SOUTH VILLAGE

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SLUM CLEARANCE PLAN UNDER TITLE I OF THE HOUSING ACT OF 1949

JANUARY 1951

REPORT TO MAYOR IMPELLITTERI AND THE BOARD OF ESTIMATE

BY THE COMMITTEE ON SLUM CLEARANCE PLANS . . . .

This Committee was appointed on December 17, 1948 to study and expedite specific slum clearance projects by private capital under anticipated Federal law, later known as Title I of the National Housing Act of 1949. Our Committee made a preliminary report on July 14, 1949 and was instructed to continue its studies and prepare a definite program for public discussion.

On January 23, 1950 a further interim report was made, outlining the problem and recommending eight specific projects for further investigation. Two resolutions were adopted by the Board of Estimate on January 26, 1950 Calendar No. 170, one requesting the reservation of $16,000,000 in Federal funds — being the City's share of $200 Million available nation-wide for 1950-51 — and the other directing the Committee to continue with its work. Subsequently the Federal Housing and Home Finance Agency reserved earmarked funds for this purpose and the City of New York set aside its share, $8,-000,000 in capital funds, to meet the proposed Federal grants.

This field is new, untried and experimental. The initial procedure therefore is necessarily slow and cumbersome. Neither Federal nor municipal funds are available in sufficient volume to do more than blaze the way for a larger future program. The size of New York's problem can be measured by the acres of recognized slums which cannot be eradicated by ordinary private, speculative building. This slum acreage is over 9,000. The present clearance program through public and quasi-public housing completed, under way and scheduled will be approximately 1,328 acres by 1955 — 15% of the total. Obviously, private capital under a new Federal law must be brought into the picture on a large scale if we hope to escape a tremendously enlarged public housing program with all the implications which go with it.

Following is a review of the law and procedure and of progress made since the last report:

Title I of the National Housing Act of 1949 provides that any loss incurred by a City or local agency in acquiring and clearing slum sites and making them available for private redevelopment will be shared two-thirds by the Federal Government and one-third by the local government. To enable the City to proceed with this program, this Committee advanced, and the State Legislature, at the request of the City Administration, adopted Chapter 784 of the Laws of 1949. Local Law No. 104 of 1949, amending Section C41-1.0 of the Administrative Code, authorized the Mayor to execute Federal slum clearance contracts. To remove completely any further doubts of our authority to take advantage of the Federal law, at the request of the Federal Housing and Home Finance Agency the City Administration requested, and the State Legislature adopted, Chapter 799 of the Laws of 1950, which amended Section 72k of the General Municipal Law.

In the meantime, with the approval and by direction of the Board of Estimate, this Committee applied for Final Advance Planning funds for eight projects listed in our Second Report. The Housing and Home Finance Agency approved these funds in the amount of $174,500 on June 30, 1950. Sufficient work had already been accomplished so that it was possible to by-pass an application for Preliminary advance funds and go directly into the final investigation of these eight projects.

Subsequently, contracts were let to architects, engineers, real estate firms and relocation experts, and plans have proceeded. Briefly, the procedure under the Federal, State and local legislation is to present the data analyzing these slum areas to establish eligibility under the National Housing Act of 1947 for clearance and redevelopment by new private and public facilities mainly devoted to housing, but including also, if and where desirable, business and manufacture. A comprehensive plan for the redevelopment of each area must be prepared and approved by the City Planning Commission and Board of Estimate on behalf of the City, and by the Administrator of the Housing and Home Finance Agency of the Federal Government. This redevelopment will then be subject to an agreement between the City and Federal Government under which the Federal Government will absorb two-thirds of any loss incurred in acquiring and making a site available, and the City one-third.

Provisions of the Federal Law permit guaranteed loans for acquisition and site clearance, and construction of various site improvements such as utilities and public facilities, as well as the Planning Advances already provided. To induce private investors to redevelop these sites, losses will be incurred in offering the property for sale or lease. Normally it is anticipated that these losses would represent the value of the existing old buildings, cost of demolition and the expense of relocating tenants.

Tenant Relocation, the cost of which will be borne by the developers, will be under the control of the Board of Estimate through this Committee and the Bureau of Real Estate. Tenant Relocation Offices will be established on each site and site tenants will be interviewed as to their needs and preferences. Experienced and reliable real estate firms, such as the firm which made the Tenant Relocation studies on these projects, are available and will be employed by the Director of the Bureau of Real Estate. Low-income site tenants will have first priority in the 55,000 dwelling units of Federal Public Housing provided for New York City in the National Housing Act of 1949, and will be eligible also for other New York City Housing Authority Projects. Moderate-income site tenants will have priority in the 11,000 dwelling units constructed on the 7 sites included in the Slum Clearance Program. Further, they will receive special consideration for admission to tax-exempt developments throughout the City. Financial assistance will be given to tenants where necessary.

This Committee now submits for public consideration seven projects. An eighth project, in the Morningside section of Manhattan, will be the subject of a separate report at a later date.

Prices used in the estimates of the architects are current as of late Fall, and rental rates for the various projects are based upon them. In the light of possible national emergency conditions, construction costs may need to be revised before completion of these projects. All projects could support somewhat higher rentals if necessary. It has been the aim of this Committee to keep rentals down.

Our Committee does not recommend that the Board of Estimate take action on any specific project until there is a bona fide offer from responsible private developers to purchase and redevelop the site in accordance with a plan acceptable to the City and Federal governments. Upon receipt of such offers, the Committee will make recommendations to the Board of Estimate. The matter must then go to the City Planning Commission for report upon the redevelopment plan. After this report, the Board may accept, reject or modify offers. Redevelopment plans and an application for capital grants from the Federal Government are then presented to the Housing and Home Finance Agency. Upon approval, the City may proceed with acquisition of property, presumably by condemnation, and sale to the developer, provided no higher offer is received at the public auction required by Law.

Following is an outline of the seven projects submitted at this time:

1 WASHINGTON SQUARE SOUTH
An area of approximately 40 acres south of Washington Sq. in the Borough of Manhattan, generally bounded by West Houston St., Avenue of the Americas, West Third St., and Mercer Street.

2 SOUTH VILLAGE
An area of approximately 14½ acres in the Borough of Manhattan, generally bounded by Avenue of the Americas, West Houston St., West Broadway, and Spring Street.

3 DELANCEY STREET
An area of approximately 11 acres in the Borough of Manhattan, generally bounded by East Houston St., Allen St., Delancey St., and Forsyth St.

4 CORLEARS HOOK
An area of approximately 12 acres in the Borough of Manhattan, generally bounded by Delancey St., Franklin D. Roosevelt Drive, Cherry St., Jackson St., Grand St. and Lewis St.

5 HARLEM AREA
An area of approximately 12 acres in the Borough of Manhattan, generally bounded by Fifth Ave., West 132nd St., Lenox Ave., and West 135th St.

6 NORTH HARLEM
An area of approximately 12 acres in the Borough of Manhattan, generally bounded by Lenox Ave., West 142nd St., Fifth Ave., and West 139th St.

7 WILLIAMSBURG SECTION
An area of approximately 45 acres in the Borough of Brooklyn, generally bounded by Wilson Ave., Division Ave., Marcy Ave., Hewes St. and Wythe Ave.

This report outlines a redevelopment plan for the South Village Site. The plan provides for about 100 families per acre in buildings covering about 13% of the land. It was found advisable to include fairly extensive retail and business uses to supplement residential facilities.

This area, in Lower Central Manhattan, is ideal for redevelopment because of its accessibility, nearness to employment opportunities and because presently it is one of the worst and most congested tenement areas in the City. It is one of the few areas in which backyard apartments, without street frontage, are still used.

In conjunction with the Washington Square Project to the north, we believe that this redevelopment will be one of the country's outstanding Title I slum clearance projects. There will be openness, reasonable population densities, parks, playgrounds, schools, churches, recreational facilities . . . all on a sound integrated economic and community basis. To summarize: New apartments will be provided at $9, $20 and $35 per room per month. In the undisturbed areas are apartments averaging $28 and $30 per room per month. There will be about 3700 dwelling units. We are eliminating 4200 substandard dwelling units. Population densities are reduced from 400 persons per acre to an average of 330 persons per acre because the present population is concentrated mainly in substandard tenements and backyard apartments and large areas are in commercial use, some in converted residential buildings and some in old loft buildings built before 1900. The relatively small number of families to be displaced will present problems, but by no means insoluble ones.

The recommended plan for South Village provides 792 apartments in 15- and 20-story fireproof buildings. About 85% of the land will be small, landscaped parks, and a playground with a soft ball field, a new school nearby, parking, shopping and a moving picture theatre are provided. Population density will be 330 persons per acre as compared to a present population density of 440.

Our financial analysis indicates that practical reuse value for the land, in accordance with the Redevelopment Plan, would be $4.00 per square foot for residential areas and $6.00 per square foot for commercial and retail areas. These rates would permit rentals of about $33 per room per month on a full tax-paying basis, provided the commercial and retail income is combined with the residential income. The Real Estate Consultants advise that these reuse values are proper and that there is an ample market for residential and commercial facilities at these rates.

An offer has been received from the Foundation for the Improvement of Urban Living, Inc., a non-profit charitable corporation. It proposes a tax-exempt project to rent at $20 per room per month. Income from the commercial and retail areas will help maintain this rental. They offered to pay $4.00 per square foot for both commercial and residential lands. The Committee believes that this offer should be raised to meet the recommended reuse value for the commercial and retail land. This may require some adjustment in room sizes to reduce cost, and other adjustments and modifications. This is a problem we face on every project under consideration.

The Committee thinks that the price of $4.00 offered by the Foundation is acceptable in regard to the residential areas but that the commercial areas should command $6.00 per square foot. The purchaser is to demolish buildings and relocate tenants at his expense, except those eligible for public housing. There will be no discrimination because of race, creed or color in this or any other project.

The Committee recommends that the Board of Estimate refer this project to the Planning Commission for approval of the redevelopment plan and that the Board itself give consideration to the overall approval of this project as soon as a final agreement is reached with the Foundation with the understanding that the sponsor will present a bid based upon the general terms of the offer as finally agreed upon. When the land is offered for sale at the legally required auction the Committee will forward a definite recommendation to the Board of Estimate as soon as negotiations are completed.

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Robert Moses
Construction Co-ordinator and Planning Commissioner

Philip J. Cruise
Chairman, New York City Housing Authority

Lazarus Joseph
Comptroller

John P. McGrath
Corporation Counsel

John C. Riedel
Chief Engineer, Board of Estimate

HOUSING AND HOME FINANCE AGENCY OF THE UNITED STATES

RAYMOND M. FOLEY, *Administrator*

N. H. KEITH, *Director, Slum Clearance and Urban Redevelopment*

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SKIDMORE, OWINGS & MERRILL, *Coordinating Architects*

CHARLES F. NOYES COMPANY, INC., *Real Estate Consultants*

WOOD, DOLSON COMPANY, INC., *Real Estate Consultants*

REDEVELOPMENT PLAN

Advances in the techniques and goals of urban housing design, broader land-assembly powers embodied in state and city laws, and more flexible financing arrangements incorporated in the Federal Housing Act of 1949, make possible more liberal treatment of this redevelopment project than has heretofore been possible within the city. The population density is to be reduced to a level at which light and open space may be re-introduced into the area, and at which the total load on surrounding utilities — streets, piped services, etc. — will be reduced or at least not increased. A measure of diversification is to be embodied in the economic re-use of the land, permitting well designed shopping and commercial recreation facilities to yield revenues for the project and provide some local employment opportunity. The special character of the adjoining community as an artistic center is recognized, and it is proposed to bring into the new community some of the desirable and characteristic existing neighborhood activities, thru the provision of a portion of studio quarters for craftsmen and artists, and of an exhibition gallery. Offstreet parking area for 241 automobiles (about 30% of the total number of apartments) is to be provided in accordance with current ordinance requirements.

The plan as actually evolved to meet these requirements was conditioned by a number of given factors in and adjoining the site. St. Anthony's Church and School together with the Convent of the Franciscan Sisters in the north section, indicated a logical extension of a park and recreation area in connection with this grouping, and a one and a third acre city playground was accordingly planned to the south. The Fifth Avenue south frontage along the eastern boundary offered suitable location for a shopping and theatre group, in connection with a projected street widening here, and also to serve as a buffer against the intensive commercial district to the east. The Avenue of the Americas on the other hand, with its heavy thru-traffic, was treated as an expressway to be shielded by planting and parking areas in part and with non-conflicting business uses in the northwest corner. One recently built apartment building was left standing on this frontage and excluded from project boundaries, because of its character and value.

In the southwest corner, the library service building now under construction by the city was utilized as a small nucleus of civic services, and space was allotted adjoining it for a new precinct police station to replace the West Houston Street Station scheduled for demolition.

The remaining open space, totaling about 7.7 acres, was available for the actual housing. Considerable study of various unit schemes at several heights and with various typical plans, culminated *in a design for six apartment structures, three of 15 stories and three of 20 stories, enclosing some 3275 rental rooms or 792 family dwelling units, distributed amongst 1, 2 and 3 bedroom sizes in accordance with customary rental practice for Manhattan. It was found possible to place these buildings on the site in an informal and architecturally pleasing fashion, with the minimum of mutual interference. Five were grouped unsymmetrically about a central green quadrangle. The remaining one apartment building is in the southeast corner of the site. Orientation studies were made to insure full exposure to sunlight, while cross vistas were arranged to allow a depth of view from all exposures. A system of foot paths interconnected the various components of the plan, with four parking lots, broken into tree shaded lanes, occupying strategic areas around the periphery of the housing campus.

The population density resulting from this scheme is approximately 102 families per acre, based on the land actually occupied by housing, and 66 families per acre, based on the area of the land bounded by the main bordering streets. This contrasts markedly with the existing density of 130 families per acre, exclusive of streets. The site has 1680 dwelling units now whereas the redevelopment plan proposes 792.

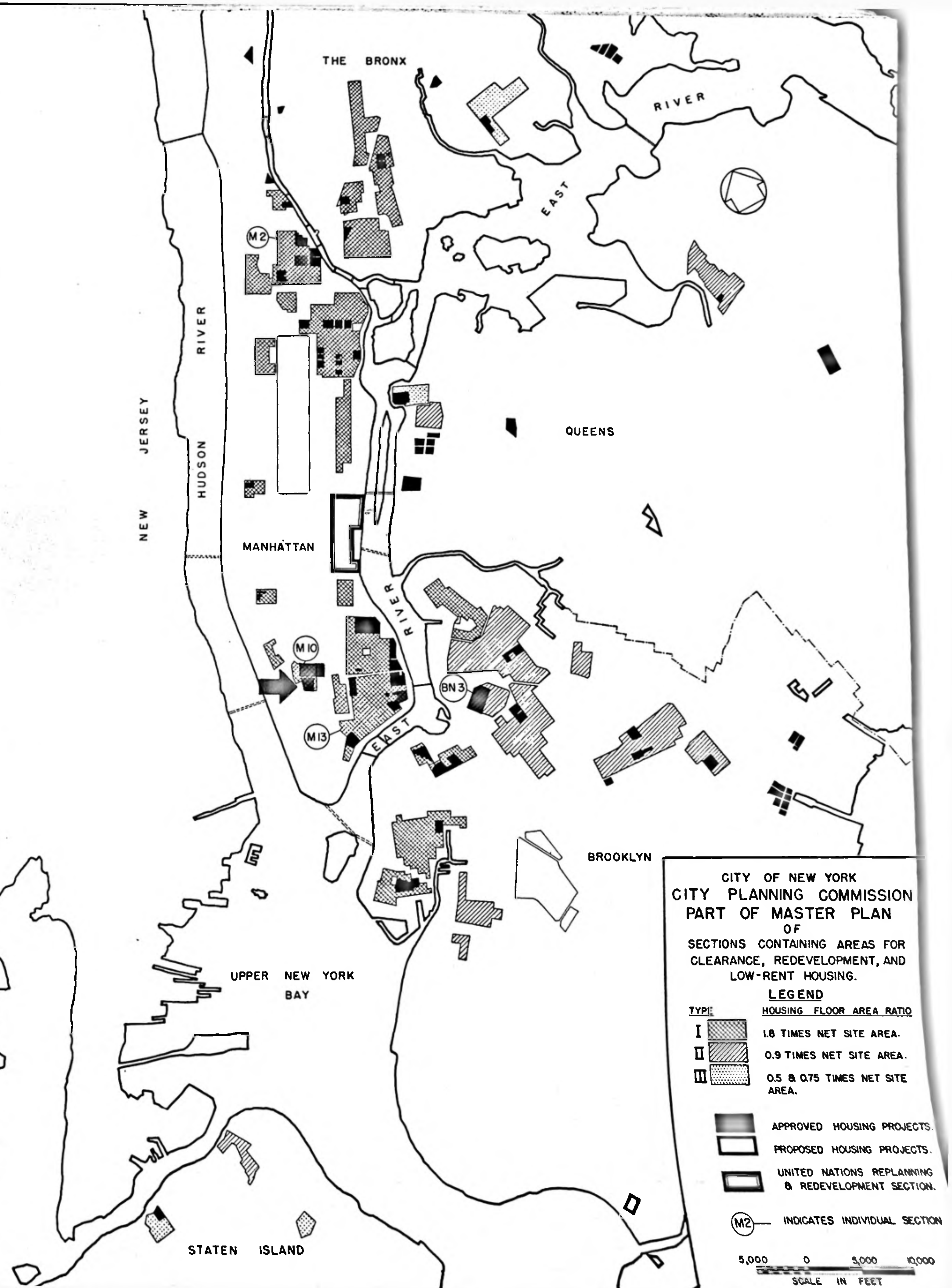
Similarly the land coverage of the area is sharply reduced to approximately 13.2% of the housing area.

