

THE HARLEM HANGOUT

210 West 145th Street
Pre-Development Analysis: Final Assignment

Agnes Cheung (UNI: cc4416)

Project Vision

The Harlem Hangout is envisioned to be the new hangout spot in Central Harlem. The project will be a mixed-use development providing the neighborhood and the surrounding area with public space, diverse retail, community facilities, and housing.

Central Harlem is a historically significant neighborhood in New York, that has experienced great development changes over the years. As the area is now concentrated with mostly residential buildings, the neighborhood lacks a destination for leisure and diverse retail. The project proposes three ways of addressing community needs:

GATHER

Harlem Hangout as a place for family and friends to hang out and have a good time. The project will have a variety of public space and commercial activities that is suitable for all to enjoy.

DISCOVER

Harlem Hangout as a place to discover the old and the new of Central Harlem. While Central Harlem provides a richly-textured cultural backdrop, Harlem Hangout aims to provide a platform for people to discover new local creators and businesses in the neighborhood.

CREATE

Harlem Hangout as a place to create a sense of community. The integration of public uses, community facilities into a residential development help build a strong community within users in the building.



GATHER

DISCOVER

CREATE

Project Proposal

The mixed-use development Harlem Hangout will include:

Micro apartments: 40 microstudios (330 SF), 10 2-Bedroom (550 SF)

Resident amenities: Second floor community green space (3,200 SF), Residents' amenities (Fitness room, laundry room) (1,600 SF)

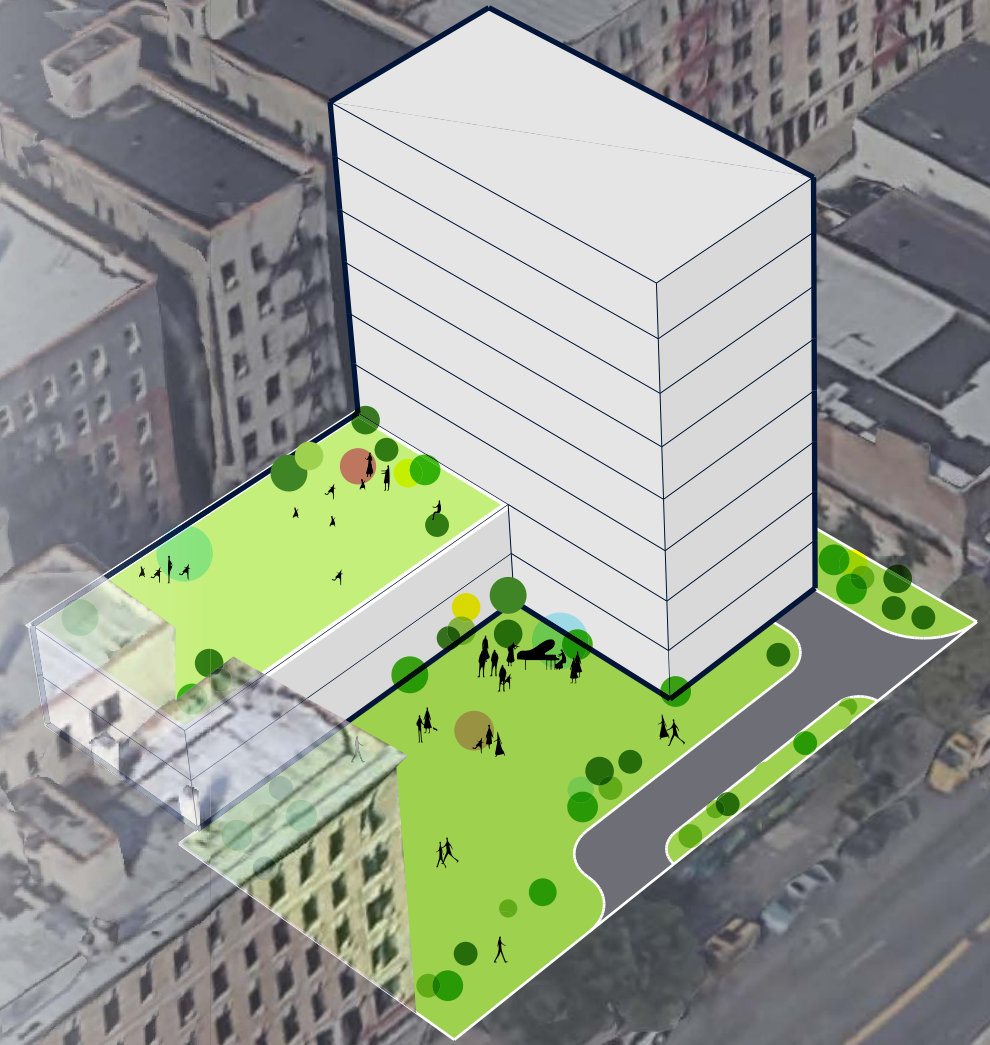
Ground floor retail: Food Hall + Creative Makers Market (6,400 SF)

Community Facility: Daycare, Youth education center (4,800 SF)

Urban Plaza with bike storage and loading zone (5,400 SF +)

Harlem Hangout's ground floor is envisioned to be a lively community space, featuring an urban plaza and ground floor retail. The food hall and creative makers market targets not only local residents who are looking for a more diverse retail mix, but also attracts visitors from outside the neighborhood via the accessible public transportation. The retail further serves as a platform to provide affordable retail space for small local businesses in the neighborhood.

The residential units fit the demographic of the neighborhood, of which the population is relatively young; more than half of the population live in nonfamily households and commute to work. The target tenants are the relatively young populations who are looking to live in a neighborhood with lower rents and accessible transportation to other parts of New York. The micro apartment design fits today's younger tenants who are frequently moving around the city. There are also 2B units available for families, who can enjoy a sense of community via community facilities in the project, such as daycare and youth education center.



