

# The New York Times

February 15, 2019

<https://www.nytimes.com/2019/02/15/realestate/wanted-the-oddest-lots.html>

## Wanted: The Oddest Lots

***Faced with high land prices, developers are reconsidering weirdly shaped lots passed over for years. But how long will these cheap sites stay that way?***

**By Stefanos Chen**

Developers like to quote Mark Twain: “Buy land. They’re not making any more.”

A fair point, although Twain probably never said it. Advertisers popularized the slogan in the early 1900s, according to the Center for Mark Twain Studies. Another quibble: There is plenty of land that hardly anyone wants.

In New York, one of the most expensive cities for new development, there are acres of vacant land on irregular lots considered too narrow, too shallow or too onerous to build on. Like the offal left after the prime cuts of meat, they are the odds and ends that take the most skill to manipulate.

But with land prices near all-time highs, developers and nonprofit housing groups are giving the leftovers another look. In some cases, building on odd lots can mean a rare chance to get into high-demand neighborhoods. In others, the lots can represent a relatively inexpensive way to build below-market-rate housing. The city has long grappled with how to deal with vacant public land that comes into its possession — often through unpaid taxes — even as the need for affordable housing has grown.

Several of the projects that have been built on these odd lots have been very inventive, and might even lead to better land-use and zoning policy. Still, some fear that developers are most inclined to build unaffordable apartments, when alternatives, like public gardens, could be more beneficial to the surrounding area. There is also concern that when the cheap cuts get trendy, they won’t stay cheap for long. Just look at the price of oxtail lately.

Across the five boroughs, there are roughly 10,516 acres of vacant land with residential zoning, according to a public records analysis by [Localize.city](#), a real-estate data website. That represents just 6.7 percent of the land in the city, said Israel Schwartz, a data scientist with the company, and only a fraction of it can realistically be used for development, because of site access, difficult land conditions and zoning requirements.

City agencies own about 1,015 acres of vacant land in the five boroughs, according to Living Lots NYC, a data tool created by the nonprofit organization 596 Acres.

Some lots, too narrow even to stand on, are the result of mapping quirks, while others are remnants of adjacent land sales. Many privately owned lots have other obstacles, including persnickety landowners, tax liens or other hurdles that limit potential building.

For many developers, searching for missed opportunities is becoming the norm — as is learning how to build on trapezoidal, rocky or remote parcels.

“We’re considering sites that, 10 years ago, we wouldn’t even have looked at,” said Martin Dunn, the president of Dunn Development Corp., a company that specializes in affordable and supportive housing.

The site of an 80-unit rental building in the Norwood section of the Bronx that is nearing completion was selected in part because market-rate developers had avoided it. The roughly half-acre property, on a bluff overlooking the New York Botanical Garden, has a massive rock outcropping in the rear that many assumed would cost too much to excavate. The company bought the site from a private owner for about \$45 a square foot in 2016, Mr. Dunn said, when nearby lots were selling for closer to \$60 a square foot.

Thanks to a clever design by SLCE Architects, the seven-story project was built above and around the 21-foot-tall outcropping, so that most of the building begins on the second floor and minimal stone removal was needed. “Basically, the cliff is inside the building,” Mr. Dunn said, similar to how old homes sometimes have bedrock in the cellar.

The lower cost of the land, coupled with state subsidies, allowed the developer to build a mix of below-market-rate apartments, most of which were reserved for renters making between \$27,000 and \$73,000 a year. There are also 12 units for adults with intellectual or developmental disabilities. Rent starts at \$736 a month for one-bedrooms, \$890 for two-bedrooms and \$1,022 for three-bedrooms.

Now the company is facing more competition from market-rate developers, Mr. Dunn said, in once-ignored areas like the South Bronx. “They’re looking for opportunities after being priced out of other neighborhoods,” he said, and driving up land costs in the process.

Despite a recent slowdown in residential sales, land prices remain stubbornly high. In Manhattan, south of 110th Street, buyers spent an average of \$691 a square foot for buildable land in 2018, the highest price since at least 2014, when the average was \$602 a square foot, said Michael A. Tortorici, an executive vice president with Ariel Property Advisors. But there were only 75 development site sales in the area in 2018, half as many as in 2014, Mr. Tortorici said, suggesting that developers are becoming more price-sensitive and looking beyond their core markets.

Since 2009, Mr. Tortorici said, land prices in the Bronx have grown by an average of 15 percent a year, the biggest increase in the city, followed by prices in northern Manhattan (14 percent), Brooklyn (13 percent), Queens (8 percent) and Manhattan (6 percent). The data did not include Staten Island.

“The market-rate guys are now knocking on the door of the affordable sector,” said Guido Subotovsky, the founder and president of Azimuth Development Group, and the pileup is pushing builders to consider more unusual lots.

On the margins of East 60th Street in Manhattan, where the Queensboro Bridge and the Roosevelt Island Tramway cross the East River, Azimuth recently completed a 21-unit affordable rental building on a crescent-shaped site that was previously a parking lot.

The roughly 3,750-square-foot lot, which curves along a ramp to the bridge, near a bundle of cables for the elevated tram, has just eight feet of frontage on East 60th Street. Because the site is so close to transit infrastructure, a crane could not be used. Instead, the developer parked a cement truck on a nearby sidewalk and poured concrete through an eight-inch hose, completing a floor every 10 days, until the eight-story, 25,000-square-foot structure was completed. The process took about as long as steel-frame construction, Mr. Subotovsky said, but cost about 20 percent more.