* All site drawings in this and the Washington Square reports show 7 apartment buildings for the South Village site. A required late version substitutes probable commercial use for the 7th building shown at the N.W. Corner of site. The financial plan was adjusted accordingly.

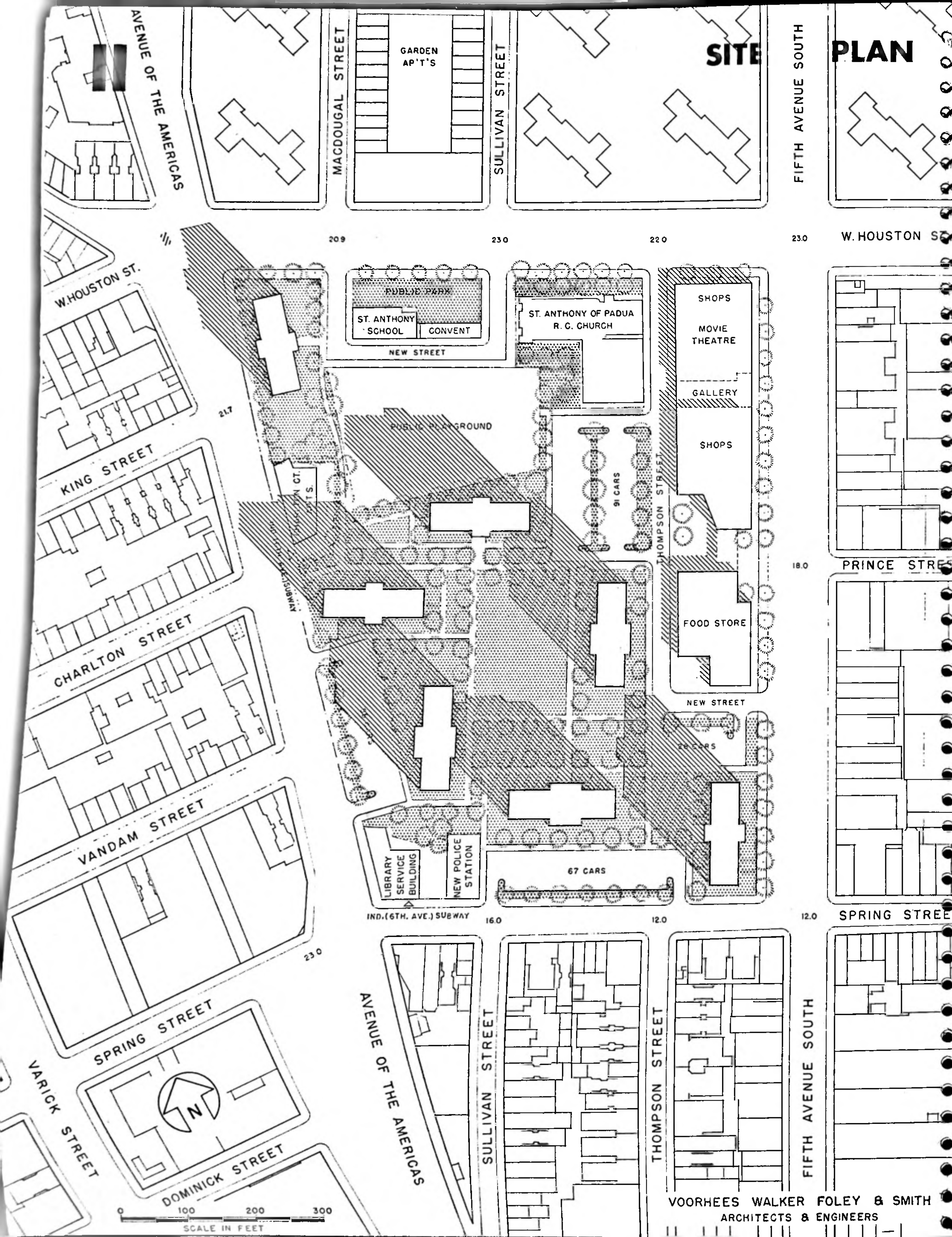
I LOCATION

This fourteen acre tract in the heart of lower Manhattan bounded by West Houston Street, Fifth Avenue South, Prince Street and Avenue of the Americas, is one of seven sites selected by an especially appointed Mayor's Committee for possible clearance and redevelopment under the Federal Aid legislation of 1949, in conjunction with private sources of capital. It lies within an area (M-20 in the "City Planning Commission Master Plan of sections containing areas for clearance, redevelopment and low Rent Housing.") earmarked in 1940 and confirmed in 1949 by the City Planning Commission as suitable for housing redevelopment.

The location, at the lower fringes of the Washington Square district, in a decaying transitional zone between good or relatively good residential sectors, several blocks to the north, and the intensive commercial, manufacturing and shipping districts to the south and west, was selected as a strategic point for the provision of acutely needed housing facilities within the borough. Convenient to principal north-south rapid transit lines, fronting on the dense and diversified employment-demand of lower Manhattan, and within walking distance of a significant part of it, a planned residential district here would simultaneously provide a greatly improved home environment for workers within the area, and a measure of relief from the congestion and expense of inter-borough commutation. Additionally, through proper integration within an adjacent redevelopment area to the north, and with the Washington Square and Greenwich Village community in general, it would serve to safeguard an important residential portion of the city from further deterioration. Lastly, through elimination of an inefficiently plotted and obsoletely built-up district of mixed and conflicting land-uses, it would enhance the functional effectiveness, and consequent value, of the environs.

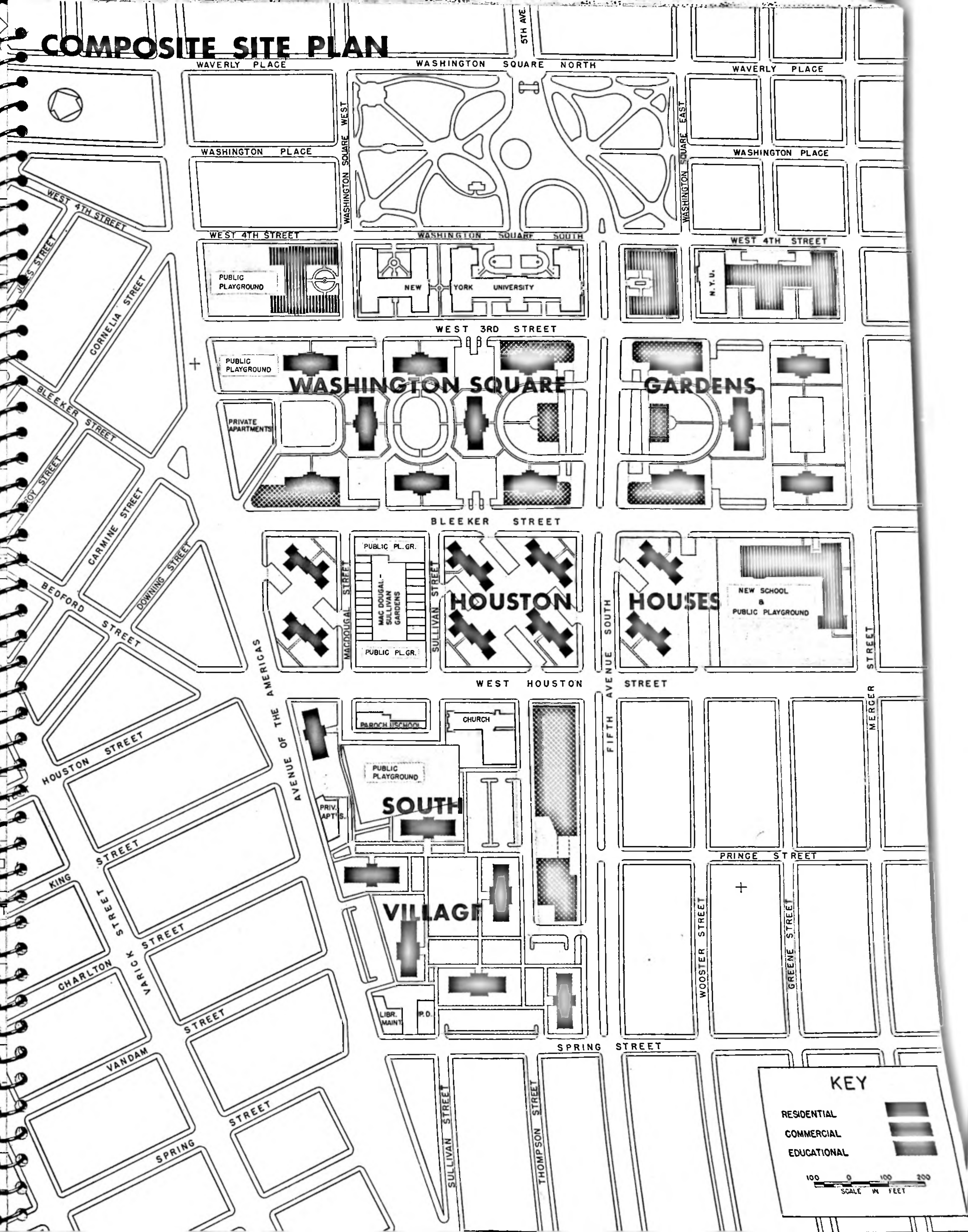


SITE PLAN



VOORHEES WALKER FOLEY & SMITH
ARCHITECTS & ENGINEERS

COMPOSITE SITE PLAN



AERIAL VIEW

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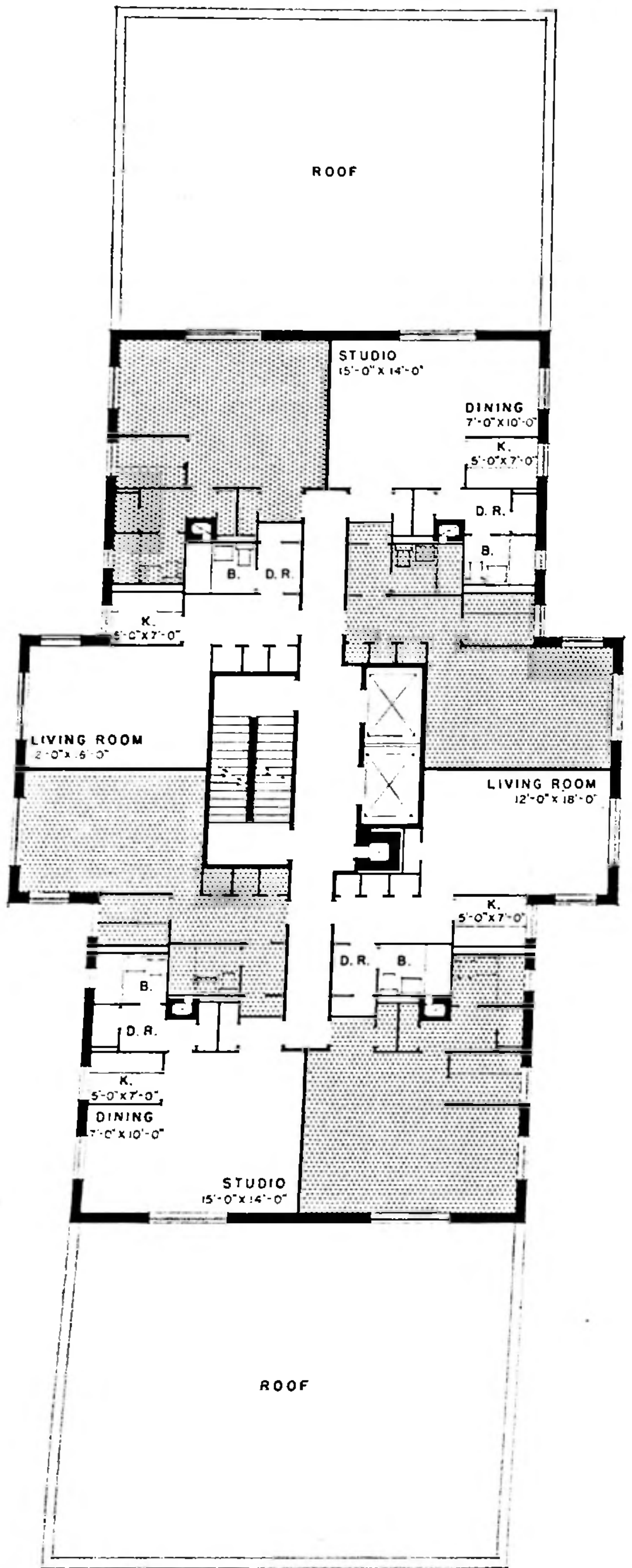
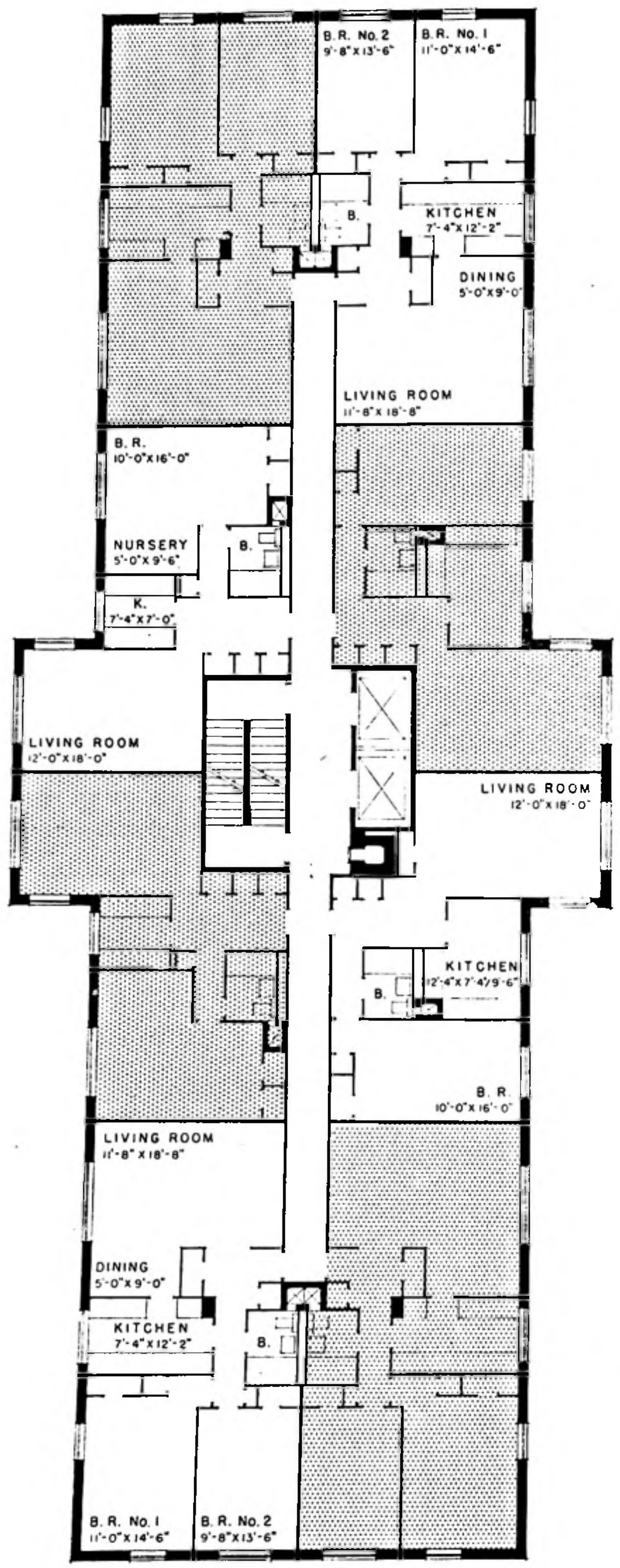
ARCHITECTS & ENGINEERS

