangements as of right, the Proposed Actions would further the Neighborhood Plan's goal of sustaining and promoting SoHo and NoHo as a cultural mecca and an engine of the city's creative economy. These changes would build upon the original 1971 zoning's effort to carve out a space for artists by providing support in a manner that is more equitable and benefits the broader arts and cultural community and their public audience.

As New York's economy continues to recover from the devastating effects of COVID-19, it is more important than ever that the City continue to take proactive steps to provide pathways to the creation of affordable housing and new employment opportunities. Not only do the Proposed Actions further the City's broader policy objectives related to fair housing, economic development, and sustainability, but they leverage the neighborhoods' many assets to chart a successful future for SoHo/NoHo that is fairer, more diverse, and more resilient.