Stacking Plan

GROUND FLOOR

Public Plaza 5,400 SF +
 - Bike Storage
 - Loading Zone

Retail
 - Food Hall 3,200 SF
 - Creative Makers Market 3,200 SF

1ST FLOOR

Community Facilities
 - Daycare 2,400 SF
 - Youth Education Center 2,400 SF

Residents' Amenities
 - Fitness room 1,600 SF
 - Laundry room 200 SF

2ND FLOOR OPEN SPACE

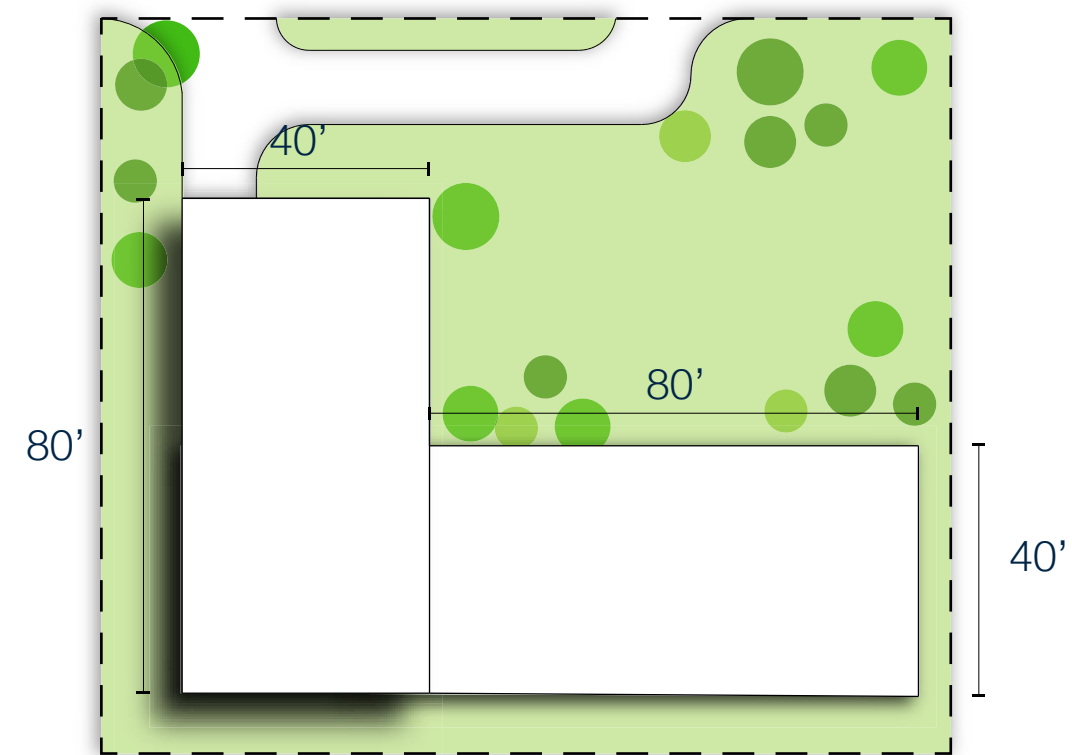
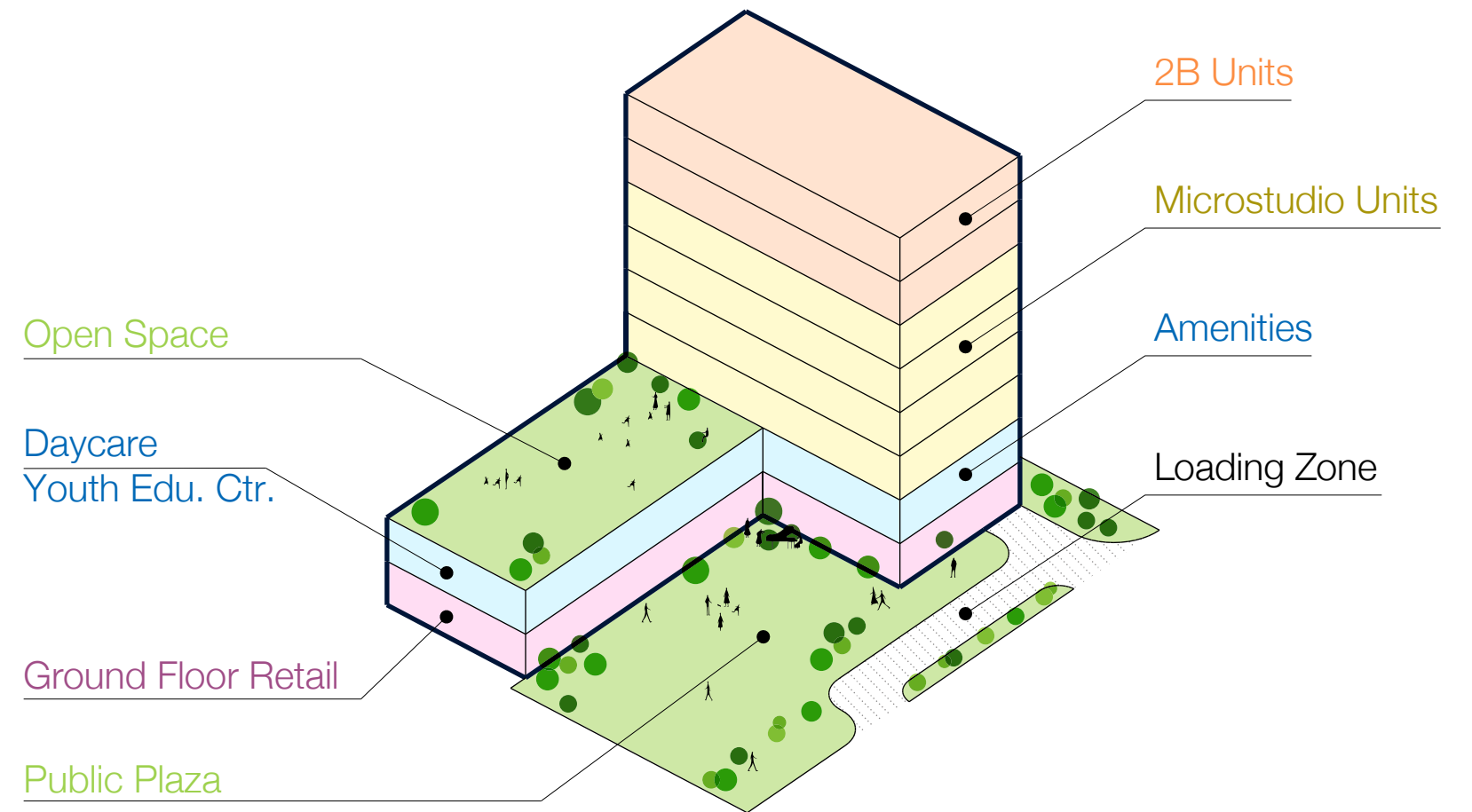
Community Garden 3,200 SF

2ND - 5TH FLOOR

Residential Units
 - Microstudios (330 SF, 10 units / floor)

6TH - 7TH FLOOR

Residential Units
 - 2B Units (550SF, 6 units / floor)



Precedent - Residential

CARMEL PLACE, 335 E 27th Street, Kips Bay, Manhattan, NY

- Pre-fabricated units
- Micro-living/ micro apartments

Designed by nARCHITECTS

Client: Monadnock Development, NYC Department of Housing Preservation and Development

Status: Completed in 2016

Sq Footage: 35,000sf

Program: Manhattan's first micro unit apartment building, with 55 micro-unit apartments, shared amenities, and retail

Environmental: LEED Silver target

Now operated by coliving company Ollie, Carmel Place features 55 microstudio apartment, ranging from 260 - 360 SF. The design aims to balance small apartment size with an ample provision of social amenities, such as fitness center, game room, community room with rooftop terrace.

The unique design and pre-fabrication construction method, Carmel place has received AIA Award for Architecture and ULI New York Award for Excellence in Housing Development.

Ollie now charges a monthly rent of \$2,775 for the units.

Source: Carmel Place, nARCHITECTS, <https://narchitects.com/work/carmel-place/>
Ollie at Carmel Place, Ollie, <https://ollie.co/property/ollie-at-carmel-place/>



TYPE A (30 UNITS)
302 SF (VARIES)



TYPE B (6 UNITS)
355 SF



TYPE C (6 UNITS)
302 SF

Precedent - Retail



Chelsea Market, New York

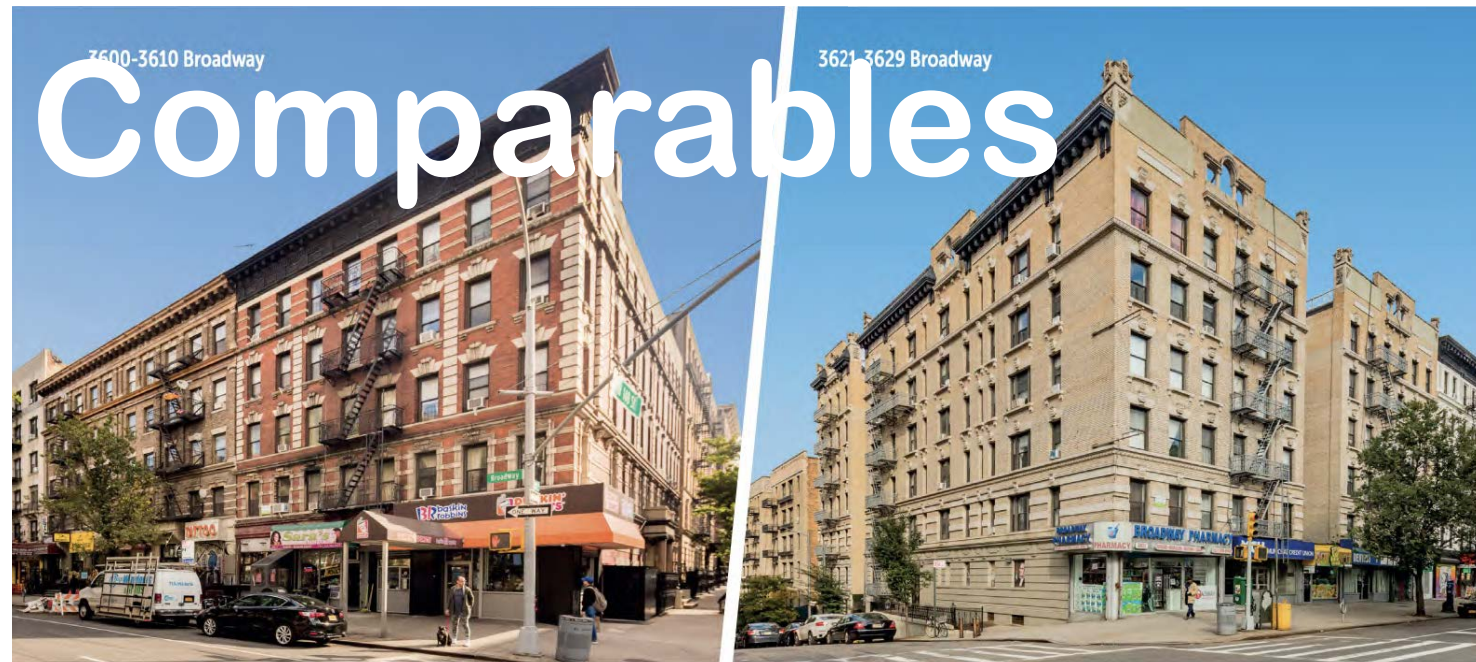
- Food and retail marketplace
- "Artist & Flea" providing subdivided retail space for small creative business