IV UNIT PLAN

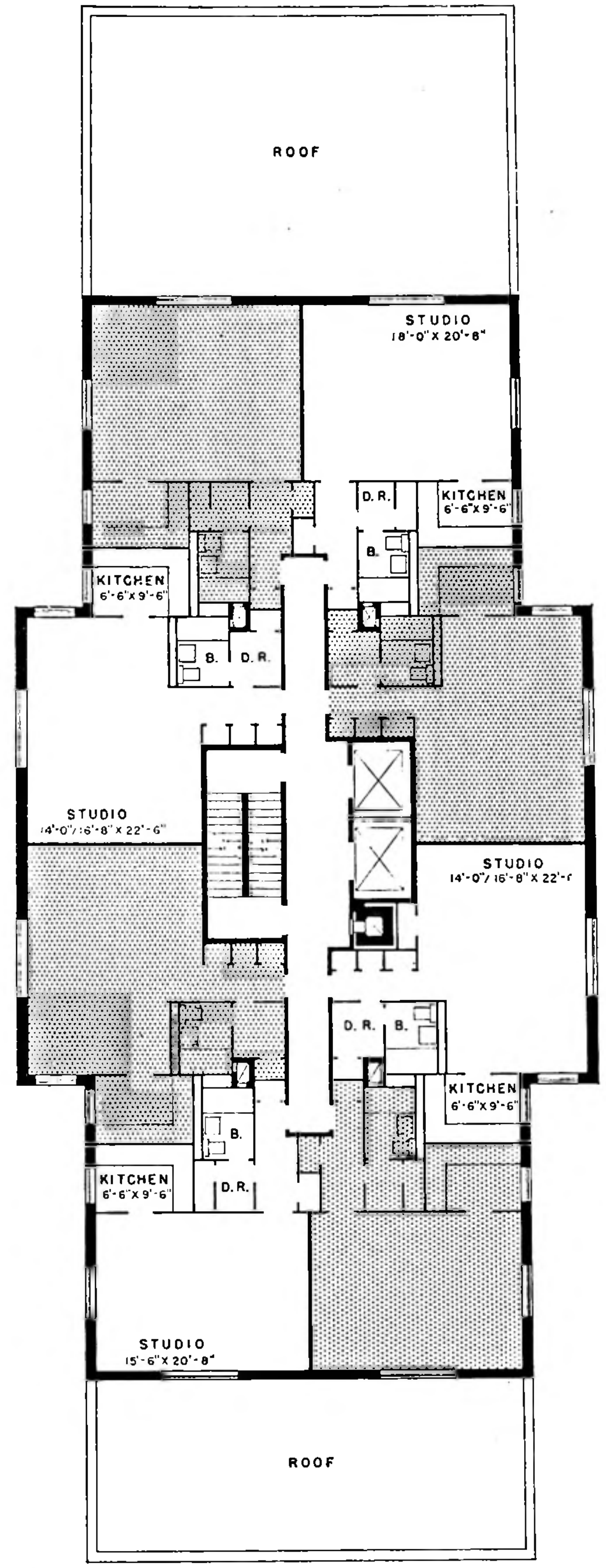


20TH FLOOR PLAN

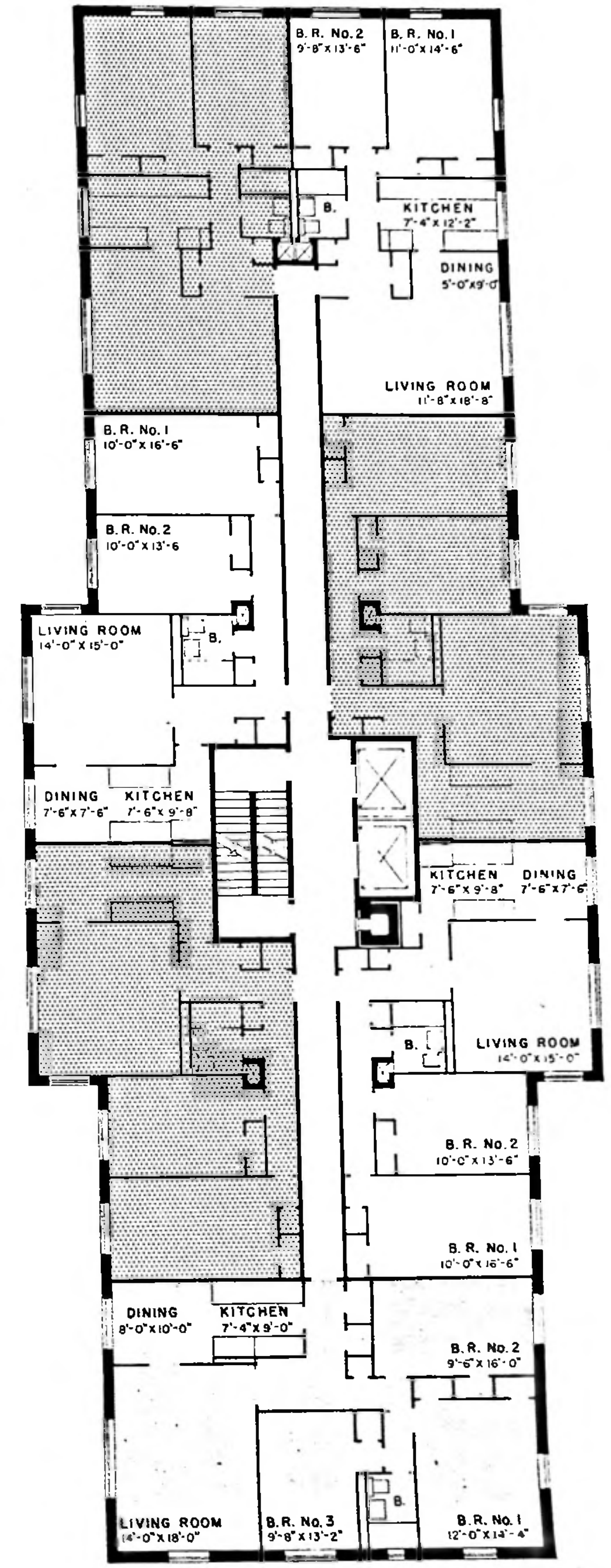


TYPICAL FLOOR PLAN

UNIT E



15TH FLOOR PLAN



TYPICAL FLOOR PLAN

UNIT D

Two variants of a basic rectangular floor plan were developed to meet the space and dwelling unit requirements of the program. Type "D" provided six 2-bedroom and one 3-bedroom apartments per typical floor, on a gross area of 7518 sq ft. Type "E" provided four single and four 2-bedroom apartments on a slightly smaller gross area (7202 sq. ft.). The gross area per room averaged slightly under 260 sq. ft.

The building plan was organized around a central elevator-stairwell core and symmetrical corridor. An enlarged central bay made possible satisfactory proportioning of the living rooms of the inner apartments, and gave these rooms corner exposure. Good contemporary residential practice was adhered to in the layout of all apartments; access to bedrooms was kept separate from access to living rooms, bathrooms were opened into bedroom-wing corridors; and a full complement of clothes, linen and broom closets provided. In the 3-bedroom apartments, a separate service entrance to the kitchen was found feasible and desirable. Type "E" floor plan incorporated, in a portion of the inner 1-bedroom apartments, provision for a "nursery" alcove off the bedroom, as an alternative to breakfast nook space in the kitchen. This arrangement was prompted by the needs of younger couples with infants.

Top floors of "D" units were assigned to eight studio apartments with space concentrated in a working studio large enough for serious use by painters, sculptors or craftsmen, and with utility spaces limited to a small kitchen, and a bath with adjacent dressing room.

The smaller central floor areas of the "E" units impose space restrictions on the corresponding apartments here, which were accordingly planned as studio-living room units, rather than working ateliers.

APARTMENT DISTRIBUTION AND STATISTICS:

	Unit Type D 15 stories Used 3 times			Unit Type E 20 stories Used 3 times		
	Floor			Floor		
Apartments per floor per Unit	1	2-14	15	1	2-19	20
2 Room apartment	—	—	—	1	—	4
2 Room Studio apartment	—	—	8	—	—	4
3 Room apartment (1 bedroom)	1	—	—	2	4	—
4 Room apartment (2 bedrooms)	4	6	—	4	4	—
5 Room apartment (3 bedrooms)	1	1	—	—	—	—
	Floor			Floor		
Apartment Totals	1	2-14	15	1	2-19	20
2 Room apartment	—	—	—	3	—	12
2 Room Studio apartment	—	—	24	—	—	12
3 Room apartment (1 bedroom)	3	—	—	6	216	—
4 Room apartment (2 bedrooms)	12	234	—	12	216	—
5 Room apartment (3 bedrooms)	3	39	—	—	—	—

APARTMENT DISTRIBUTION:

	Total	Percent	Total Const. Rm.	Total Rental Rm.
2 Room apartment	15	1.89	30	30
2 Room Studio apartment	36	4.55	72	90*
3 Room apartment (1 bedroom)	225	28.41	675	788*
4 Room apartment (2 bedrooms)	474	59.85	1896	2133*
5 Room apartment (3 bedrooms)	42	5.30	210	231*
Totals	792 Apt.	100.00%	2883	3275

*Add ½ room for rental count.

LAND:

	Sq. Ft. Area	Area in Acres
Total Area of Site excluding Streets	559,840	12.852
Total Area of Streets to be Closed	115,700	2,656
Total Area of Site including Streets	675,540	15.508
Land Retained by City	182,869	4.198
Land Left in Present Ownership	41,926	0.961
Net Area of Land for Redevelopment	450,745	10.349
Land covered by apartment buildings	44,160	1.014
Land covered by store buildings	54,350	1.248
Total land covered by buildings	98,510	2.261
Percentage of Land Coverage	21.86	
Parking area (241 cars)	77,400	1.780
Playground area (14.66% of site)	66,080	1.517
Other land area	none	none
Total land area per apartment	425.5	
Total land area per room	116.9	
Land Cost as if Cleared	$6.50 per square foot	
Land Cost in present condition	$4.48 per square foot	

BUILDING:

Number of Buildings:	3 — 20 stories	3 — 15 stories
Number of apartments:		792
Number of Construction Rooms:		2883
Rental Rooms:		3275
Estimated Population:		2648 persons
Population Density:		342.1 persons per acre
Cubage:	8,615,925 cu. ft. total	
	6,990,255 cu. ft. apartments	
	1,225,700 cu. ft. stores	
	400,000 cu. ft. theater	
Total Square Feet of floor area:		814,590 (residential) (apartments)

V TENANT RELOCATION

Title I of the Housing Act of 1949 fixes the conditions and responsibilities regarding relocation by a local public agency under Section 105 (C) as follows: "Contracts for financial aid . . . which require that . . . there be a feasible method for the temporary relocation of families displaced from the project area, and that there are or are being provided in the project area or in other areas not generally less desirable in regard to public utilities and public and commercial facilities and at rents or prices within the financial means of the families displaced from the project area, decent, safe, and sanitary dwellings equal in number to the number of and available to such displaced families and reasonably accessible to their places of employment."

Information of a social and economic nature was ascertained regarding the families to be relocated, complete reports of properties on the sites were verified through building by building field inspections, listed by block numbers, lot numbers, addresses, conditions, numbers of apartments, owner occupants, occupied and vacant stores in residential buildings, non-residential properties were designated and corresponding summaries were made. Apartment data was broken down according to numbers of rooms per units related to rents, and apartment facilities were broken down according to central heat, hot water and lack of heat, cold water and lack of heat and hot water, complete bathrooms and separate toilets. Estimates were made of family income brackets related to rental ranges. Further estimates were made of the numbers of persons occupying specific numbers of rooms and the relocation preferences of all families.

Site tenants who will have to be displaced in the Slum Clearance Program fall into two broad groups each of which requires different methods. One group, due to low earnings, consists of families ELIGIBLE for public housing. The other group, earning above applicable limits, is INELIGIBLE.

To cover families ELIGIBLE for publicly assisted housing an inquiry was directed by the Chairman of the Committee on Slum Clearance Plans to the Chairman of the New York City Housing Authority as to accommodations the Authority could offer these ELIGIBLE families. Under the Housing Act of 1949 priority is given ELIGIBLE site tenants on proposed Title I projects for admission to any Title III Federally aided local project. A reply to the letter of inquiry indicates that 50,000 to 55,000 units under Title III Federally aided housing will be preponderantly more than enough to take care of the estimated 3,911 families ELIGIBLE. A copy of the reply follows:

NEW YORK CITY HOUSING AUTHORITY
63 Park Row New York 7, N. Y.

October 16, 1950

Honorable Robert Moses, Chairman
Committee on Slum Clearance Plans
Office of City Construction Co-Ordinator
Randall's Island
New York 35, New York

Dear Mr. Moses:

In accordance with your request of October 2nd, 1950, we have carefully reviewed the Tenant Relocation Surveys of the Title I Slum Clearance Projects. Our analysis indicates the following estimated relocation possibilities for low-rent housing.

Site	Total No. Families	Families Eligible for Low-Rent Housing (Est.)	
South Village	1680	587	35%
Washington Square South	2464	370	15%
Corlears Hook	718	172	24%
Delancey Street	1569	581	37%
North Harlem	920	368	40%
Harlem	1683	1010	60%
Williamsburg	3292	823	25%
Totals:	12326	3911	31.7%

The Authority's anticipated schedule of construction is estimated at 50,000 to 55,000 units under Title III of the Federal Housing Act, and an additional 24,000 units in the New York State Housing Program. It is the Authority's intention to have this program provide suitable dwellings for all Title I site families eligible for low-rent housing. The Authority expects that its construction schedule will be timed so that the necessary apartments are available as required during the site clearance process.

The above relocation analysis was based on the following factors which our experience has indicated to be most applicable to the problem:

Generally families earning up to $2500 per annum were considered eligible for low-rent housing at present income limits for admission. Single person families, most of whom are estimated to earn less than $2500, were treated as ineligible as such individuals may not be admitted to Federally-aided Housing Developments, and there are only a limited number of such units in State-aided Projects. Consideration was given to the fact that income limits for the smaller non-veteran families are less than $2500, while income limits for non-veteran large families (five persons or more) range up to $3024. In addition, income limits at State-aided Projects for veteran families of all sizes are higher than the income limits for non-veteran families.

The effect of each of these factors on eligibility with respect to each site studied were estimated to arrive at the result indicated.

Authority experience at our operating sites is that the proportion of families relocated to self-acquired accommodations in privately owned real estate ranges from 42% to 81% of those vacating; varying in accordance with differences in site occupancy and other site conditions.

