## THE CITY OF NEW YORK OFFICE OF THE MAYOR NEW YORK, NY 10007

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**CONTACT:** pressoffice@cityhall.nyc.gov, (212) 788-2958

## MAYOR ADAMS UNVEILS RECOMMENDATIONS TO CONVERT UNDERUSED OFFICES INTO HOMES

Office Adaptive Reuse Task Force Builds on Adams Administration's Efforts to Revitalize Central Business Districts and Expand Housing Supply With 11 Concrete Recommendations

With Recommendations in Place Alongside Current Rules, Office Conversions Could Create Homes for as Many as 40,000 New Yorkers Over Next Decade

NEW YORK – New York City Mayor Eric Adams today unveiled recommendations from a city-led task force to facilitate the conversion of underused office space into new housing for New Yorkers. Crafted by the Office Adaptive Reuse Task Force, and led by New York City Department of City Planning (DCP) Director Dan Garodnick, the New York City Office Adaptive Reuse Study presents 11 concrete recommendations that would make changes to state laws and city zoning requirements in an effort to extend the most flexible conversion regulations to an additional 136 million square feet of office space — roughly the amount of office space in the entire city of Philadelphia. While property owners will make determinations whether to convert their buildings, with these recommendations in place and current city and state regulations, office conversions could potentially create as many as 20,000 homes in the next decade, enough to house up to 40,000 New Yorkers.

"With this study, we have a roadmap to deliver on a vision for a more vibrant, resilient, prosperous, and affordable city," said **Mayor Adams**. "The need for housing is desperate, and the opportunity offered by underused office space is clear — we know what we need to do. These concrete reforms would clear red tape and create the incentives to create the housing we need for New Yorkers at all income levels. I want to thank the members of the task force for helping to chart the course, and I look forward to working with them and our partners in city and state government to deliver these much-needed reforms."

"Enabling more offices to convert to housing will help us bring back our commercial districts while also addressing our housing supply crisis," said **Deputy Mayor for Economic and Workforce Development Maria Torres-Springer**. "The recommendations in this report will set us on the path to achieving these critical goals, and I look forward to partnering with our colleagues in Albany and the City Council to 'Get Stuff Built.""

The study outlines a path forward to deliver on goals outlined in "New' New York: Making New York Work for Everyone," an action plan released in December by Mayor Adams and New York Governor Kathy Hochul — including reimagining the city's commercial districts as vibrant 24/7 destinations, making Midtown Manhattan and other business districts more mixed-use and flexible, and expanding the city's supply of housing. It also builds on Mayor Adams' "Get Stuff Built," "City of Yes," and "Housing Our Neighbors" plans, which include significant steps to tackle the city's severe housing shortage. Increasing opportunities to repurpose underused office space for housing and other uses is critical to achieving those goals.

"After every crisis, New York City reinvents itself, which is why it is so important for our codes and regulations to stay flexible. The Office Adaptive Reuse Task Force recommendations will help us meet the moment and rise to each new challenge with a built environment that is as dynamic and diverse as New Yorkers themselves," said **Chief Housing Officer Jessica Katz**. "To solve our housing shortage, we need every tool possible. Our administration's housing blueprint, Housing Our Neighbors, calls for leveraging zoning to encourage more affordable and supportive housing citywide, helping families access new neighborhoods with amenities, jobs, and schools close by, which every New Yorker deserves."

"Our ability to remain a global leader in a rapidly evolving and changing economy will depend on our ability to adapt," said **DCP Director and City Planning Commission Chair Garodnick**. "Working closely with the City Council and our colleagues in Albany, we will build clear rules and set this city up for success."

Implementing the task force's recommendations would extend the most flexible conversion regulations to an additional 136 million square feet of office space — roughly the amount of office space in the entire city of Philadelphia. Credit: New York City Mayor's Office The Office Adaptive Reuse Task Force was convened by the Adams administration in July 2022 following Local Law 43, sponsored by New York City Councilmember Justin Brannan. The task force's recommendations include: Expanding the universe of office buildings with the most flexible regulations for conversion to residential use from buildings constructed through 1961 to those constructed through 1990 — easing the potential conversion process for an additional 120

million square feet of office space;

- Expanding flexible conversion regulations to all high-intensity office districts, including Downtown Flushing and the Bronx Hub easing the potential conversion process for an additional 16 million square feet of office space;
- Finding opportunities to allow housing, whether through conversions or new construction, in a centrally located, high-density part of Midtown that currently prohibits residential development;
- Allowing office buildings to convert to various much-needed types of housing, including supportive housing;
- Providing flexibility for offices to convert all existing space into housing, eliminating limitations that incentivize only partial conversions or make conversion projects infeasible;
- Exploring and pursuing a tax incentive program to support the production of affordable and mixed-income housing through office conversions adding to the city's affordable housing stock without deterring other private investment in conversions and housing creation; and
- Creating a property tax abatement program to incentivize retrofitting office space for child care centers, building on Mayor Adams' "<u>Accessible, Equitable, High-Quality, Affordable: A Blueprint for Child Care & Early Childhood Education in New York City.</u>"

These recommended reforms would be implemented via changes to state law and regulatory changes through a city zoning text amendment.