Grand Central Market, Los Angeles

- Food hall and fresh groceries

Comparables



102 Total Units (Including Storage) | **82** Residential Units | **20** Commercial/Storage Units | **115,514** Combined Gross SF | **\$3,728,398** Gross Income | **HAMILTON HEIGHTS** Location

PROPERTY INFORMATION

ADDRESS	3600-3610 BROADWAY	3621-3629 BROADWAY	TOTAL
Location	Northeast corner of Broadway and West 148th Street	Northwest corner of Broadway and West 149th Street	
Block / Lot	2080 / 1, 3, 62	2096 / 26	
Walk-up / Elevator	Walk-up	Elevator	
Stories	5	6	
Residential Units	36	46	82
Commercial/Storage Units	11	9	20
Total Number of Units	47	55	102
Zoning	R8 / C1-4	R8 / C1-4	
FAR	720	720	
Lot Dimensions	124.92' x 100'	99.92' x 160'	
Lot Size Area (Approx.)	12,492	15,987	28,479
Building Dimensions (Irr., Approx)	124.92' x 89'	99.92' x 148'	
Existing SF (Approx.)	50,464	65,050	115,514
Buildable SF	89,942	115,106	205,049
Air Rights	39,478	50,056	89,535
Assesment (20/21)	\$2,399,390	\$4,209,570	\$6,608,960
Real Estate Taxes (20/21)	\$299,276	\$525,060	\$824,336

CURRENT ROLL

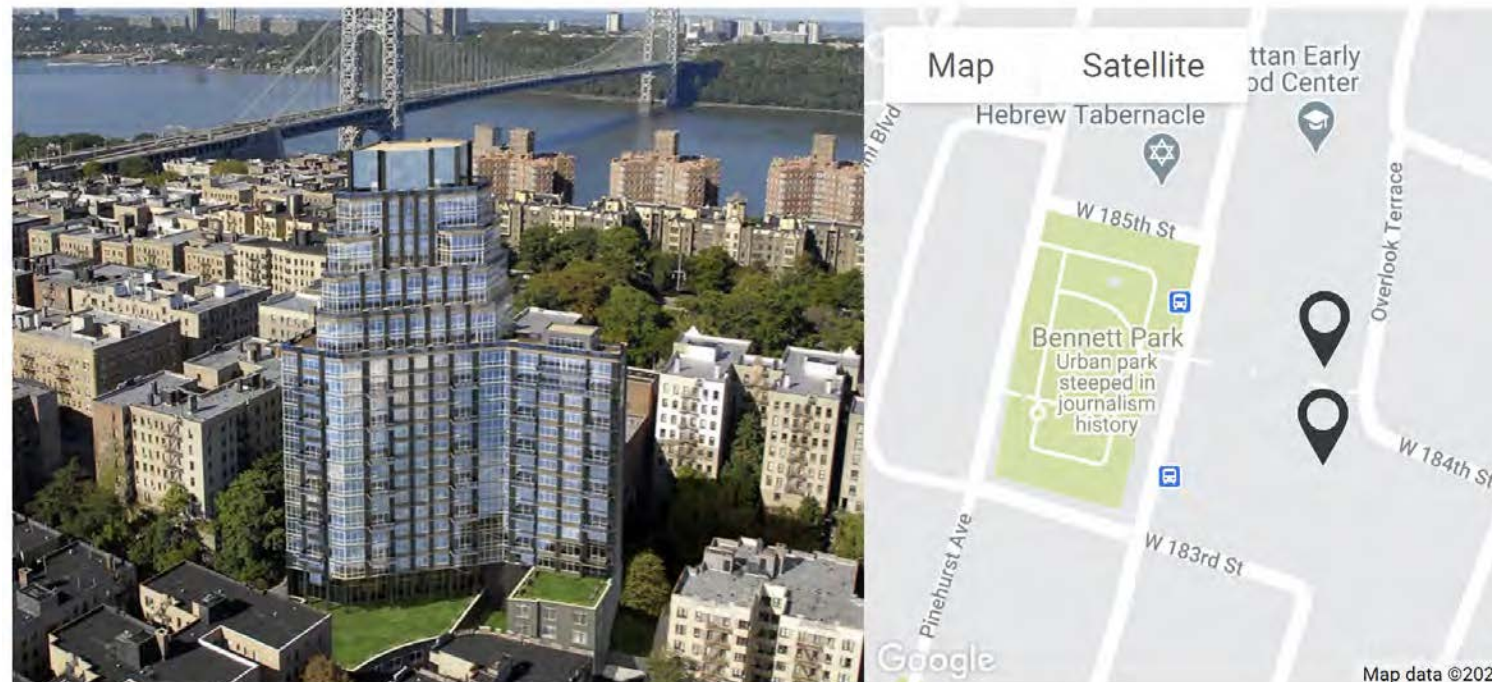
ADDRESS	3600-3610 BROADWAY	3621-3629 BROADWAY	TOTAL
Scheduled Gross Income:	\$1,658,361	\$2,185,348	\$3,843,709
Less Vacancy Rate Reserve (3.00%):	(\$49,751)	(\$65,560)	(\$115,311)
Gross Operating Income:	\$1,608,610	\$2,119,787	\$3,728,398
Less Expenses:	(\$553,611)	(\$769,199)	(\$1,322,810)
Net Operating Income:	\$1,054,999	\$1,350,589	\$2,405,588
			34% of SGI
			5.66% Cap Rate

EXPENSES (ESTIMATED)

ADDRESS	3600-3610 BROADWAY	3621-3629 BROADWAY	TOTAL
Real Estate Taxes (20/21)	\$299,276	\$525,060	\$824,336
Tax Reimbursements	(\$70,430)	(\$106,311)	(\$176,741)
Water & Sewer	\$64,800	\$75,200	\$140,000
Insurance	\$41,400	\$44,650	\$86,050
Fuel	\$55,510	\$78,060	\$133,570
Gas & Electric	\$20,186	\$13,010	\$33,196
Payroll	\$50,400	\$14,100	\$64,500
Repairs, Cleaning & Maintenance	\$23,400	\$30,550	\$53,950
Elevator Maintenance	-	\$5,000	\$5,000
Legal/Miscellaneous	\$17,267	\$22,470	\$39,737
Management	\$51,802	\$67,410	\$119,212
GROSS OPERATING EXPENSES	\$553,611	\$769,199	\$1,322,810

One Bennett Park - 29 Overlook Terrace

Washington Heights, Northern Manhattan



Source: Ariel Property Advisors

Feasibility Analysis

Development Budget		PSF	Area (SF)	Totalr
Hard Costs (Retail)	\$	320.00	12800	\$ 4,096,000.00
Hard Costs (Multifamily)	\$	260.00	22400	\$ 5,824,000.00
Soft Costs	30% of Hard Costs			\$ 2,976,000.00
Contingency	10% of Hard+Soft Costs			\$ 1,289,600.00
Total				\$ 14,185,600.00

1-Year Pro Forma	Units	Rent/Unit	Monthly Rent	Total Rent
Retails	12160.00	\$ 137.00	\$	\$ 1,665,920.00
Studio (affordable)	15	\$ 1,200.00	\$ 18,000.00	\$ 216,000.00
Studio	25	\$ 1,900.00	\$ 47,500.00	\$ 570,000.00
2B (Affordable)	*	\$ 1,600.00	\$ 4,800.00	\$ 57,600.00
2B	7	\$ 3,542.00	\$ 24,794.00	\$ 297,528.00
Potential Gross Income				\$ 2,807,048.00
Vacancy Rate	5%			\$ 140,352.40
Effective Gross Income				\$ 2,666,695.60
Operating Expenses	40%			\$ 1,066,678.24
Cash Flow Before Tax				\$ 1,600,017.36

Value of Building **\$ 32,064,476.15**
 Cap Rate (N. Manhattan) 4.99%

Site Overview

210 W 145th Street is a vacant lot between Adam Clayton Powell and Frederick Douglass Boulevards in Central Harlem, Manhattan Borough of New York City. The site is located in a primarily residential neighborhood, with convenient access to a wide range of amenities such as green open space, churches, and grocery stores.

The site has a convenient access to public transportation, where passengers can reach lower Manhattan via Metro. The 145th Street Bridge also directly connects the site to the Bronx, where shopping malls and other entertainment can be found.

Opportunities and Constraints

The ground floor could be a main focal point of the project:

- Abundance of light and air due to relatively low-height buildings and wide street. Public space could be extended from sidewalk to site.
- Lack of similar place in the neighborhood.