Sincerely yours,

PHILIP J. CRUISE
Chairman

Of the tenants INELIGIBLE for admission to public housing more than half will receive preferential status and can be taken care of fully in the 11,000 dwelling units proposed to be built under Title I itself. The remaining INELIGIBLE tenants, according to the experience of the New York City Housing Authority as indicated by the following survey "Removal Experiences of the New York City Housing Authority in Tenant Relocation" indicates that this group of tenants will prefer to relocate themselves. Available to this group are approximately 20,000 annual vacancies occurring in the normal course of events through deaths, circulation within the City and removal from the City of other families. According to recent construction figures about 80,000 new dwelling units are being or will be built within the City of New York within the near future.

In addition, it is contemplated that a private local relocation service be engaged to establish an office at each slum clearance site. This private agency is to be directed, supervised and controlled by the City of New York Bureau of Real Estate to assure compliance with the intent of local and Federal laws and regulations, eviction procedures, and management policies and the encouragement of speed in clearing the sites for eventual Title I redevelopment. Listings of vacancies will be solicited and, if necessary, purchased from local real estate brokers. The cooperation of local welfare agencies, newspapers, radio and television stations, real estate boards and agencies, civic organizations, and religious groups will also be enlisted.

In stimulating independent relocation, emphasis must be placed upon site families making every reasonable effort to relocate themselves in apartments of their own choosing. Where such tenants are not able to relocate themselves the relocation service will assist them. Obviously the work of site clearance will be relieved and accelerated if a great number of tenants relocate themselves. Self-relocation also reduces to a great extent the difficult relations arising out of urging on families a choice which is not their own. Useful in expediting such relocation is piece-meal demolition of buildings as vacated and financial contribution to the site families who relocate themselves.

Provisions of Title I also require a feasible method for the Temporary Relocation of families living in a project area. This provision is intended to meet a situation in which it may not be possible in undertaking a project to fulfill immediately all the standards specified for the permanent rehousing of such families. Temporary rehousing is required to be at rents comparable to those paid by displaced families to be relocated and generally no less desirable as to standards. These requisites are met by progressing the construction in sections through rearranging the tenants in partially vacated buildings combined with the use of vacant land and business and commercial properties. The conditions will vary in each project.

In order to set at rest any fears, families are assured that relocation help will be readily available and there is a frank desire to be of maximum assistance in carrying out the individual wishes of each family. Emphasis is placed on the preferential eligibility of site tenants to return to the project when completed, or if eligible, to be admitted to publicly aided housing. Letters in simple understandable language will be circulated to the site tenants advising them of relocation policy, and their rights to admission in the proposed projects or in existing dwelling units. Consistent with a policy of keeping the site occupants well informed, personal interviews will be conducted to help and encourage occupants to move.

The total number of families break down as follows:

	Total Families	Eligible for Public Housing	Will Relocate in Project	Will Relocate Outside of Project
South Village	1,680	587	546	547
Washington Square	2,464	370	1,047	1,047
Corlears Hook	718	172	273	273
Delancey Street	1,569	581	494	494
North Harlem	920	368	276	276
Harlem	1,683	1,010	336	337
Williamsburg	3,292	823	1,234	1,235

Removal Experiences of the New York City Housing Authority in Tenant Relocation — as of 9/1/50

Site	Date of Acquisition	Total Relocated No. %	Self-Relocated No. %
Smith	7/25/46	1,716 100%	748 44%
Melrose	8/3/46	1,213 100%	504 42%
Foster	8/2/46	1,433 100%	676 47%
Flushing	10/18/49	220 100%	103 47%
St. John's	3/15/50	126 100%	69 55%
St. Nicholas	10/1/49	1,339 100%	1,080 81%

Included in "A Guide to Slum Clearance and Urban Redevelopment Under Title I of the Housing Act of 1949" as revised July 1950, on page 27 is a requirement that the local agency describe the adequacy of the relocation service established or utilized by the local public agency. Typical of firms adequate for relocation service is Wood, Dolson Company, Inc., which has prepared this tenant relocation report. It is a real estate service organization established for more than half a century. It maintains fully staffed departments in listing and renting apartments, tenant relations, management, brokerage, maintenance engineering, accounting, appraising and insurance. It has available trained personnel, exhaustive records and up to date tax maps. It will be advantageous to combine the functions of tenant relocation, management and demolition in a single office. The types of properties such companies currently deal with cover the types found on the slum sites and those proposed to be erected.

In redeveloping an area such as the South Village site, it is feasible to carry out both demolition and new construction in at least two progressive stages. By demolishing only once section of the site it is possible to leave the other residences undisturbed until the first section of new apartment buildings is completed. Where possible the first section is chosen to include vacant land and a large proportion of industrial and commercial buildings. The last section to be demolished can be that where future stores or parking areas will be situated.

The first step in tenant relocation is to ascertain which tenants are eligible for public housing and to help them move into existing projects. Of the 1680 families on the South Village Street site it is estimated that 587 or 35% will be eligible for public low rent housing and can move as soon as vacancies are available. This will leave empty apartments on the site for the temporary use of those families who are waiting to move into the first of the new apartments in the redevelopment.

Of the tenants not eligible for public housing there will be an estimated 547 families or 32½% who will prefer to relocate themselves and who will be given all possible assistance. It is estimated that an equal number will choose to move into the redevelopment itself and will be given preferential status. These families may need only temporary accommodations until the project is completed.

There will be more apartments available for site tenants if more than the number we have estimated do prefer to stay within the project. In the Washington Square South and South Village projects combined there will be approximately 2750 new apartments other than public housing, whereas we have only estimated approximately 1600 families will wish to relocate in the combined projects. They will also be given preference in other Title I projects.

VI COST ESTIMATES & FINANCIAL PLAN

SOUTH VILLAGE SITE

ESTIMATED COST OF PROPOSED REDEVELOPMENT

LAND:	
Appraised Resale Value as if Cleared	$ 2,980,000
Less: Demolition and Tenant Relocation	925,000
Resale Value of Land in its Present Condition	$ 2,055,000
BUILDING:	
Field Cost of Structures	$ 8,805,500
Architects' Fee	300,500
Total Structural Cost	$ 9,106,000
Cost of Landscaping and Site Improvements	411,500
Total Cost of Buildings and Site Improvements	$ 9,517,500
PROJECT:	
Interest on Land during Construction	$ 178,800
Interest on Building during Construction	285,525
Total Interest on Working Capital	$ 464,325
Real Estate Taxes on Land during Construction	166,470
Finance, Legal & Organization Expense	190,350
Total Interest, Taxes & Financing during Construction	$ 821,145
Total Estimated Cost of Building	$10,338,645
TOTAL ESTIMATED COST OF PROJECT	$13,318,645

FINANCIAL PLAN FOR PRIVATE DEVELOPER

Costof Land at Appraised Resale Value as if Cleared	$ 2,980,000
Estimated Cost of Buildings as of date of completion, including all fees, taxes and financing	10,338,645
Total Estimated Cost of Project	$13,318,645
Estimated Rental Value	
Apartments: 3275 rental rooms @ $33. per room per month or $396 per room per annum	$ 1,296,900
Stores: 55,000 sq. ft. basement @ 50c	27,500
55,000 sq. ft. grade fl. @ $3.50	192,500
Commercial Space: 20,000 sq. ft. basement @ 50c	10,000
20,000 sq. ft. grade fl. @ $3.50	70,000
Theatre: 900 seats @ $75 per annum net	67,500
Parking Space: 241 cars @ $120	28,920
Total Estimated Rental Value	$ 1,693,320
Less: Vacancy Reserve of 7%	118,532
Effective Rental Value	$ 1,574,788
Operating Expenses:	
Apartments: 3275 rental rooms @ $90	$ 294,750
Stores: 110,000 square feet @ 20c	22,000
Commercial Space: 40,000 sq. ft. @ 20c	8,000
Total Operating Expenses	$ 324,750
Real Estate Taxes:	330,000
Total Operating Expenses and Taxes	$ 654,750
Net Return on a Free and Clear Basis	$ 920,038
Percentage of Net Return on Investment	6.91%

EFFECT OF REDEVELOPMENT PLAN ON AREA

I TRANSPORTATION

Due to the proposed reduction in total population within the redevelopment area, existing transportation facilities are ample. The site is bordered by the Independent subway line on the west, with a local station at Spring Street, while the Prince Street station of the B.M.T. is four short blocks to the east.

Cross-town transportation is furnished by the Spring and Delancy Bus line which feeds to the east by way of Spring and Prince Street and to the west by Browne Street connecting between these points via Fifth Avenue South the east boundary of the project. Additional cross-town service is provided by the Houston Street line which feeds east and west along the north boundary of the project.

II STREETS & LOCAL TRANSPORTATION

Since an important consideration in the selection of the site was its freedom from traffic thru-ways, it was possible to close all streets, and plan from the point of view of internal circulation and parking access only. It was found convenient however, to retain Thompson Street for two-thirds of its length to provide service access to the retail block, with a short new connection eastward into Fifth Avenue South at the southern end of the shopping center. MacDougal and Sullivan Streets adjacent to the parochial school were also retained and cross-connected at their lower ends, to provide street access for the school and church buildings and for the playground. About 2.7 acres of streets are thus scheduled for abandonment by the city, while 0.3 acres of new streets will have to be created. This does not include the frontage necessary for the widening of Fifth Avenue South.

The present small city-owned Thompson Street playground (75 x 100 feet) will be replaced by the new 1.35 acre playground planned in the north central portion of the site.

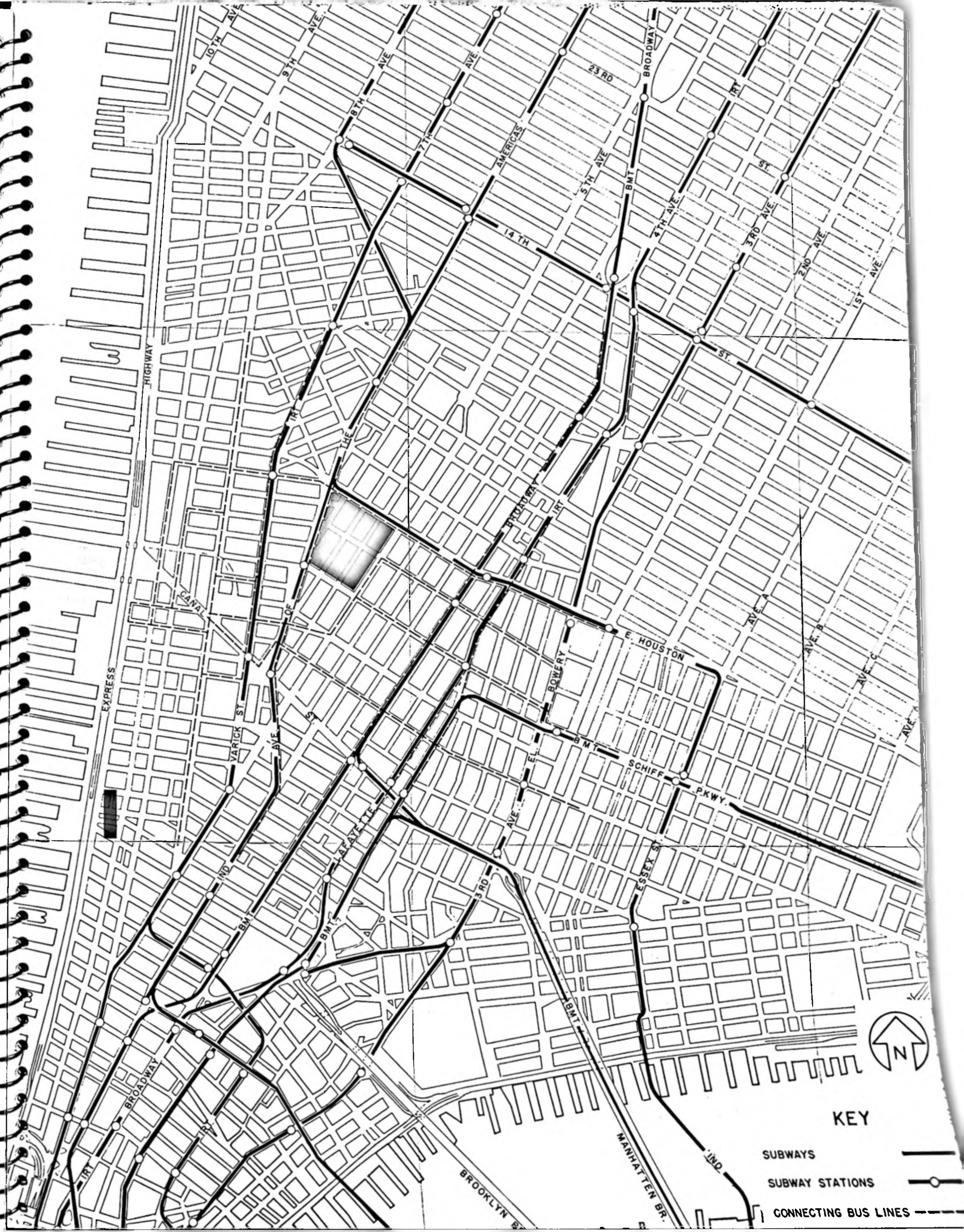
The library service building in the southwest corner will be retained, and a small area of municipal services centered here through the construction of a new police precinct station to replace the West Houston Street Station scheduled for demolition.