The task force included 12 members with a wide range of experience in architecture, development, economics, finance, law, and advocacy:

- Dan Garodnick, Director, DCP and Chair, City Planning Commission (task force chair)
- Kim Darga, Deputy Commissioner, New York City Department of Housing Preservation and Development (HPD)
- Cecilia Kushner, Chief Strategy Officer, New York City Economic Development Corporation (NYCEDC)
- Wendy Wan, Director of Architecture, New York City Department of Buildings (DOB)
- James Colgate, Partner, Bryan Cave Leighton Paisner
- Basha Gerhards, Senior Vice President of Planning, Real Estate Board of New York (REBNY)
- Denis Johnston, Executive Vice President, 32BJ SEIU
- Nicole Larusso, Senior Director of Research, CBRE
- Gary Rodney, Head of Affordable Housing, Tishman Speyer
- Wendi Shafran, Principal, FXCollaborative
- Cea Weaver, Campaign Coordinator, Housing Justice for All
- Michael Zenreich, Principal, Michael Zenreich Architects

"From designing the street grid to rebuilding after 9/11, New York City exists in a constant state of evolution and aspiration. Today, our commercial office buildings offer the opportunity to meet the changing needs of the city, including the critical need for housing," said **HPD** 

**Commissioner Adolfo Carrión Jr.** "The recommendations from the Office Adaptive Reuse Task Force aim to ensure the city's built environment keeps us thriving as a city of opportunity."

"It is essential for New York City to be adaptive to the changing needs and dynamics of New Yorkers in this post-pandemic era," said **NYCEDC President and CEO Andrew Kimball**. "The recommendations laid out in this report build off those put forth in the 'Making New York Work for Everyone' action plan to reimagine 24/7 commercial districts across New York City. These proposals are designed to aid in the transformation of single-use commercial hubs into mixed-use, live-work environments and are necessary to building a more vibrant and inclusive economy for all New Yorkers."

"Outdated regulations that no longer serve their intended purpose are a roadblock to solving some of the most intractable challenges the city is facing today," said **Acting DOB Commissioner Kazimir Vilenchik, P.E.** "The necessary changes to the New York State Multiple Dwelling Law and the city's Zoning Resolution recommended in this study will finally give property owners a pathway to convert their empty office buildings into the housing this city desperately needs. I applaud the task force on their commonsense recommendations to reduce red tape and streamline the conversion process."

"Successfully addressing our city's dire housing crisis requires creative solutions, and the Council is proud to have passed legislation to create this task force to advance important recommendations for converting underused office space into new housing," said **New York City Council Speaker Adrienne Adams**. "Our recovery from the pandemic requires employing concrete tools, flexibility, and thoughtful strategies to create homes for New Yorkers and strengthen our central commercial districts. I look forward to working with the administration and our state partners to confront the housing shortage, ensuring that New York remains an affordable place to live, work, and raise a family for all."

"When I first introduced the office conversion bill years ago, I had a simple question: Could we actually convert vacant office space into residential housing for New Yorkers? From our city's uniquely high volume of office space to pandemic conditions that made people miss rent payments and made homelessness more perilous than ever, we thought there were a number of unique factors that made the answer a likely yes," said **New York City Councilmember Justin Brannan**. "Indeed, 74 percent of New Yorkers have said they would support the conversion of current office space into housing in Midtown and Downtown Manhattan. Now that the task force has completed a report that gives us a clear roadmap forward, I can't wait to dig into it with my colleagues and chip away at longstanding citywide problems by putting vacant space to good use."

"Adaptive reuse of office space offers New York a significant opportunity to produce more housing," said **New York State Senator Brian Kavanagh, chair, Committee on Housing, Construction, and Community Development.** "I applaud Mayor Eric Adams, Chair Dan Garodnick, and the members of the task force for taking this on and coming up with a focused agenda of concrete steps we can take to advance this important goal. I look forward to reviewing the legislative proposals and working with them and my colleagues in state government to make real progress on this critical priority this session."

"I strongly support converting empty office space in my Senate district to help address New York City's housing crisis," said **New York State Senator Brad Hoylman**. "That's why I'm grateful to Mayor Adams, City Planning Commission Chair Dan Garodnick, and the Office Adaptive Reuse Task Force for proposing these reforms to help convert more than 130 million

square feet of office space to housing and help achieve the mayor's ambitious goal of building 500,000 new homes over the next decade. I look forward to supporting these efforts in Albany in the upcoming legislative session."

"Solving our city's housing crisis will require new and creative ways to create residential units, including by converting commercial space," said **Manhattan Borough President Mark Levine**. "The task force's recommendations will help unlock opportunities to turn underutilized office buildings into housing we badly need. I look forward to working with the mayor and Chair Garodnick as we find innovative ways to build more housing and create healthier, more vibrant neighborhoods across the city."

"New York needs to be able to adapt to fully recover from the pandemic and the changes it brought to our society," said **New York City Council Majority Leader Keith Powers**. "There is incredible potential in turning unused office space into ways to address our housing crisis and more. I am grateful for the recommendations of this task force and look forward to continuing to partner on our economic recovery."

"New York City is lagging other municipalities in converting office space to housing. That's why it is so important to take bold steps, right now." said **New York City Councilmember Erik Bottcher**. "Our housing shortage poses an existential crisis to New York's future. I want to thank Mayor Adams and Chair Garodnick for this forward-thinking work."

"Given the magnitude and urgency of our city's housing crisis, we need to look for the winwins," said **Manny Pastreich**, **president**, **32BJ SEIU**. "The moment demands bold proposals like the conversion of offices to residential units, coupled with ensuring that such a policy include good-paying jobs so New Yorkers can afford to live in the city. We can't hope to overcome this challenge if we leave anything off the table. We must ensure that working New Yorkers — that form the backbone of this great city — can continue live and thrive here in the city."

"This report outlines the necessary regulatory changes and the importance of a financial incentive to strengthen the office market and create an opportunity for new housing, including below market-rate units," said **Basha Gerhards, senior vice president of planning, REBNY**. "Once implemented, these policy changes will add to the suite of solutions needed to reinvigorate our city and produce much-needed new housing supply. We applaud the Adams administration for convening a task force on this important issue and are grateful for the opportunity to participate."

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