Ground floor retail could be profitable

- Providing affordable retail space for small businesses and creators
- Good walkability and accessible public transportation will help bring foot traffic and customers to retail
- Currently the site lacks active ground floor retail. Low foot traffic.

Demographic

- The neighborhood is attractive to younger population with lower rents and convenient access to Metro system.



Manhattan Community District 10

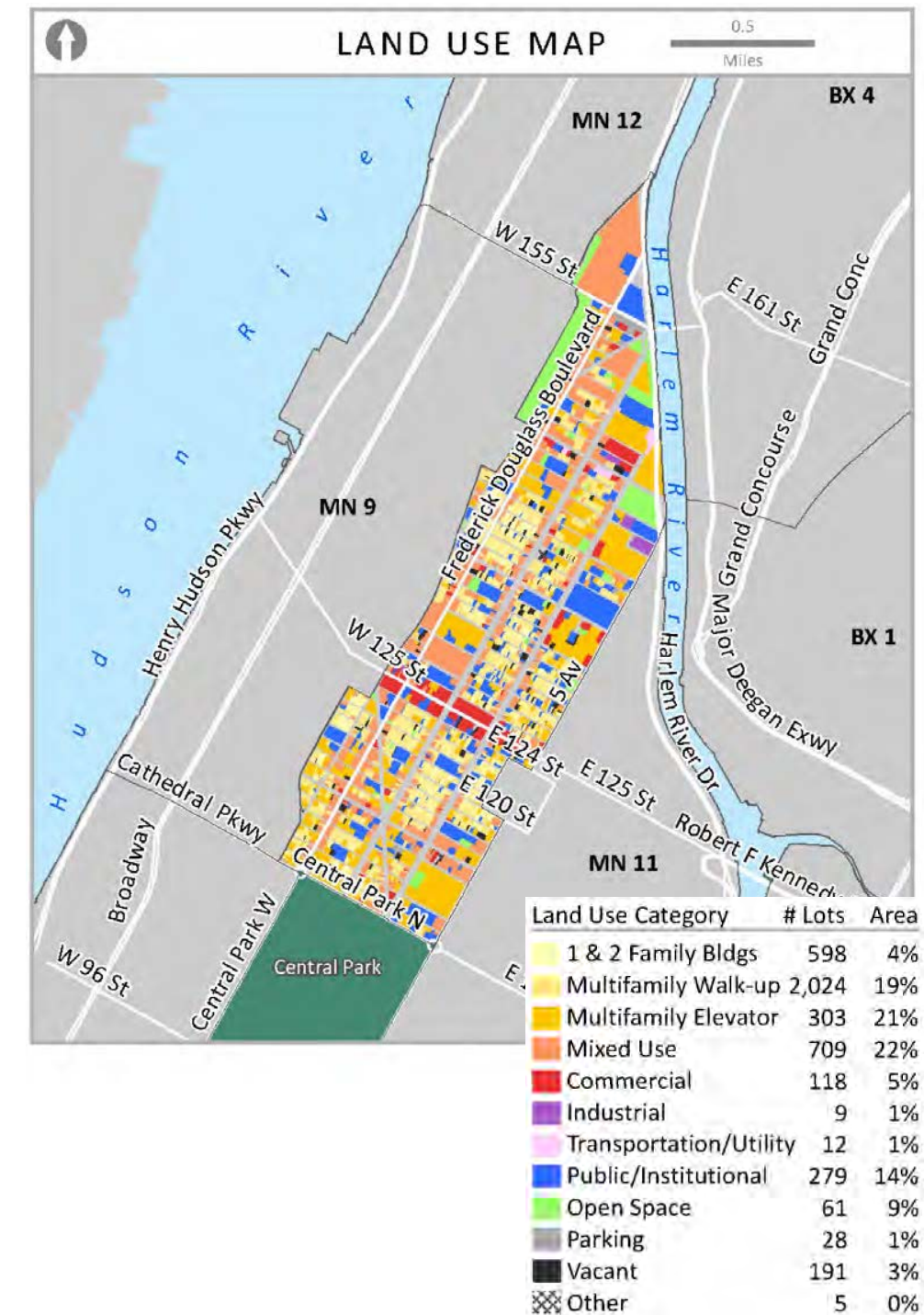
The site is located in Manhattan Community District 10, which encompasses Central Harlem neighborhoods. The boundary district is defined by Harlem River on the north, Central Park to the south, Fordham Cliffs to the west, and Fifth Avenue to the east.

The most prominent land use in the district is multifamily (40%), mixed use (22%), and public/institution(22%)

According to NYC Planning, these are the top 3 pressing issues of the community in 2019:

1. **Affordable Housing:** More housing needed for extremely low and low income households.
2. **Commercial Development:** Lack of affordable commercial retail spaces; Imbalanced retail mix residents looking for more variety in small retails and retail types.
3. **Trash removal and cleanliness**

Other community concerns: Needs for youth education, water/sewer management, traffic safety



40%
Rent Burden

99%
Access to Parks

37 minutes
Commute to Work

6.9%
Unemployment

20%
Poverty Rate

Source: Statements of Community - District Needs and Community Board Budget Requests Fiscal Year 2021: Manhattan Community District 10, NYC Planning, February 2020

Zoning

210 West 145th St.
 Manhattan (Borough 1) | Block 2030 | Lot 38

12,490 SF
 Lot Size

99' x 125'
 Lot Dimension

R7-2, C2-4
 Zoning Districts

65%
 Max. Lot Coverage

4.00 / 49,960 SF
 Residential FAR / ZFA

80'
 Max. Building Height

2.00 / 24,980 SF
 Commercial FAR / ZFA

Transit Zone
 FRESH Incentive
 Available Zoning Incentives



LOT 5: 8,207 SF underbuilt	LOT 57: 40,216 SF underbuilt		LOT 54: 29,976 SF underbuilt	LOT 50: 43,564 SF underbuilt	LOT 45: 39,968 SF underbuilt	LOT 44: 4,442 SF underbuilt	LOT 43: 15,988 SF underbuilt	SITE LOT 38	LOT 36: 336 SF underbuilt
LOT 4: 3,570 SF underbuilt									LOT 34: 3,356 SF underbuilt
LOT 3: 2,056 SF underbuilt									LOT 33: 3,361 SF underbuilt
LOT 2: 2,056 SF underbuilt	LOT 7: 4,542 SF overbuilt	LOT 8: 2,516 SF overbuilt	LOT 10: 12,595 SF overbuilt		LOT 17: 7,154 SF overbuilt	LOT 21: 7,064 SF overbuilt	LOT 25: 1,880 SF overbuilt	LOT 26: 1,880 SF overbuilt	LOT 31: 3,356 SF underbuilt
LOT 1: 1,573 SF overbuilt								LOT 27: 4,492 SF overbuilt	LOT 29: 1,058 SF overbuilt

Estimated Available Air Rights on Block 2030

Source: ZoLa New York City's Zoning & Land Use Map, NYC Planning, zola.planning.nyc.gov

Incentive Programs

Inclusionary Housing Program

provides extra ZFA in exchange for developing affordable housing predominantly for low-income households

Transit Zones

Lower accessory parking requirements apply for various types of affordable housing including income-restricted housing units

This incentive can help reducing construction and management costs of parking structure