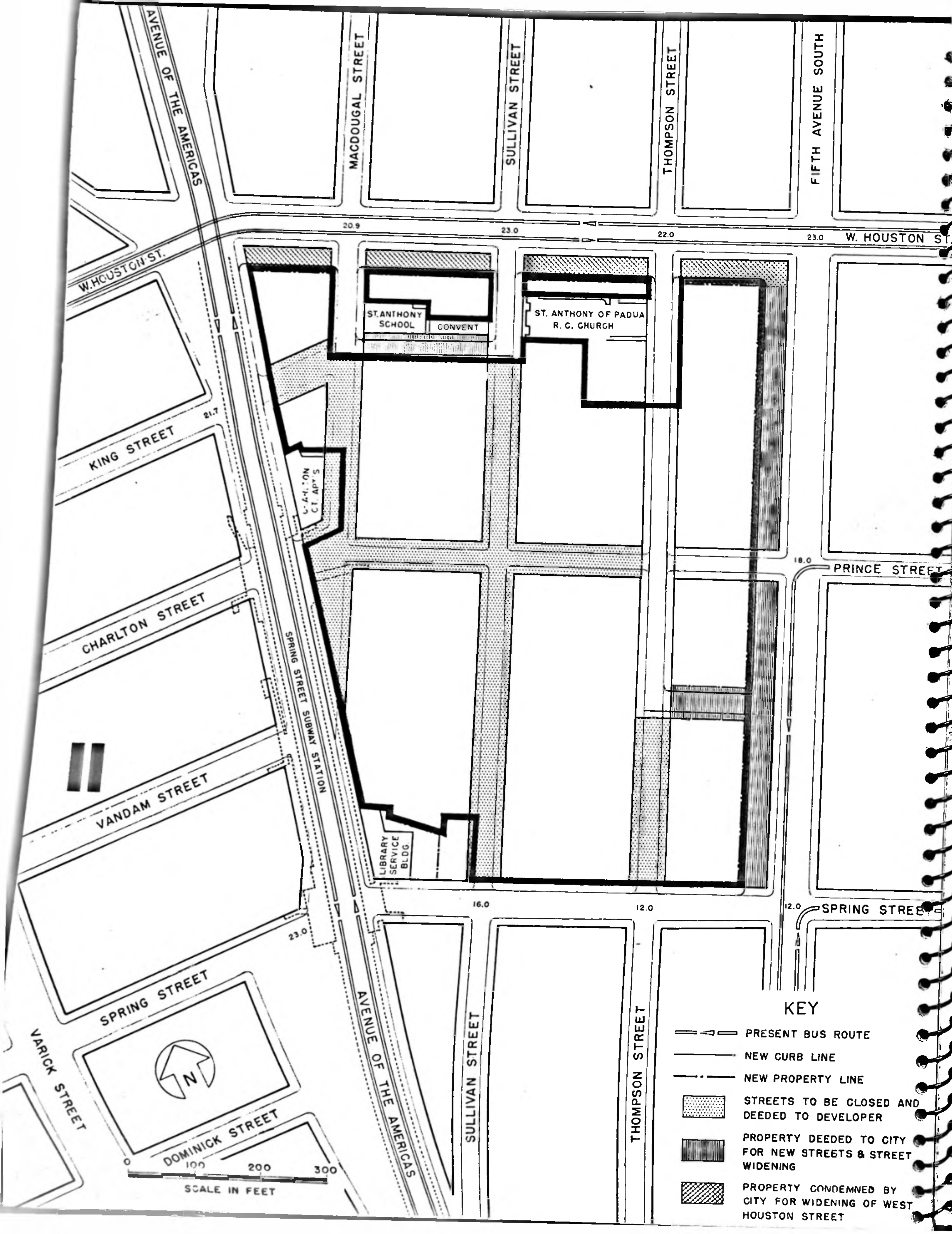
III COMMUNITY FACILITIES

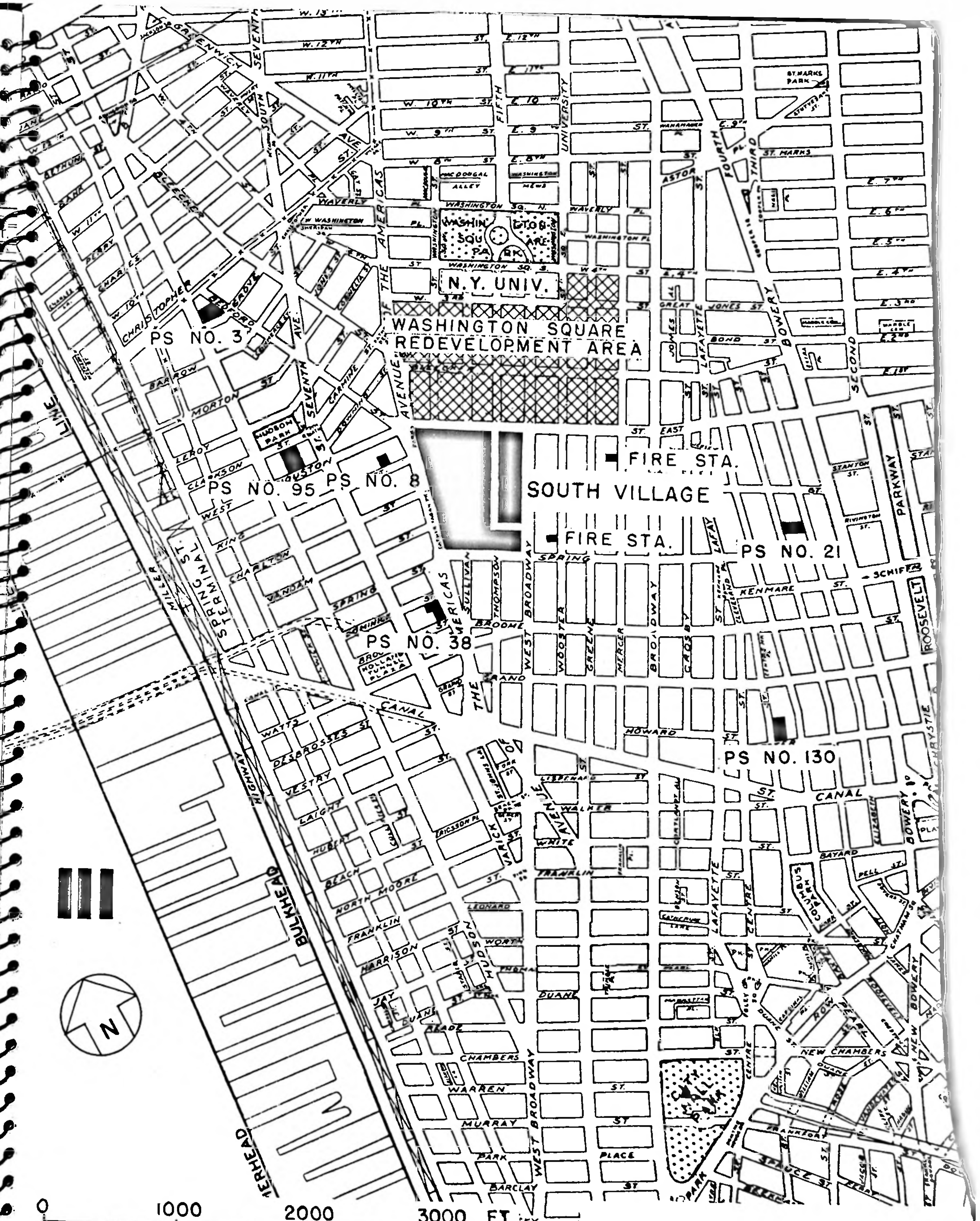
From the site of South Village, public transportation lines are very conveniently accessible. North, South and crosstown bus lines pass through adjacent streets, and there are subways at Seventh Avenue and Avenue of the Americas. The Manhattan end of the Holland Tunnel is located approximately one-quarter mile to the West. A new shopping center, including a motion picture theater, has been planned as part of the development, adjacent to the residential area, and accessible without the necessity of crossing any main through streets or avenues.

There are churches of various denominations within easy walking distance of South Village, including one with a Parochial School adjacent to the North side of the area. The Washington Square Branch of New York University lies two blocks to the North.

The existing public playground on the site, will be replaced by a new playground, designed as part of the development, and accessible without the necessity of crossing any street whatsoever. Similarly located on the edge of the residential area will be a new Police Precinct Station.







NEIGHBORHOOD PLAN.

IV EXISTING ZONING

The present zoning of the project area (which is extensively violated in principle because of non-conforming uses) is as indicated in the maps on the facing page. A brief summation of the definition of the various zones follows:—

USE DISTRICTS

Residential: The most restricted area and limited as the file indicates to primarily residential use.

Unrestricted: An area which is the least restrictive of all areas.

Manufacturing: Primarily manufacturing with certain restriction.

Business: Allows business and certain non-nuisance type of manufacturing.

Retail: Primarily retail with certain business and recreation activity allowed.

Local Retail: Primarily local retail and some local business restricted below the level of the first story ceiling with no manufacturing of any type allowed.

HEIGHT DISTRICTS

These district designations limit the height and bulk of buildings. The broad general restriction of the several districts affecting this project are:—

Class one and one-quarter district: Restricts height of building to width of street with setback above of one foot horizontal to two feet vertical.

Class one and one-half district: Restricts height of building to one and one-quarter street width with setback above of one foot horizontal to two and one-half feet vertical.

Class two district: Restricts height of building to one and one-half street width with setback of one foot horizontal to three feet vertical.

AREA DISTRICTS

Area districts regulate the area of coverage of a lot of a given building. Districts as they apply to this project vary from A restricted to 75% coverage to C restricted to 60%. Corner lots are allowed an extra 15% coverage.

V PROPOSED ZONING

Zoning proposals for the area are relatively simple; over-all use classification as Residential being recommended for all of the project except the east block of shops and the northwest corner, for which Retail classification would be appropriate. An approval under S21-F will be required for the proposed gas station on the corner of West Houston Street and Avenue of the Americas.

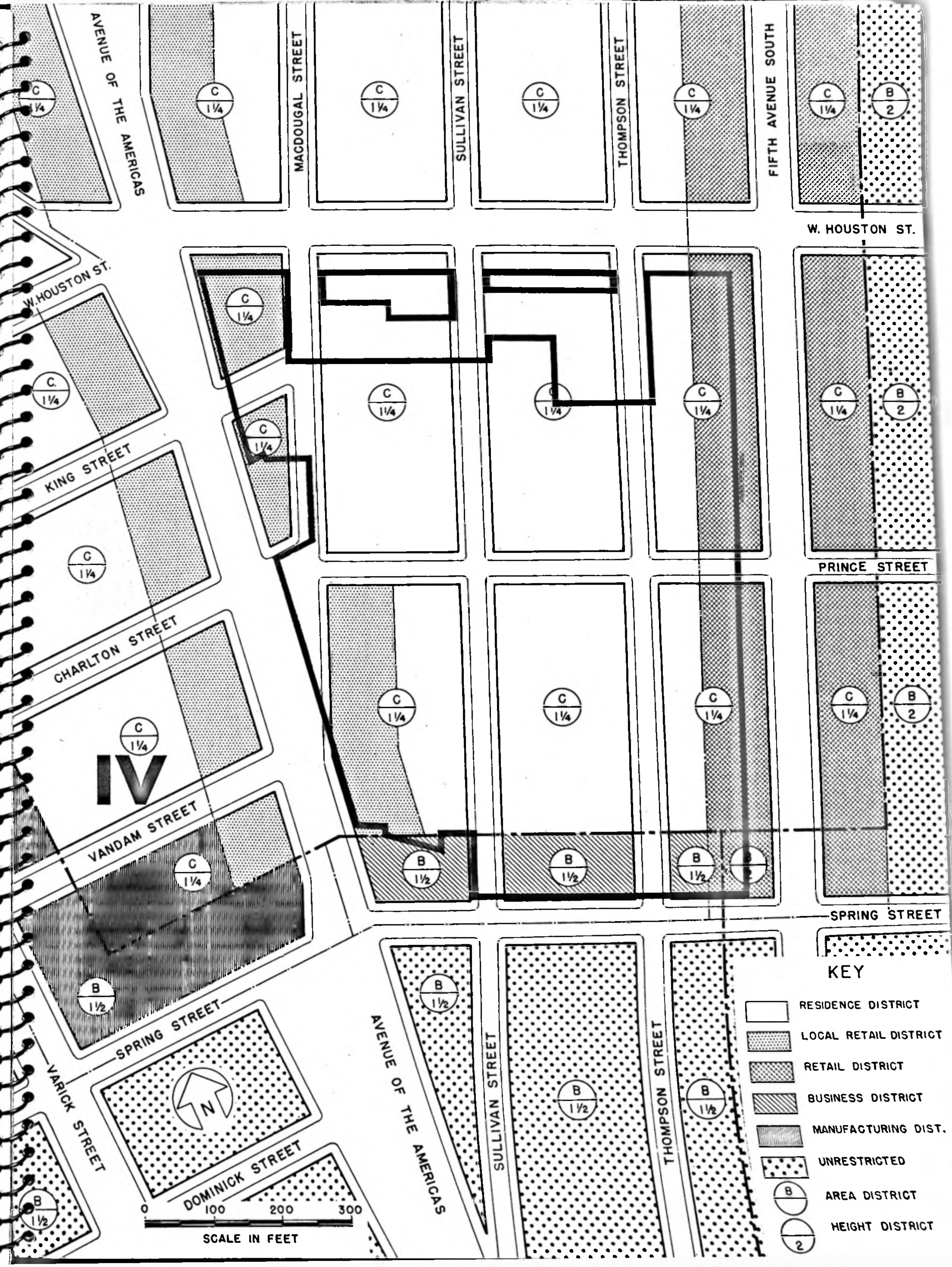
It is not proposed to change the zoning of the Charlton Court Apartments, the church properties or the Library Service Building, as they are not included in the project. The existing Retail District bordering Fifth Avenue South will be reshaped as indicated on the map to encompass the proposed shopping area. Local retail will change to Retail along part of Avenue of the Americas. This classification will cover any type use appropriate to the area.

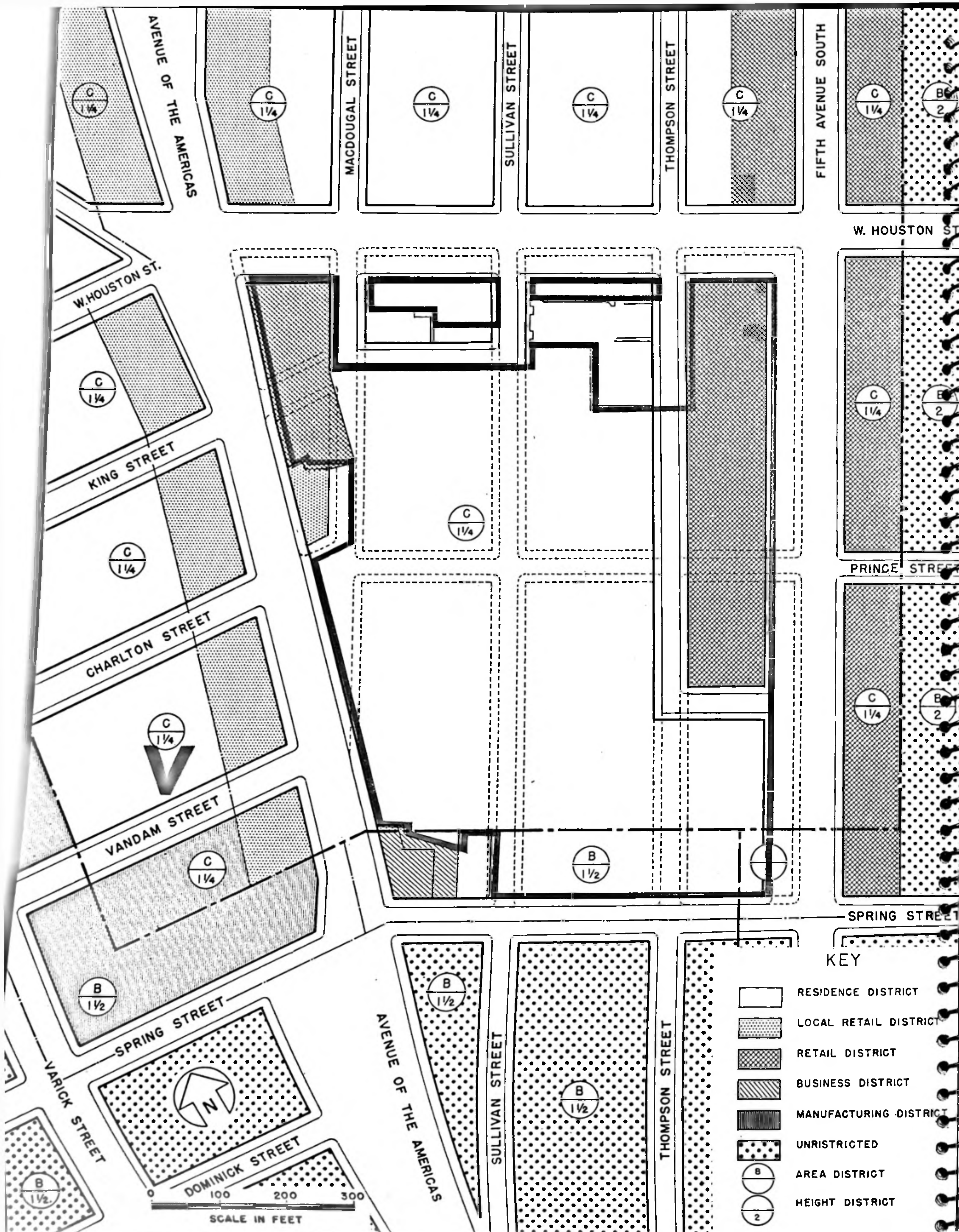
No change is proposed in the height or area districts as the project as proposed can well be built within the present restrictions.