Even with the added costs, the land was a bargain: They bought the site in 2015 for about \$400 a buildable square foot, when nearby lots were asking between \$500 to \$750 a square foot, he said.

Those savings were, in part, passed on to tenants. The units were reserved for renters making about \$45,000 to \$72,500 a year, with two-bedrooms leasing for \$1,511 a month. The median rent for a market-rate two-bedroom in Manhattan was \$4,348 in December, according to the real estate brokerage Douglas Elliman.

That isn't lost on Ramon and Maria Joaquin, who qualified to live in the building through the affordable housing lottery. Mr. Joaquin, who works as a cleaner, moved into a two-bedroom apartment on the fifth floor with his wife, Maria, a maintenance worker for a newspaper, and their daughter last May.

The location may not be ideal, he said, but the apartment is new, and the curved living room — rounded to conform to the crescent lot — has an unusual view: Roosevelt Island trams, filled with commuters, glide by the windows. “We’ve been posting pictures on Facebook,” he said.

Designers are also noticing a shift in new projects. “All the easy lots are built on,” said Ariel Aufgang, the principal of Aufgang Architects, in Suffern, N.Y., which designed the East 60th Street mid-rise. “So from here on out, it’s the challenging ones.”

In the Mott Haven section of the South Bronx, the firm designed a 91-unit luxury rental building on a pentagonal lot so narrow on one side that the back of the building seems to disappear. Think of the triangular Flatiron Building in Manhattan, but with more zoning requirements.

Called Bridgeline, the 12-story structure was built on a 13,650-square-foot site left over from a larger land purchase several years earlier, said Joshua Weissman, the president of JCAL

Development, one of the developers. The site's unusual shape is thanks to an elevated train track that once crossed the swooping lot. Wedged between commercial buildings and a parking lot, the site had no sewer, gas, water or electrical infrastructure when the developers bought it in 2015.

But it had perks: There are expansive views of Manhattan and the Harlem River; the site is a short walk to the subway; and because of a tax-abatement program to encourage building in the area, the developer's costs were partially mitigated. The lot was not bought at a discount, but the company, which has built several affordable projects in the area, believed the area was growing rapidly.

The building's shape had a clear influence on some of the units, which range in price from \$1,695 a month for a studio to \$3,950 for the choicest two-bedroom. About a third of the units are leased, said Jillian Faulls, the leasing agent with Citi Habitats. But they have not yet marketed the most unusual one-bedrooms near the top of the building, which come to a sharp point on one side and follow the contours of the building.

A 9th-floor one-bedroom, expected to list for \$3,400 a month, has 890 square feet of interior space and an almost 1,500-square-foot wraparound terrace, because of the arrowhead layout. Every apartment has a washer and dryer, and floor-to-ceiling glass brings light and air into the units — including a compact 458-square-foot studio with a tapered layout, for \$1,800 a month.

The city, too, is contending with vacant land use issues, and not always on the scale of large developments. In early 2018, the City Council passed [Local Law 29](#), which will require a citywide survey of vacant residential buildings and lots, not including flood zones, to be released sometime in 2021.

And this month, the Department of Housing Preservation and Development announced a [design competition](#) for ideas on how to create affordable housing on 23 small, publicly owned lots in the five boroughs, many in quickly gentrifying neighborhoods. One of the goals is to learn how to build housing on other difficult lots in the city, public and private.

“We need to be turning over every rock in the city,” said A.J. Pires, the president of Alloy Development and one of nine jurors who will judge proposals based on design and feasibility. Some of the lots are only 13 feet wide and 1,008 square feet, whereas the smallest sites the department usually works with are 25 feet wide and 2,500 square feet. The department expects proposals for two- and three-family homes, but is open to other ideas, including co-living and micro-units, a spokesman said.

Some would rather see those lots converted into public space. “Of course we need more housing, particularly affordable housing,” said Deborah Marton, the executive director of the New York Restoration Project, a nonprofit green-space conservancy started by the singer and actor Bette Midler. But the group would rather convert some of the lots into gardens or parks that serve more people, especially in lower-income neighborhoods where green spaces are lacking.

The contest is open to designers around the world, and has attracted the attention of some architects who are all too familiar with difficult urban infill.

“We’re going to take a look at it,” said Brian Phillips, the principal at ISA, a Philadelphia-based firm that designed XS House, a seven-unit, four-story apartment building squeezed into an 11-by-93-foot lot on the edge of the city’s Chinatown.

“A bunch of people sent it to me,” said Jonathan Tate, the principal of OJT in New Orleans, of the competition. His firm gained acclaim for designing an affordable single-family home on a 16-by-55-foot lot.

Word also reached Jakub Szczesny, the principal of SZCZ in Warsaw, who designed one of the narrowest homes in the world there. [Keret House](#), officially an art installation completed in 2012, houses traveling artists in residence. The building is about five feet wide, with 150 square feet of interior space.

Mr. Szczesny, who previously lived in New York, said he is entering the competition with reservations. His Keret House project, never intended to be a model for affordable housing, busted its budget of 150,000 złoty (or about \$40,000) twice over, as zoning quirks and site problems raised costs. He wonders how the competition will translate ideas into bricks and mortar.

And what if the contest is a success? Well, that is also worrisome.

“The moment we say that even crazy, abnormal lots are able to sell, possibly for a lot of money,” he said, “you won’t be able to buy a shoebox anywhere in the five boroughs.”