FRESH Zone

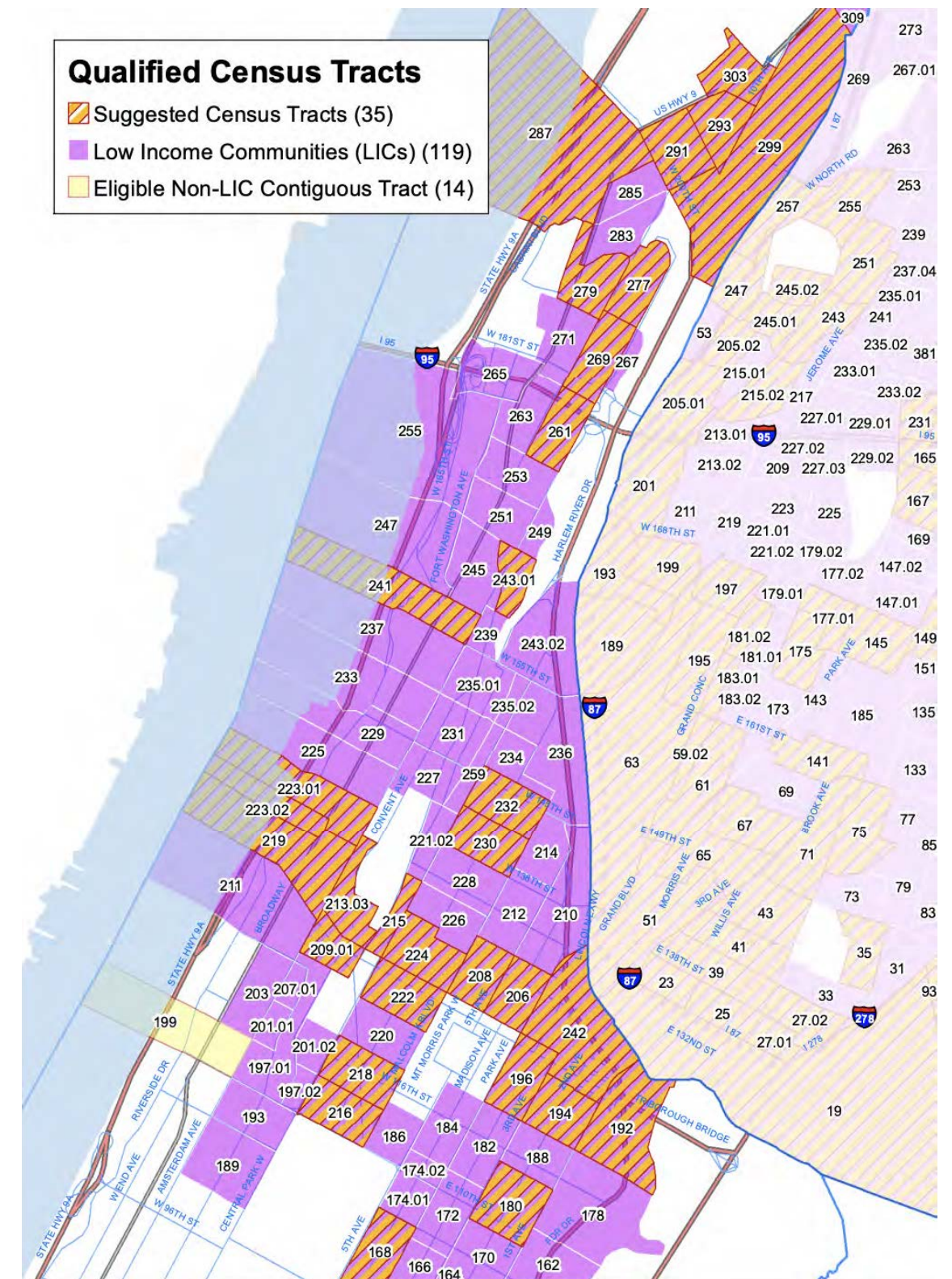
Offers zoning incentives and financial benefits in to encourage development of convenient and accessible stores selling fresh groceries

Might not be profitable as there are currently two grocery stores in short walking distance from the site.

Opportunity Zone

Place-based economic development tax incentive intended to increase private investment in low-income communities

Source: <https://www1.nyc.gov/site/planning/zoning/districts-tools/r7.page>
<https://esd.ny.gov/sites/default/files/NYC-Region-Manhattan-OZ.pdf>



Manhattan - Federal Opportunity Zones

Demographics

Manhattan Community District 10 Demographics:

34.8

Median Age

- Relatively young: Median age 34.8, majority of age ranges fall between 25-39

- 54% Black, 24% Hispanic, 16% White, 4% Asian

2.3 persons
per household

- 50% Nonfamily households, 30% Single-parent households,
20% Married-couple households

- 2.3 persons per household

41.2%

with bachelor's
degree or higher

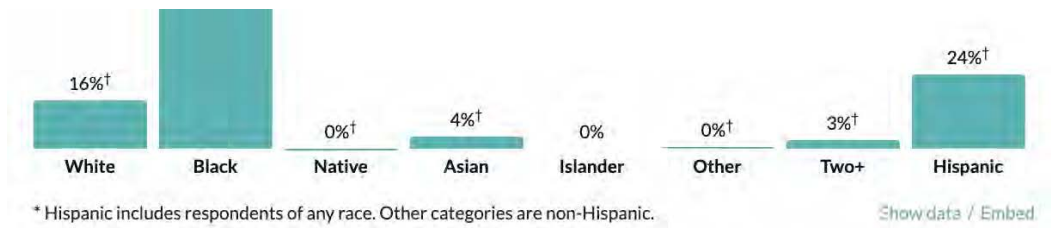
- High education attainment: 41.2% with bachelor's degree or higher

12.3%

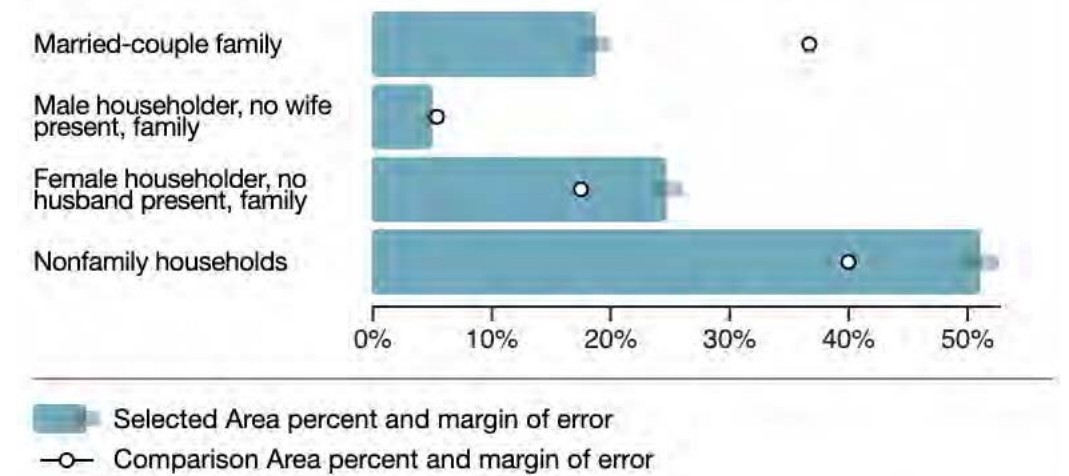
Population
Migration

- Geographical Mobility: 12.3% moved since previous year

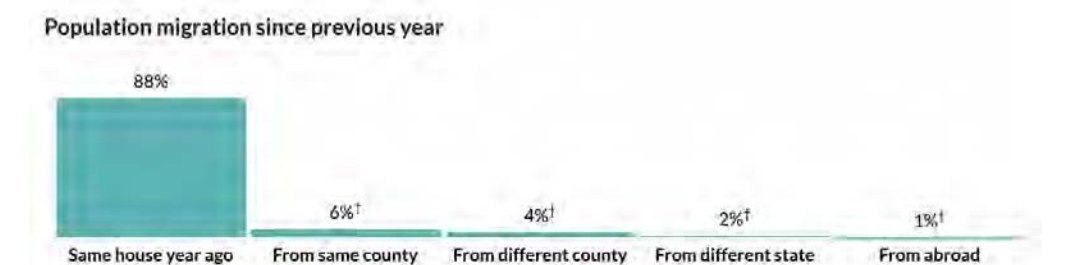
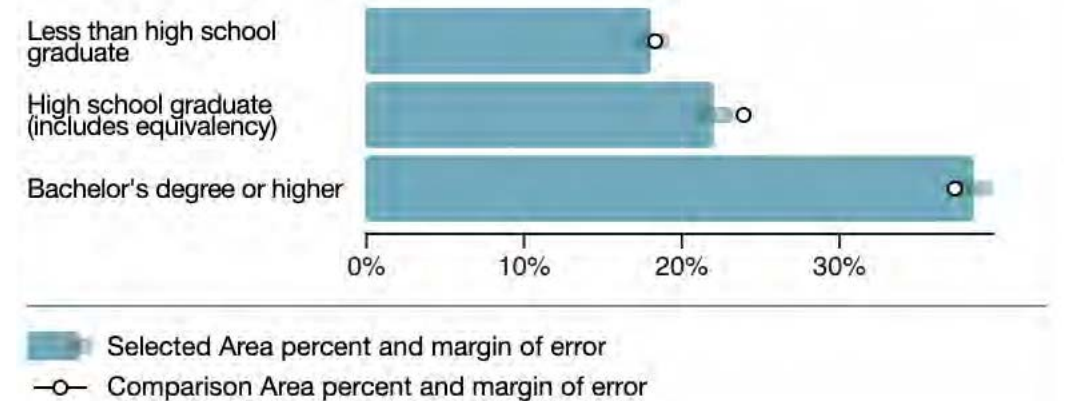
Source: Population Factfinder, NYC Planning, <https://popfactfinder.planning.nyc.gov/profile/2629/demographic>
NYC-Manhattan Community District 10--Central Harlem PUMA, NY, Census Reporter, <https://censusreporter.org>



Percent Distribution of Household Types



Percent Distribution of Population 25 and Over by Educational Attainment



Economic Contexts

Manhattan Community District 10 Economic Contexts:

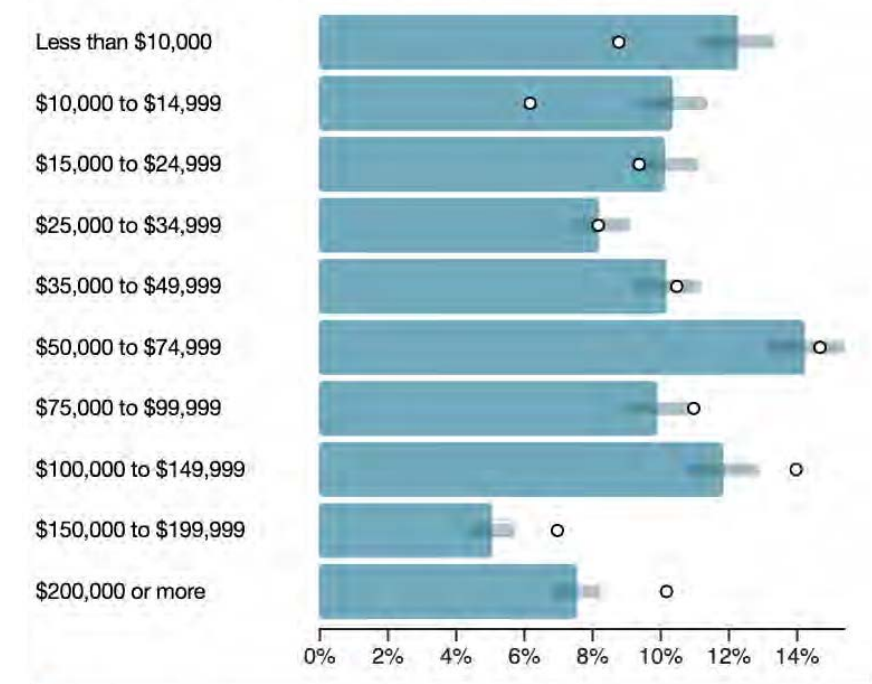
\$38,830
per capita income

\$54,932
Median household income

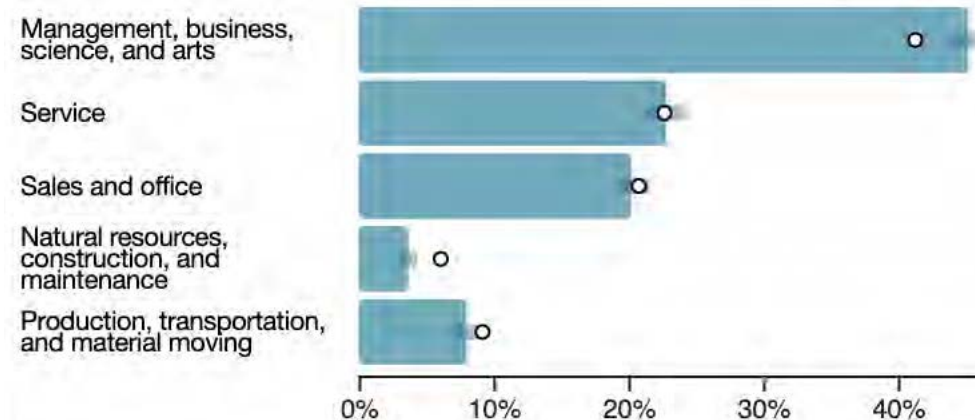
20.1%
Poverty Rate

- Per capita income of District 10 is lower than that of the overall New York (\$41,857)
- Median household income of District 10 is lower than that of the overall New York (\$72,108)
- Poverty Rate of District 10 is higher than that of the overall New York (13%)
- Majority of workers in management, business, science, and arts, followed by the service industry
- 74.3% of workers commute to work via public transportation, 78% of households have no vehicles

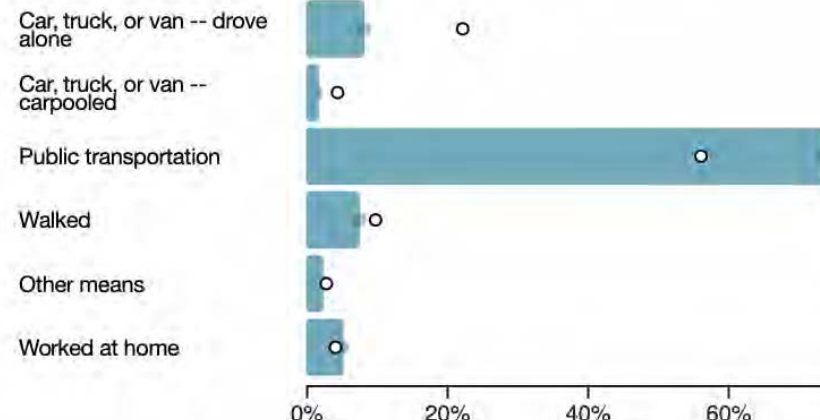
Percent Distribution of Household Income



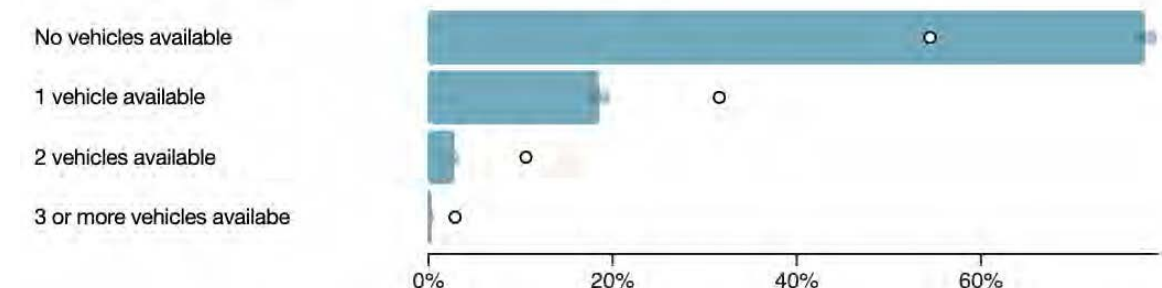
Percent Distribution of Workers by Occupation



Percent Distribution of Workers by Means of Transportation to Work



Percent Distribution of Households by Vehicles Available



Selected Area percent and margin of error
Comparison Area percent and margin of error

Source: Population Factfinder, NYC Planning, <https://popfactfinder.planning.nyc.gov/profile/2629/demographic>

Housing Market

Manhattan Community District 10 Housing Market:

63,719

Number of housing units

86%

Renter occupied

\$247,000

Value / rental unit

\$2,200

OCT-20 Median Rental Price

1.68%

OCT-20 Vacancy

4.80%

OCT-20 Cap Rate

Multifamily Market significantly impacted by COVID-19 pandemic:

- Median rent has declined 6.7% since last year and is continuing to decline
- Vacancy rises compared to last year, but is stabilized as number of new leases surge in the rental market
- There is increase in transactional volume in multifamily market from Q2 2020 to Q3 2020, but has decreased by 89% since last year

Source: Population Factfinder, NYC Planning, <https://popfactfinder.planning.nyc.gov/profile/2629/demographic>
 October 2020 Manhattan, Brooklyn, & Queens Rentals, Elliman Report
 Multifamily Quarter In Review | Q3 2020, Ariel Property Advisors



PROPERTY VALUE METRIC COMPARISON (2013 - 2020)

INDICATOR	2013	2014	2015	2016	2017	2018	2019	2020
\$/SF - Multifamily**	\$219	\$271	\$337	\$361	\$382	\$376	\$353	\$339
\$/Unit - Multifamily**	\$178,971	\$236,520	\$273,232	\$315,261	\$320,729	\$314,012	\$307,738	\$247,001
Cap Rate - Multifamily**	4.92%	4.56%	4.28%	3.95%	4.08%	4.06%	4.73%	4.80%
GRM - Multifamily**	11.21	12.82	14.66	15.87	15.24	15.36	13.72	9.67
\$/BSF - Development*	\$119	\$135	\$199	\$228	\$209	\$218	\$216	\$180
\$/SF - Commercial	\$589	\$496	\$635	\$838	\$1,240	\$759	\$725	\$552

*reflects transactions of vacant land or equivalent development sites
 **reflects multifamily transactions of 10+ residential units

Northern Manhattan Rentals Matrix	OCT-20	%Δ (MO)	SEP-20	%Δ (YR)	OCT-19
Median Rental Price	\$2,200	-0.4%	\$2,208	-6.7%	\$2,358
Number of New Leases	577	12.3%	514	29.1%	447
Vacancy Rate	1.68%		2.22%		1.77%