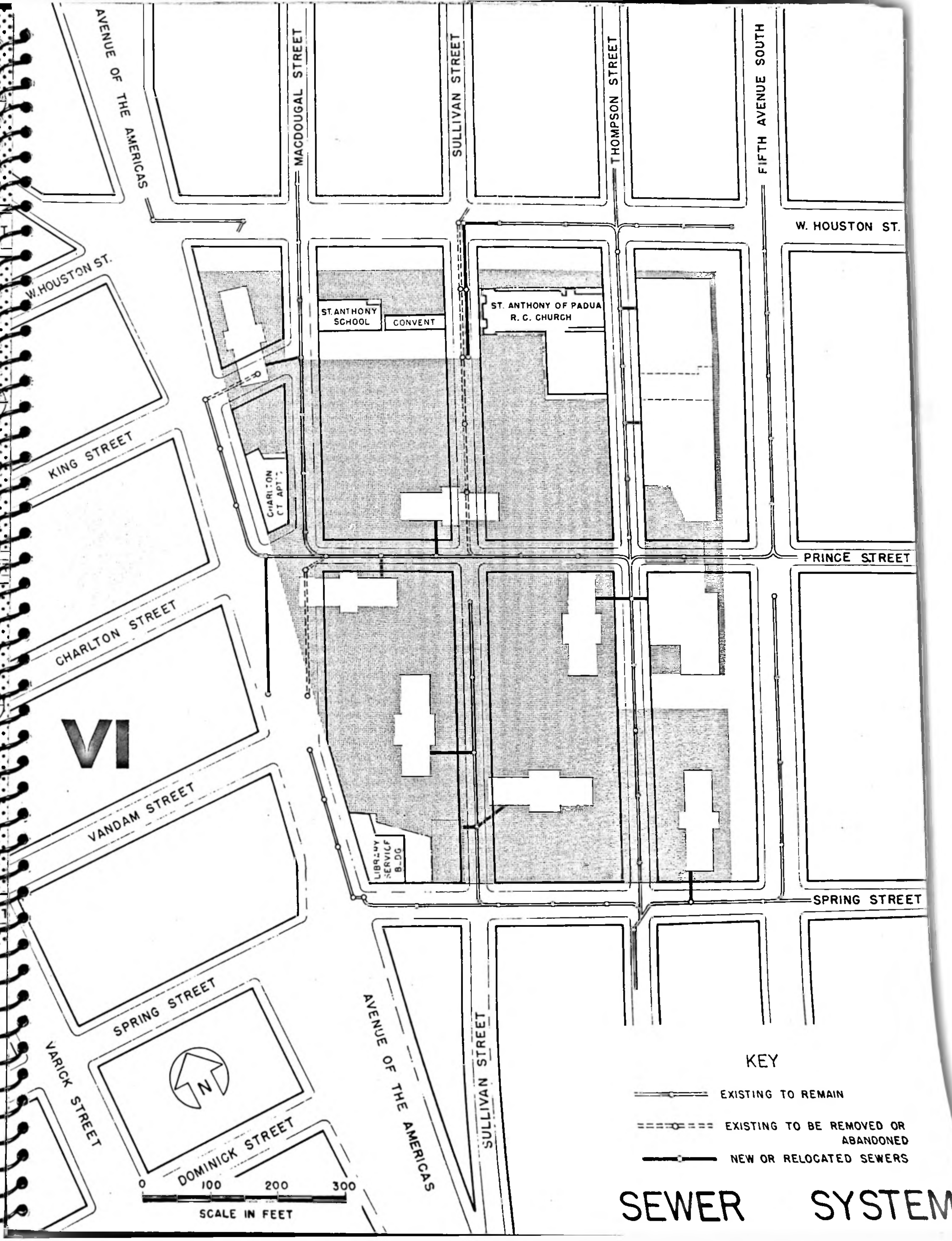
VI UTILITIES

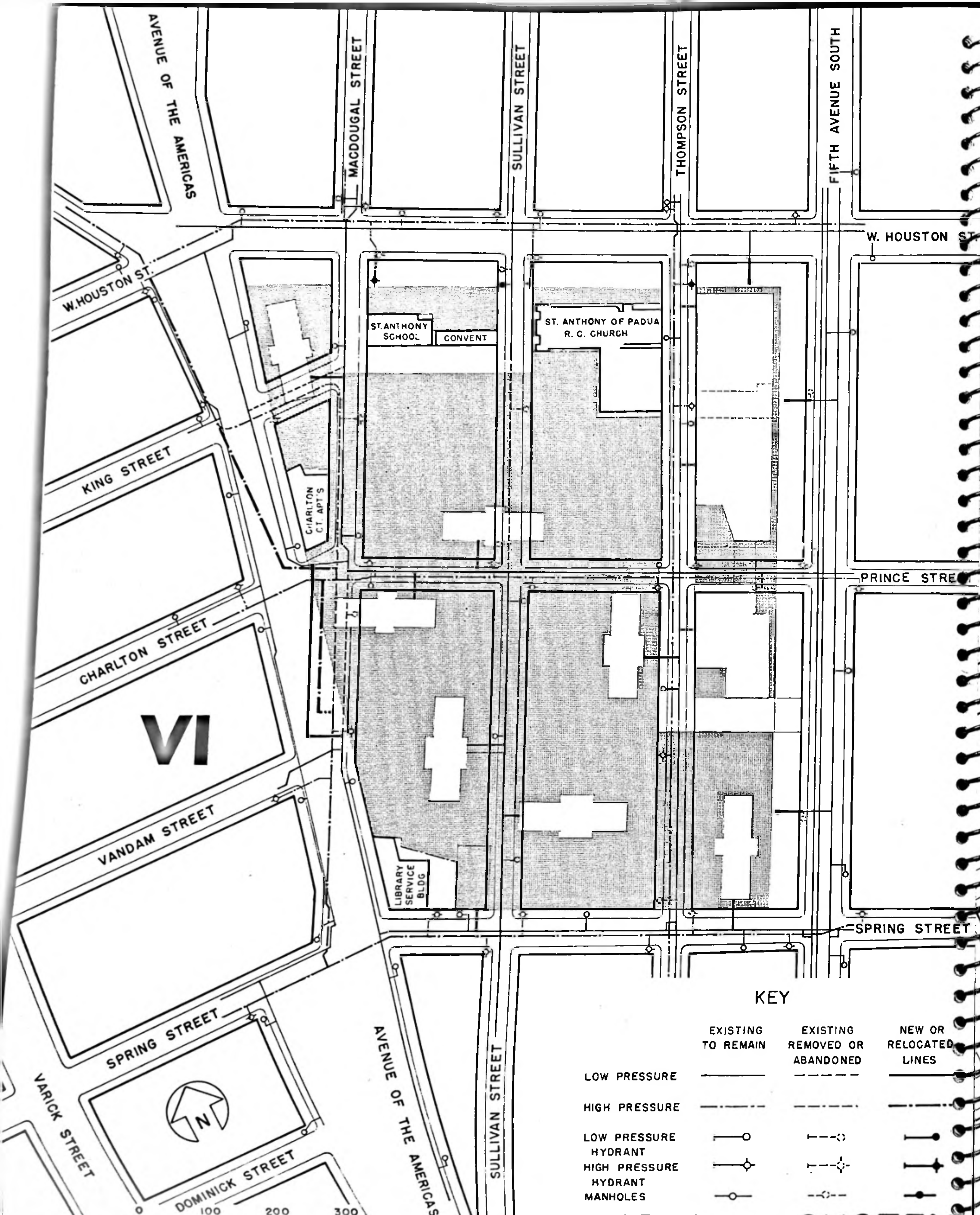
Due to the lowering of occupational density on the entire site, no major change was found necessary in the existing piped utilities. Minor re-routings of sewerage lines were worked out to by-pass the foundations of two of the apartment buildings, necessitating the abandonment of street mains totaling less than 15% of the footage affected by the project. A slightly higher percentage of new construction was indicated, including house lines to the new buildings. The water distribution system, both domestic and high pressure, was similarly handled. It was found possible to locate the new buildings so that existing hydrants would largely serve for fire protection, and so that paved access for fire-fighting equipment, ambulances, moving-vans, and necessary equipment is adequate.

It is proposed that the city retain the necessary land easements to provide for access to subsurface utility lines.

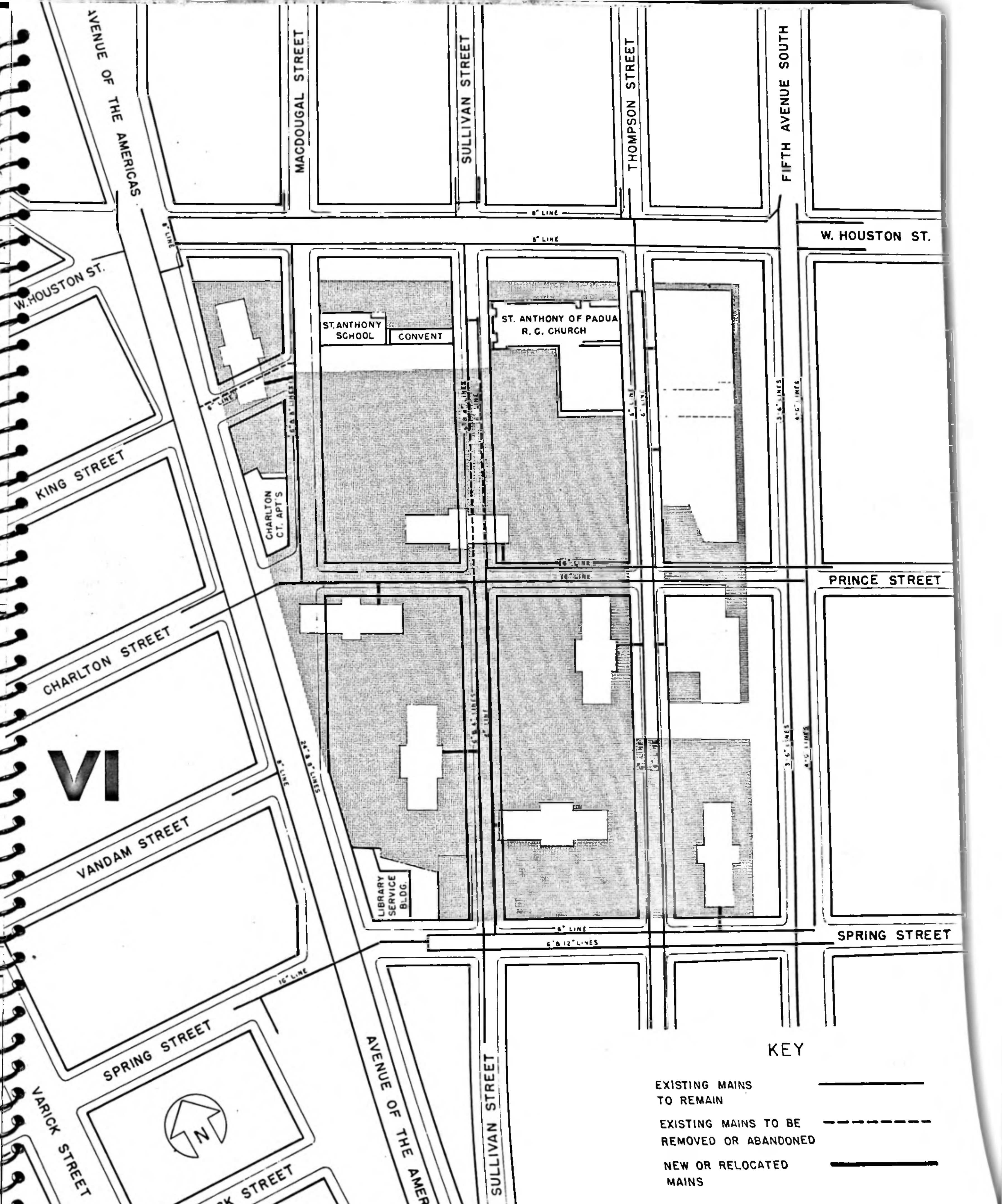



V
AVENUE OF THE AMERICAS
MACDOUGAL STREET
SULLIVAN STREET
THOMPSON STREET
FIFTH AVENUE SOUTH
W. HOUSTON ST.
KING STREET
CHARLTON STREET
VANDAM STREET
PRINCE STREET
SPRING STREET
VARICK STREET
DOMINICK STREET
C 1¼
B 2
B 1½
N
0 100 200 300
SCALE IN FEET
KEY
RESIDENCE DISTRICT
LOCAL RETAIL DISTRICT
RETAIL DISTRICT
BUSINESS DISTRICT
MANUFACTURING DISTRICT
UNRISTRICTED
AREA DISTRICT
HEIGHT DISTRICT

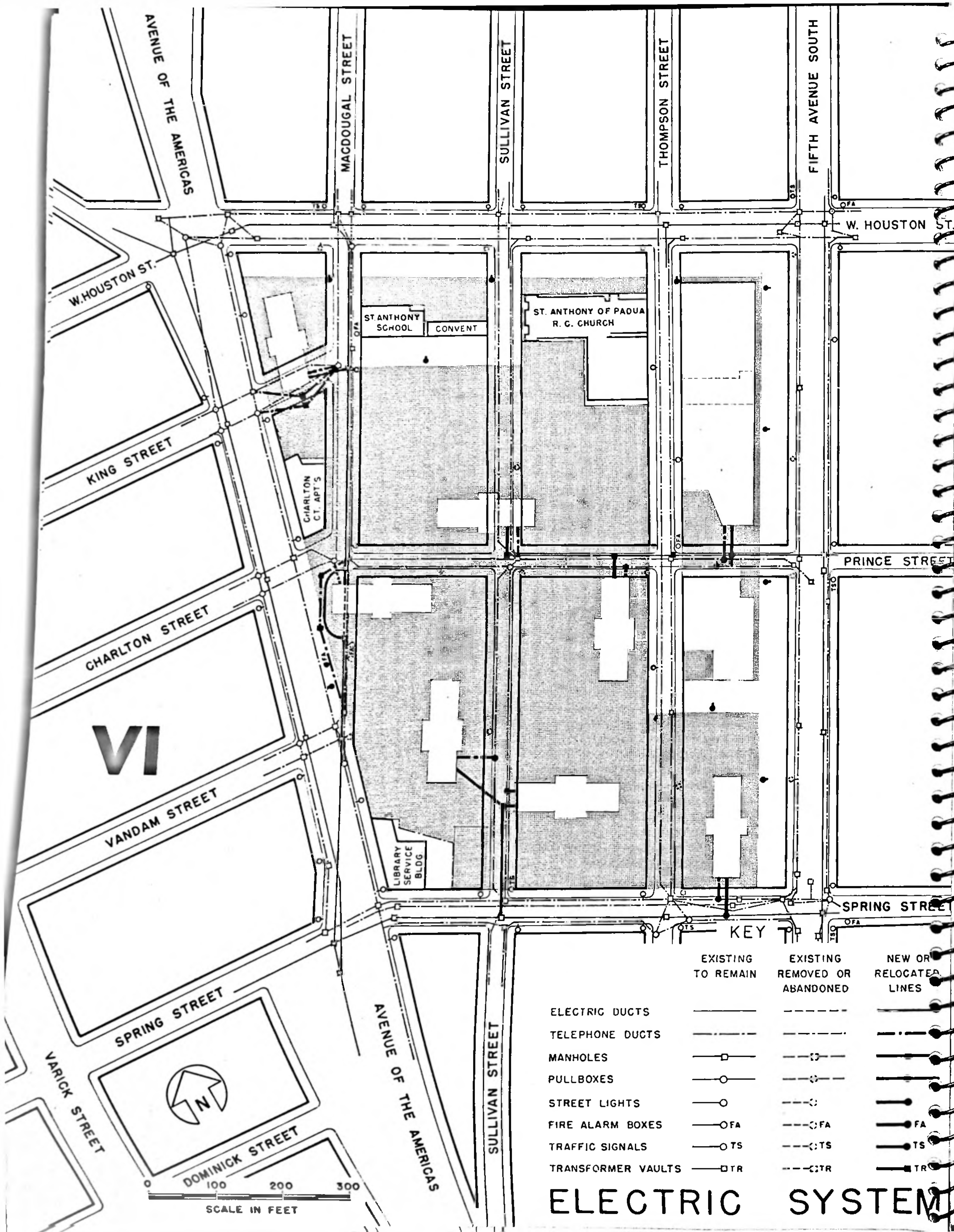

VI
AVENUE OF THE AMERICAS
MACDOUGAL STREET
SULLIVAN STREET
THOMPSON STREET
FIFTH AVENUE SOUTH
W. HOUSTON ST.
KING STREET
CHARLTON STREET
VANDAM STREET
PRINCE STREET
SPRING STREET
VARICK STREET
DOMINICK STREET
ST. ANTHONY SCHOOL
CONVENT
ST. ANTHONY OF PADUA R. C. CHURCH
CHARLTON CT. APTS.
LIBRARY SERVICE BLDG
N
0 100 200 300
SCALE IN FEET
KEY
EXISTING TO REMAIN
EXISTING TO BE REMOVED OR ABANDONED
NEW OR RELOCATED SEWERS
SEWER SYSTEM



