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REAL ESTATE WEEKLY

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Board has its eye on the roads

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THE REAL ESTATE BOARD OF NEW YORK

REBNY continues to follow the progress and potential impact of changing the traffic pattern on the full stretch of 34th Street.

The proposed project, known as the 34th Street Transitway, was discussed at a recent REBNY meeting.

Several questions were raised about the design and traffic flow, traffic analysis, curb regulation and parking, enforcement, outreach and implementation and transit impact.

Our members in the vicinity of the proposed project are concerned about the potential impact on the retail establishments along this major corridor and what the residual impact will be on the other side streets with traffic diverted from 34th Street.

The intent of the plan is to create more space for pedestrians and to speed up bus trips on the street's cross-town routes.

Vehicles will be banned entirely on the block between Fifth Avenue and Avenue of the Americas, creating a pedestrian plaza bookended by the Empire State Building and Herald Square.

The plan calls for the balance of the street to be split in two. On the west side, all car



traffic would flow west, toward the Hudson River. On the east side, all car traffic would move east toward the East River.

Buses would be able to travel in both directions and through the plaza, but in lanes separated from passenger cars by a barrier.

The Transportation Department first proposed the plan in 2008. The final design of the plaza and traffic changes is expected in fall 2011, with the street ready for use by the end of 2012. The redesign is expected to cost a minimum of \$30 million.

We will continue to evaluate the proposal based on the feedback of our members and provide input as the plan continues to develop.

Loft Law Passes

Governor David Paterson recently signed

into law a measure that made the loft law permanent and extended to a new set of buildings.

The measure legalizes the unlawful residential use in loft buildings, primarily occurring in loft buildings in manufacturing districts outside of Manhattan.

The law requires that these buildings, now classified as interim multiple dwellings (IMD), meet the fire safety and other code requirements for legal residential occupancy, and obtain a revised certificate of occupancy that allows residential use in the building. The IMDs are under the Loft Board's jurisdiction.

Loft-living started popping up in under-used manufacturing space in the city decades ago. The space was empty, so people started to illegally upgrade the space. Often the tenants would do the work needed to make the space habitable.

Generally speaking, a building that meets the following criteria is subject to the original Loft Law: The building possesses no residential certificate of occupancy pursuant to §301 of the Multiple Dwelling Law; If the building was used in the past for manufacturing, commercial or warehousing purposes; and if there were residential tenants in the building in the 20-month period between April 1, 1980, and December 1, 1981 (the "statutory

window period").

The extension adds another window — 12 months between Jan. 1, 2008 and Dec. 31, 2009.

As of June, 2010, there are 302 IMD buildings under the jurisdiction of the Loft Board. This new law will likely bring in many more as owners register in the coming months.

In order to receive a building permit, the IMD owner must receive a certification from the Loft Board that it has completed the "Narrative Statement Process" in which the tenant acknowledges that the legalization plans would not unreasonably interfere with the tenant's use of his loft unit.

As a result of objections from the Bloomberg Administration, 13 of the city's Industrial Business Zones (IBZ) will be excluded from the law.

However, the unlawful residential use in industrial loft buildings in the city's three largest IBZs — Greenpoint-Williamsburg, North Brooklyn and Maspeth — will be legalized and those owners required to legalize their IMD building for residential occupancy.

The amendments that the Governor, the Legislature and the Mayor agreed to will be included in a chapter amendment to this law.