Metrics	Q3 2020	% Change vs. Q2 2020	Q2 2020	% Change vs. Q3 2019	Q3 2019
Transaction Vol	4	0%	4	100%	2
Building Vol	6	-50%	12	100%	3
Dollar Vol	\$43,750,000	78%	\$24,555,000	356%	\$9,600,000
Total Units	187	5%	178	97%	95

Low Income Housing

Active low income housing listings:

- HUD apartments
- Section 8 apartments
- Public Housing apartments
- Non profit senior and family low income apartments
- Low income tax credit apartments (LIHTC)

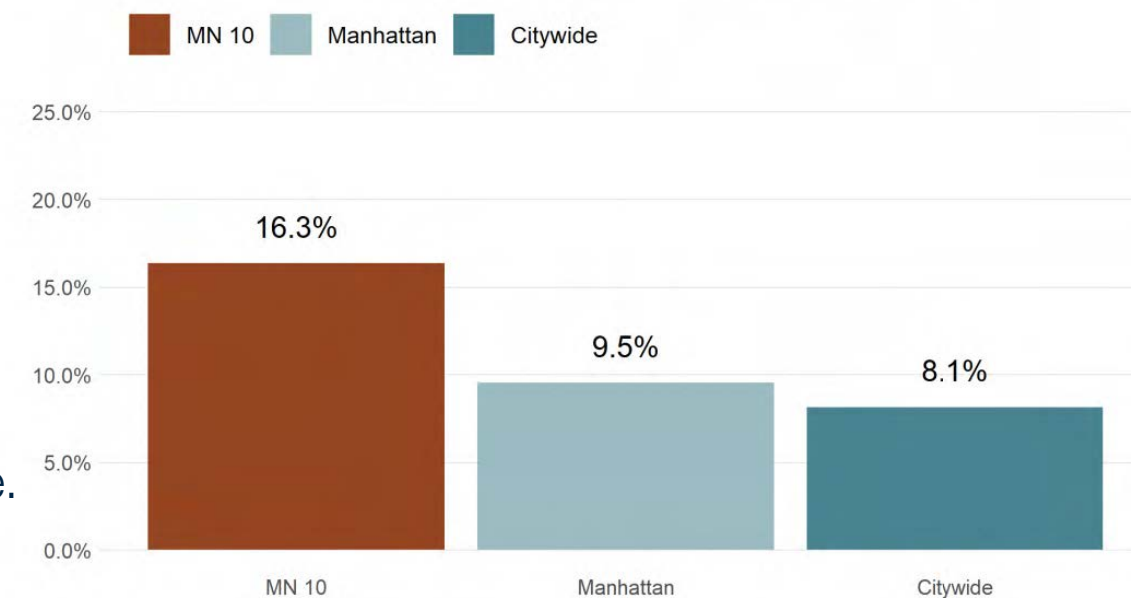
Low-Income Housing Tax Credit (LIHTC)

Property in the program will receive funding to provide a certain number of units for low-income households. Households must earn less than 50-60% of the area median income (AMI) to qualify for the units. Rents of these units are capped at 30% of AMI and are adjusted for unit size.

In Central Harlem, 43.8% of the rental units are affordable at the 80% AMI.

District 10 has 16.3% of rental units owned by New York City Housing Authority Public Housing.

Share of Rental Units Located in New York City Housing Authority Public Housing



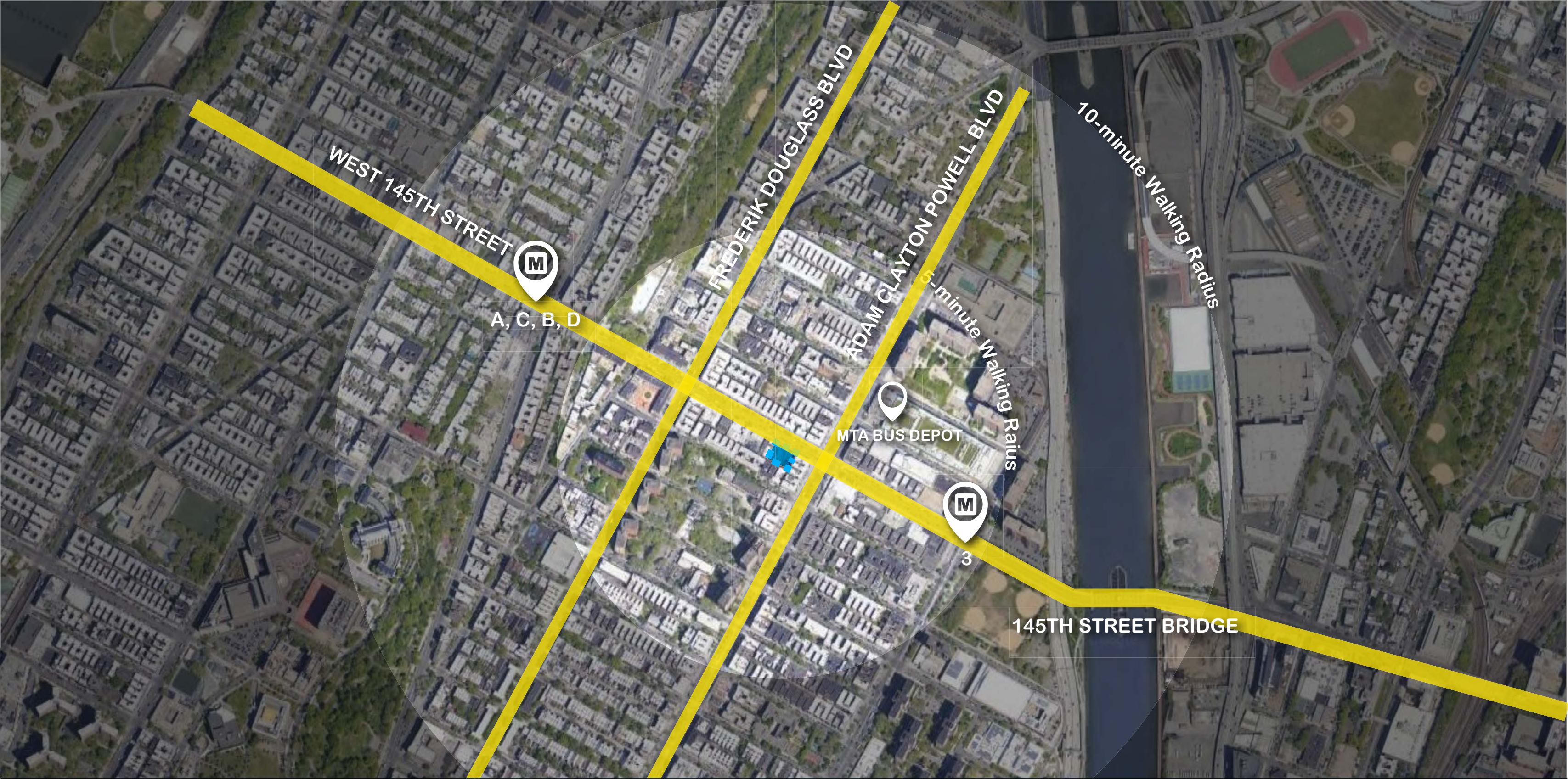
Sources: New York City Housing Authority, Department of City Planning, NYU Furman Center

AMI Band	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Very Low Income (50%)	\$39,800	\$45,500	\$51,200	\$56,850	\$61,400	\$65,950	\$70,500	\$75,050
Low Income (60%)	\$47,760	\$54,600	\$61,440	\$68,220	\$73,680	\$79,140	\$84,600	\$90,060