WATER SYSTEM



GAS SYSTEM

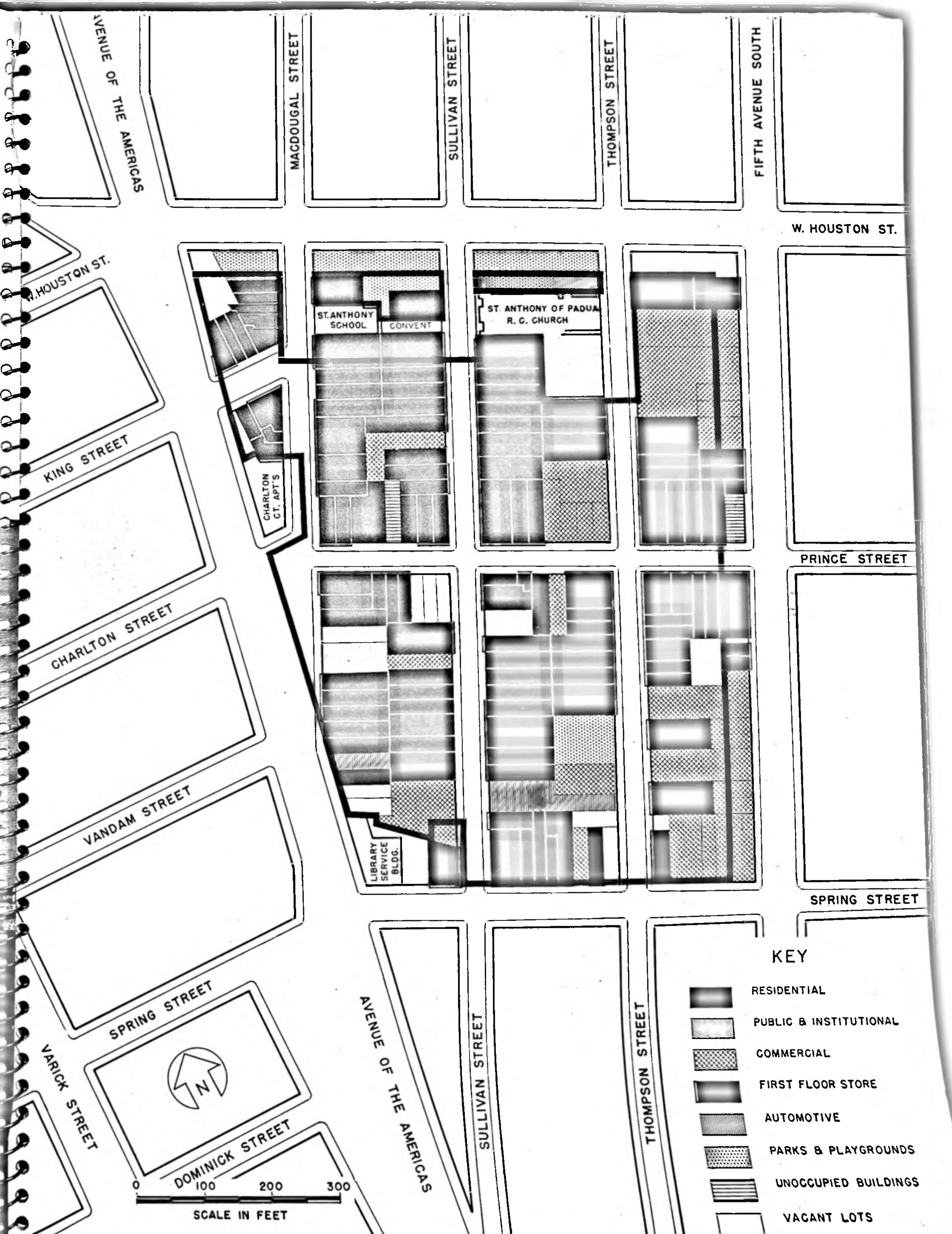


DEMONSTRATION OF SLUM CONDITIONS

- I LAND USE
- II CONDITION OF EXISTING STRUCTURES
- III AGE OF EXISTING STRUCTURES
- IV LAND COVERAGE
- V POPULATION DENSITY
- VI TENANT DATA
  1. FAMILY COMPOSITION IN RELATION TO SIZE OF DWELLING UNIT
  2. FAMILY INCOME IN RELATION TO RENTALS
  3. RENTALS
  4. TYPES OF DWELLING UNITS
  5. HEATING AND SANITARY FACILITIES

I **LAND USE**

Six city blocks plus two triangular block fragments, extending from West Houston Street south to Spring Street, and from the Avenue of the Americas east to Fifth Avenue South, comprise the specific area of this proposal. The total acreage involved is 12.85, exclusive of city streets. Uses of this land display the characteristics of a declining urban residential area. A predominant portion of the building lots are still covered by dwellings, predominantly of the substandard tenement type and including fully occupied rear yard tenements without access except through other tenements. Commercial and automotive uses have penetrated some buildings, particularly on Thompson Street. Most of these uses are in converted loft structures, although at the corner of Prince and Thompson Streets there is a plastics plant in a one-story building built for manufacturing. Vacant lots and the small play lot provide an extremely low percentage of open area.



II CONDITION OF EXISTING STRUCTURES

No buildings of architectural, historical or other special merit are found within the area, with the exception of St. Anthony's R.C. Church in the north third of block 517, with a school and convent to the west.

Over 99% of the residential buildings may be classified as walk-up tenements, and some 68% are lacking central heat. The major fraction (75%) lack private bathrooms, as compared with a corresponding figure of 19% for Manhattan and 9% for the entire city. None has an elevator, and none is of fireproof construction. Their present condition lies about equally between "rundown" and "fair," with very few buildings classifiable as "well-kept."

The categories of residential buildings as shown on the accompanying maps are defined as follows:

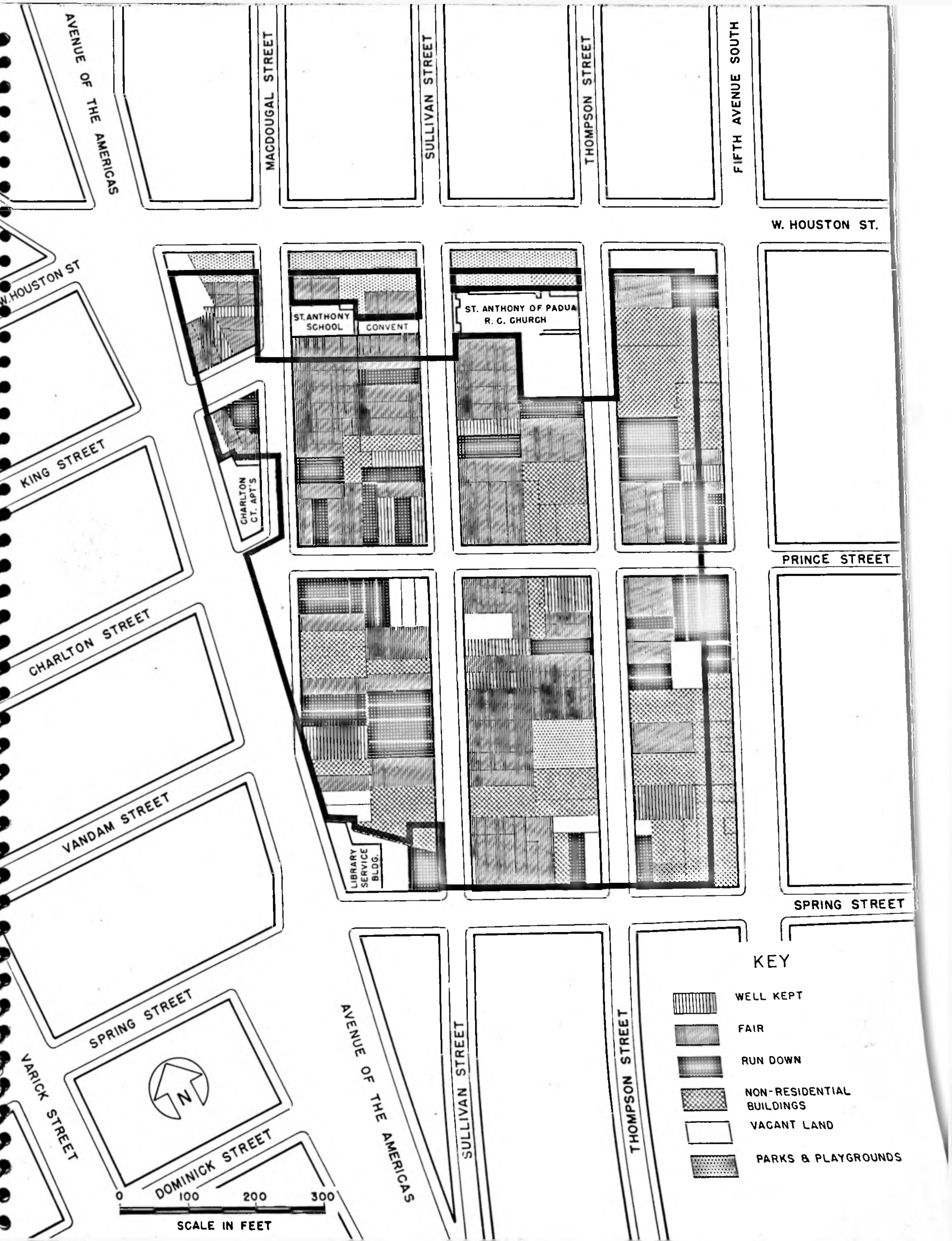
To rate "Excellent" a building would have to be new or recently renovated. It would have to be maintained in spotless condition and top-notch repair.

Meriting the "Well-kept" grade an older building had to be very clean, requiring no major repairs or painting.

A "Fair" building was one that was moderately clean and tidy, and perhaps required some painting and repairs.

Labeled as "Run-Down" a building would need drastic restoration to be brought into decent shape. Such a building might have deteriorated to the stage of being an object for demolition.

It must be remembered that in all the above categories except "Excellent" the buildings are substandard and are slums despite the manner in which they may be maintained.



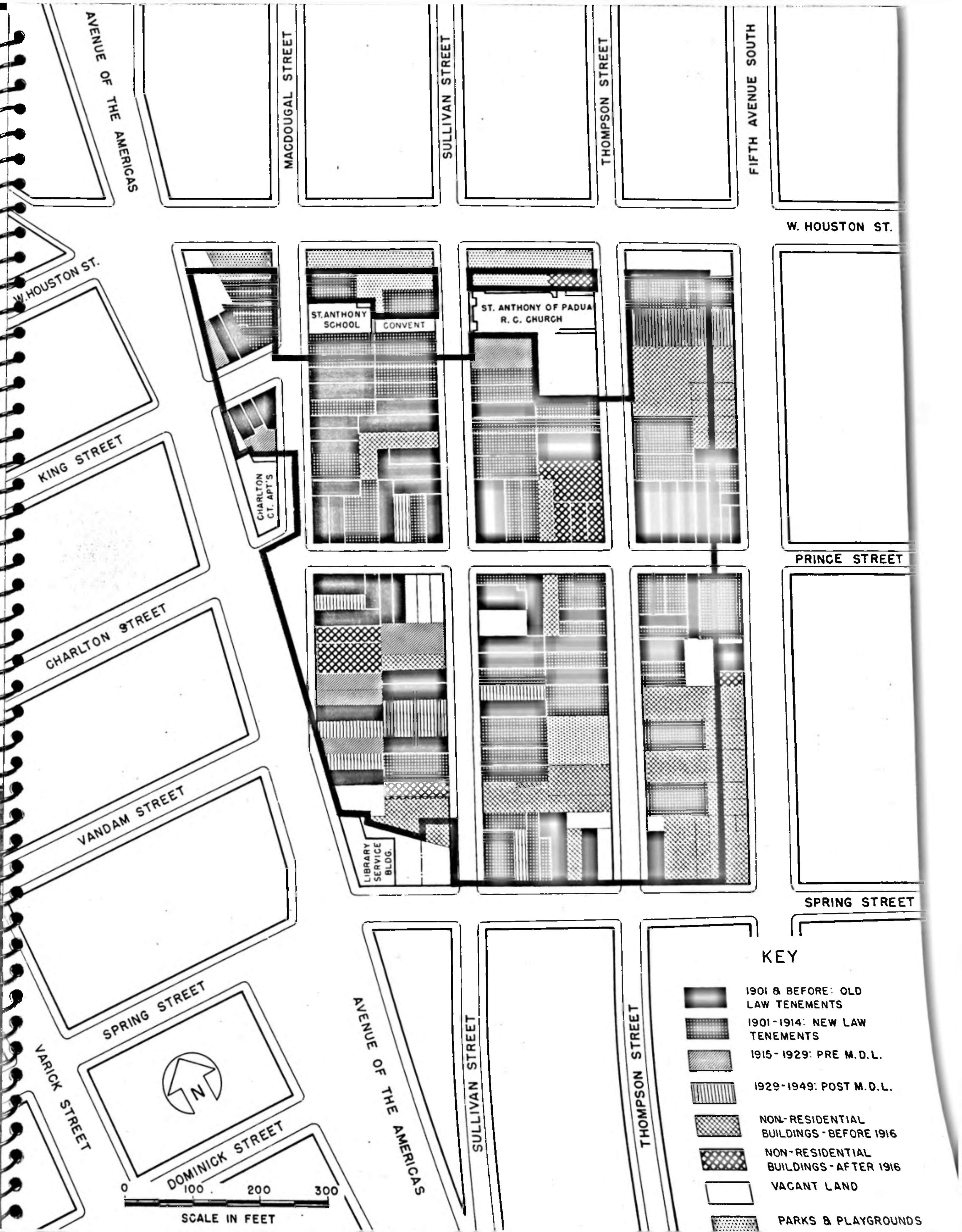
III AGE OF EXISTING STRUCTURES

The great majority of the residential buildings were erected before 1914. Many are "old law" tenements with thoroughly inadequate light and air, lacking central heating and having no individual toilets for each apartment. Others are of the "new law" tenement type with somewhat larger inner courts, but still highly deficient for light and air, and provide exceedingly inadequate accommodations by reasonably modern standards.

An inspection of the map on the opposite page shows that only a very small percentage of the residential structures on the site comply with the requirements of the Multiple Dwellings Law of 1929 which provides much higher standards for light, air and safety of the occupants.

The non-residential structures are in many instances converted residential buildings.

It will be noted that the map also reveals that only a small number of the residential buildings have been erected since 1916.