Source: Central Harlem, affordablehousingonline.com

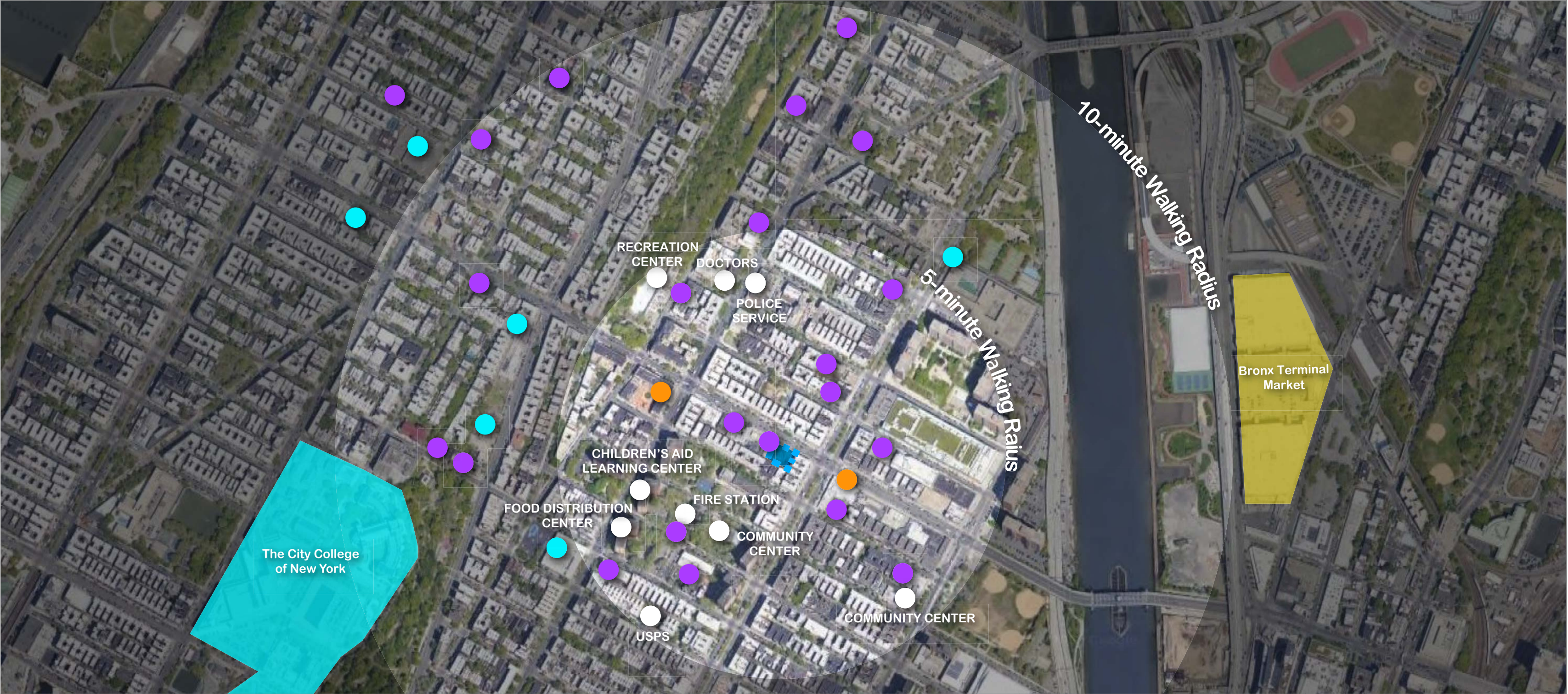
Central Harlem Manhattan Neighborhood New York, New York Low Income Housing, lowincomehousing.us

Central Harlem MN10, Furman Center, <https://furmancenter.org/neighborhoods/view/central-harlem>



Transporation

There are multiple ways of transportation to access the site. The site is situated along busy West 145th Street, which connects the area to the Bronx via 145th St Bridge. The site is also between two main traffic roads, Adam Clay Powell and Frederick Douglass Boulevards. The neighborhood has convenient access to public transportation, one can reach a metro station by foot from the site within 5-10 minutes. The 2 metro stations on each end of the block connect the neighborhood to other parts of New York via A, B, C, D, and #3 metro lines.



Public Amenities

The site has a wide range of public amenities within walking distance. There are two grocery stores within minutes of walking from the site. There are multiple schools and education institution in the vicinity, including the City Collage of New York. Within 10 minutes of walking, users of the site can find amenities such as USPS, community centers, and churches in the neighborhood.

The site is near to a shopping mall, the Bronx Terminal Market in the Bronx. Site users can easily arrive at the mall via bus (10 minute of travel time) or by walking (15 minute of travel time). The mall has big retailers such as Target, Best Buy, and the Home Depot.

- Grocery
- Education Institution
- Church
- Other community amenities



Historic Sites/ Public Space

Central Harlem is known for its rich cultural history, and the site is surrounded by historical preservation districts and historic buildings. The historic districts include St. Nicholas Historic District and Hamilton Heights Historic District. There are multiple historic landmarks within 10-minute walking distance, such as Alexander Hamilton House and Dunbar Apartments

The neighborhood provides a wide range of open and green spaces to the site. Within 10-minute of walking, site users can reach several different open space, including St. Nicholas Park which provide playgrounds, barbecue area, and basketball court. There is also Riverbank State Park which requires longer travelling distance, providing wide range of amenities such as outdoor running track and outdoor pool.

- Historic Building
- Historic District
- Public Space

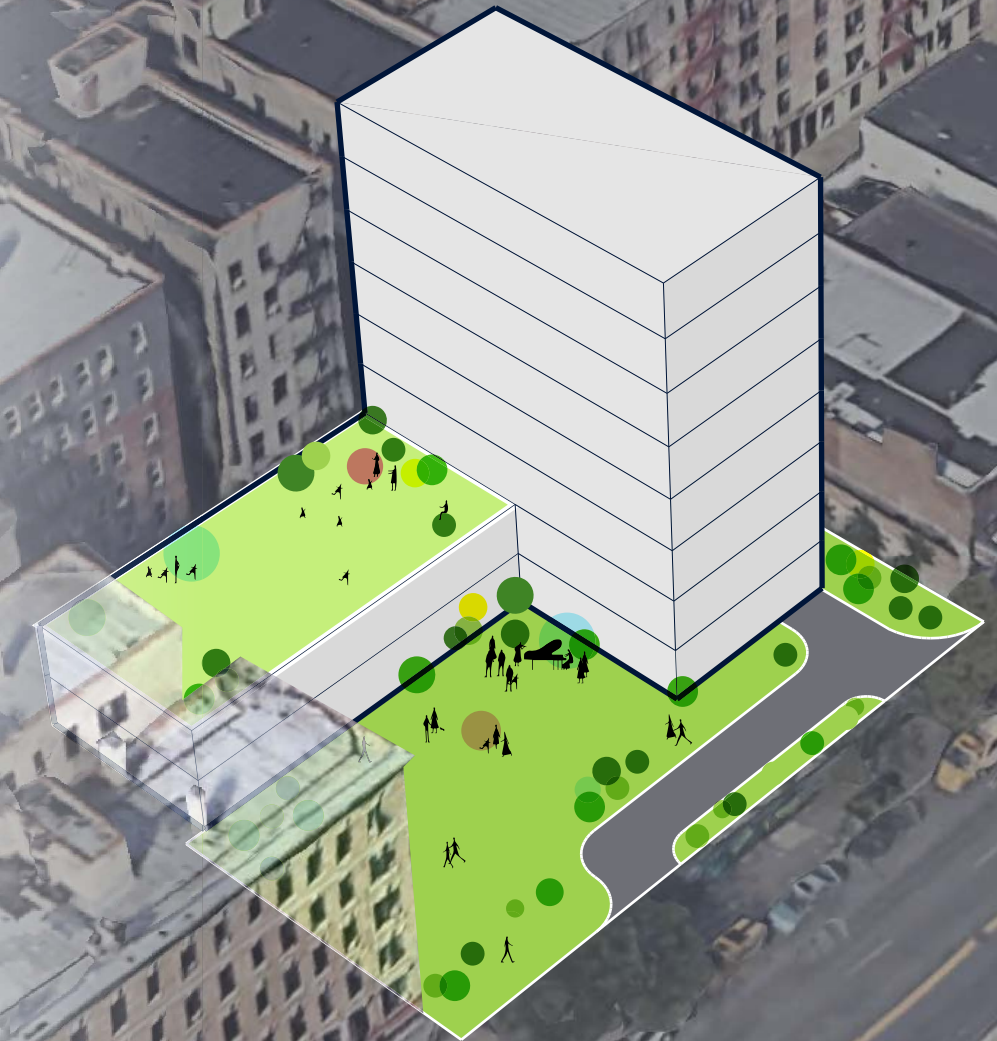
Site Analysis - Key Takeaways

Central Harlem has a large rental markets with 86% of units occupied by renters. The neighborhood is attractive to tenants who are younger and single. The neighborhood has a relatively young population with high education attainment. 50% of the population lives in nonfamily household, who frequently move within the city (12.3% geographical mobility). Targeted tenants might be interested in moving to a neighborhood with lower rents and convenient transportation to the Bronx and lower Manhattan.

The development could benefit greatly from accessible neighborhood amenities and walkability. Developing an urban plaza will be a great opportunity to make use of the wide open light and air, and wide sidewalk as a way to extend open space from street to property.

The neighborhood could benefit from the development of affordable housing and more updated community facilities. Development could benefit from Inclusionary Housing Program, transit zone, and opportunity zone incentives.

The risk of the development will be mostly related to COVID-19 as pandemic continues. Property values, foot traffic, rents, and occupancy might continue to decline.





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Pre-Development Analysis: Final Assignment

Agnes Cheung (UNI: cc4416)