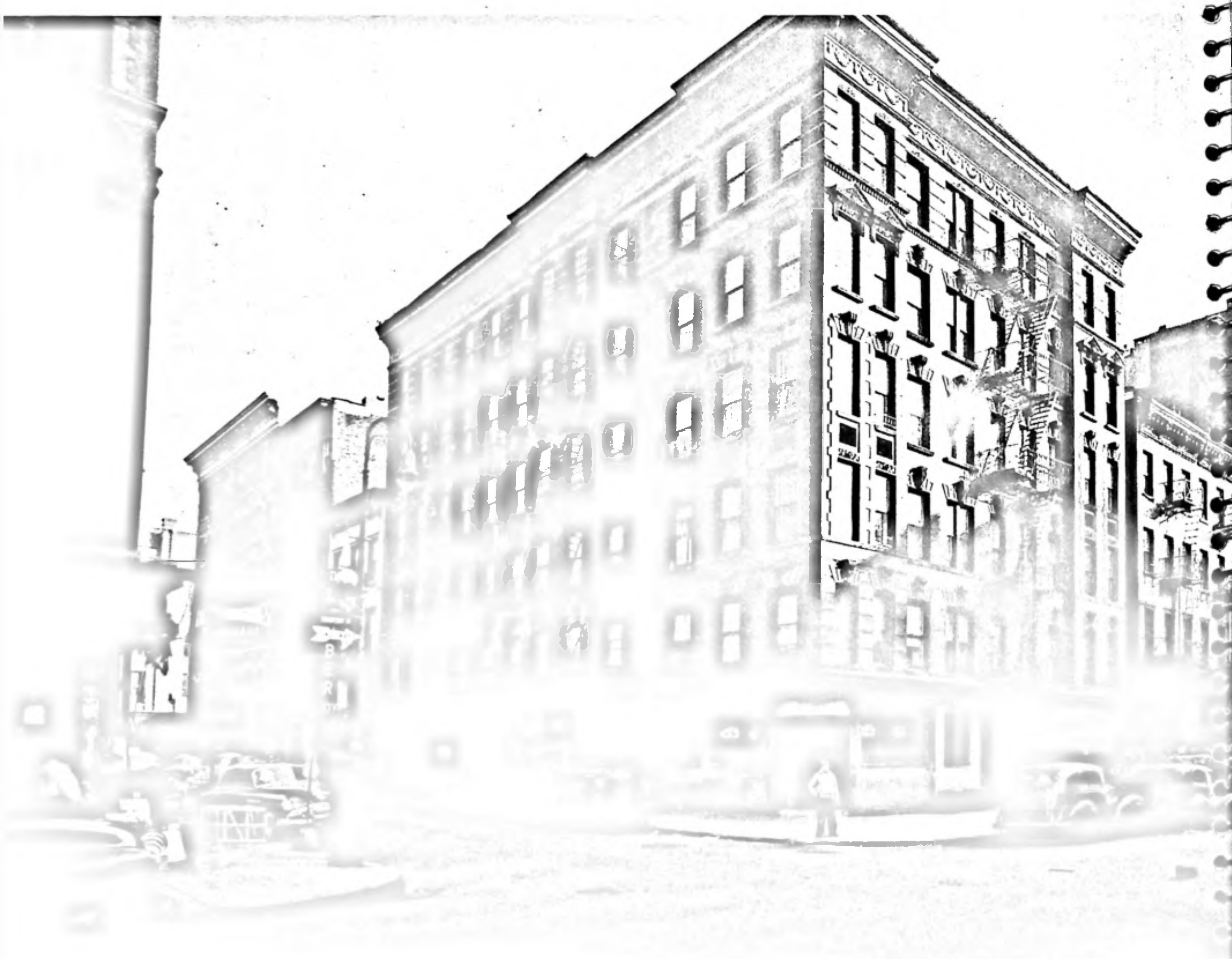


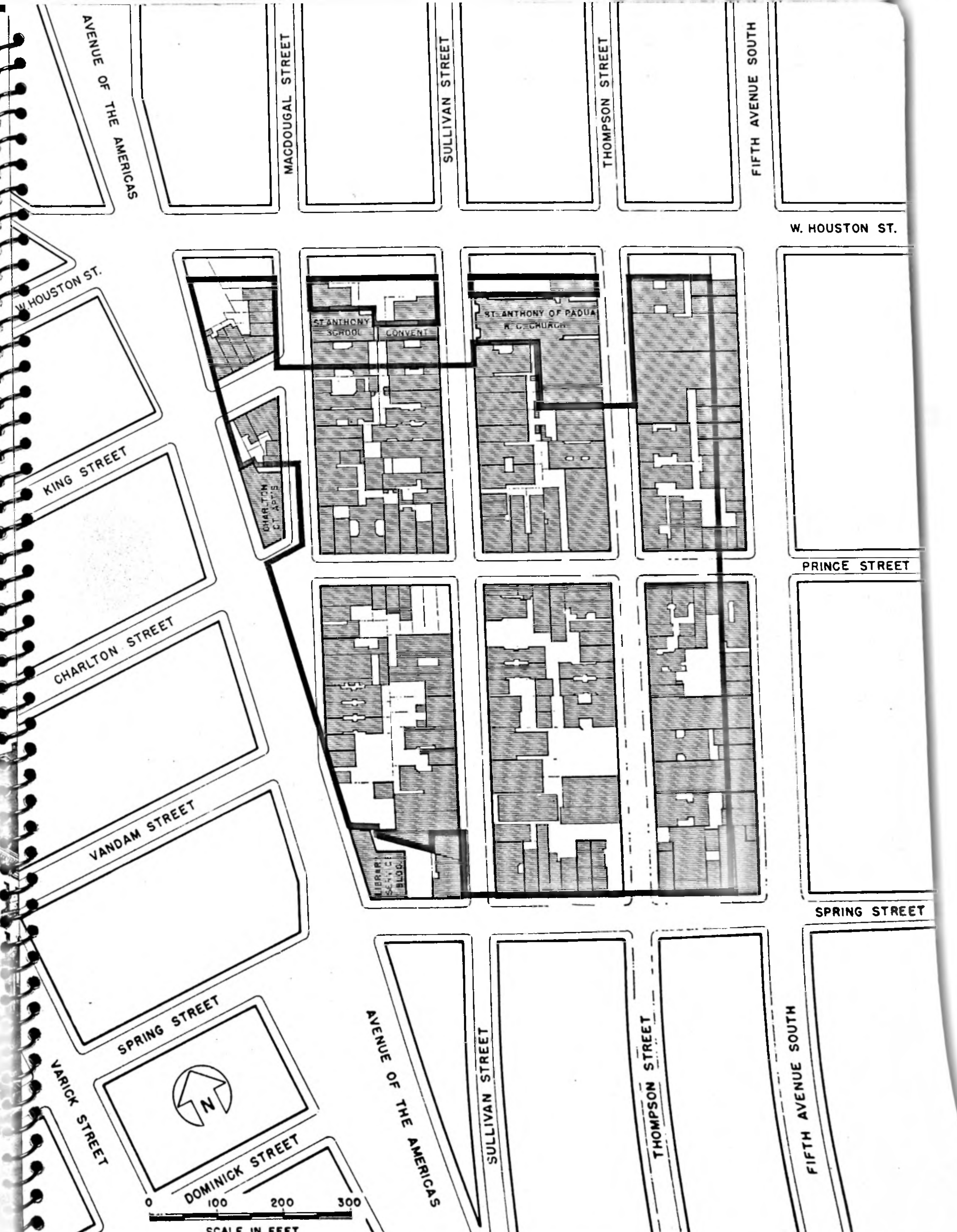
IV LAND COVERAGE

Within the 675,000 gross square feet covered by this site, the land is divided into some 212 separate parcels carrying 160 buildings ranging in height from 3 to 7 stories. Over 85% of the land within private property lines is covered by structures, and nearly 40% of the gross area is occupied by public streets.

It is important to note that over the past twenty-five years there has been little new building within the area, and that demolition has actually exceeded new construction.

The narrow spaces between buildings are of little value as a source of light and air.

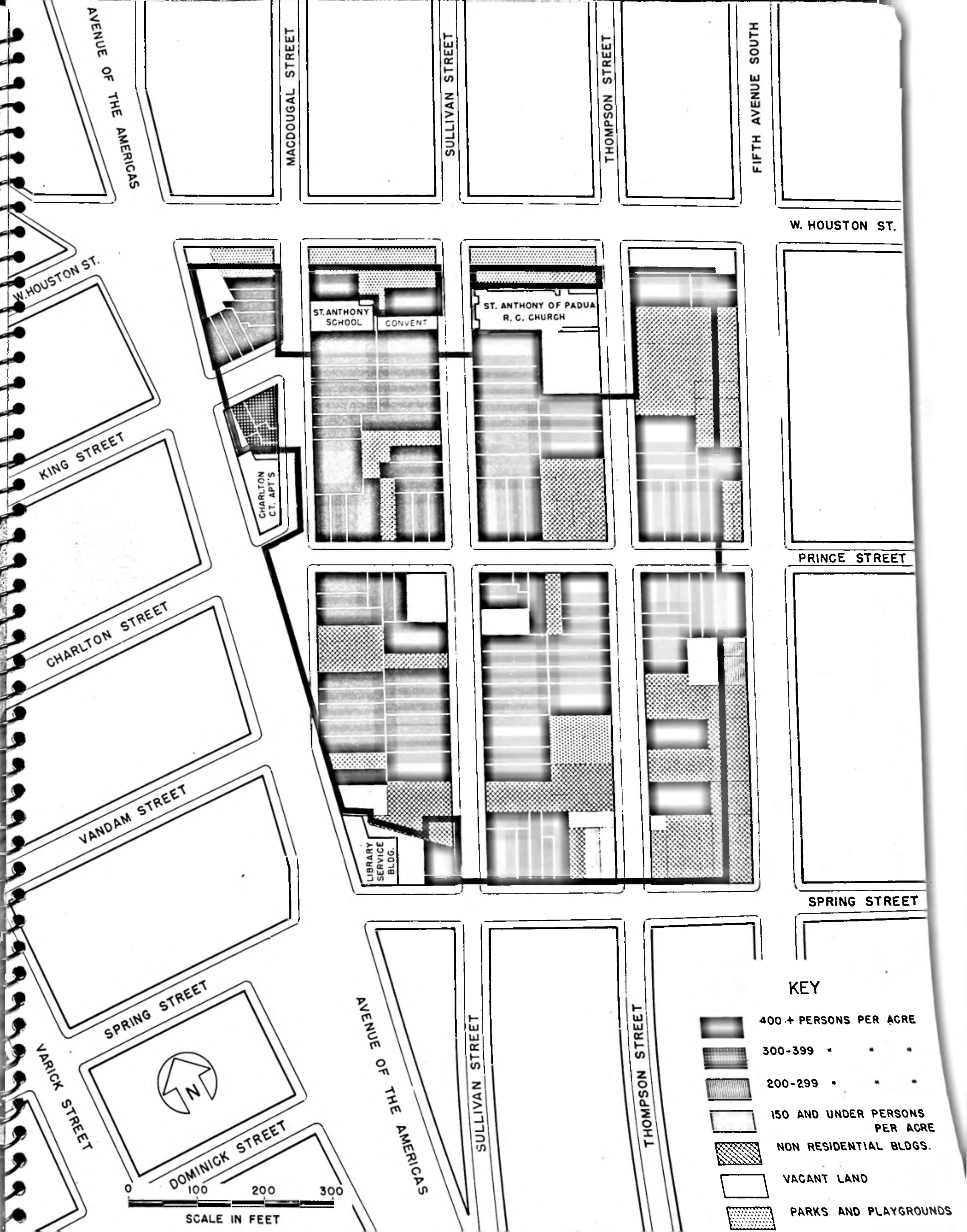




V POPULATION DENSITY

Some 1680 families live within the confines of the proposed project — a present population density of about 400 persons per net residential acre. Lot by lot densities show a much higher figure. Yet there has been a general decline in total population here since 1920, due to the encroachment of commercial uses. The family income averages somewhat lower than for the city as a whole, since 72% of families have earned less than $3000 per year, all wage earners included.

Open land and recreation space is extremely limited; backyards being narrow and dark, and sidewalks and streets congested. A 100 ft. by 75 ft. playground on Thompson Street equipped for younger children (of which there are approximately 1000 within the area) and three temporary play strips bordering West Houston Street for older teen-agers, altogether totaling about one acre, offer the only facilities. The density of use of recreation facilities is thus about 1/5 acre per thousand population, which may be contrasted with the "emergency minimum" for hygienic environment, set by the American Public Health Association at 2 acres per thousand.



VI TENANT DATA

To determine the rehousing needs of families displaced by this project and to prepare plans for the relocation of such families, data is presented on the accompanying charts describing and enumerating the types of structures, the various facilities of the residentials and the essential economic circumstances of the site residents.

Building by building and lot by lot field inspections were made of each and every parcel. Addresses, blocks, lots, and specific types of buildings were reported, checked in the field and rechecked with Bromley atlases and official New York City tax maps.

Tabulations were made of the total numbers of apartments and families, of the layouts in each residential building, owner-occupancy obtained from deeds and field interviews and numbers of occupied and vacant stores. Apartment data was categorized according to rental brackets and numbers of rooms. In addition this same data was presented according to family incomes and sizes both by numbers and percentages.

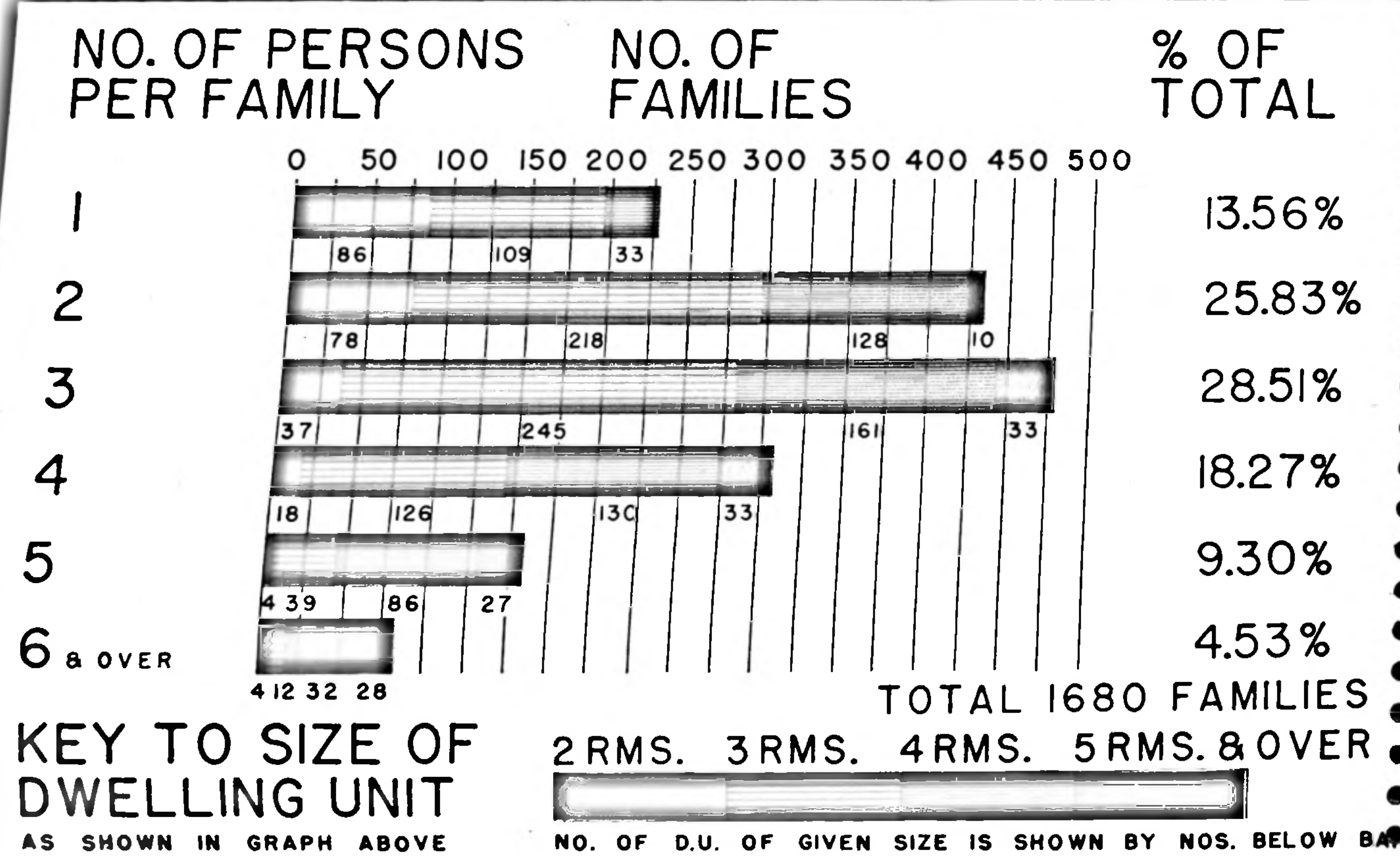
Apartments were further classified by facilities into those having central heat, those having hot water and no heat, and those having only cold water. Sanitary equipment was also listed as to complete bathrooms and separate toilets per one and two families.

Based on a sampling of typical families comprising a fair cross-section of all parts of each area estimates of the yearly incomes relating to the monthly rentals of all families were made. These estimates were presented both by the numbers of families and their corresponding percentages of the total. Additional estimates were made relating to the number of persons per dwelling unit and the number of rooms they occupied.

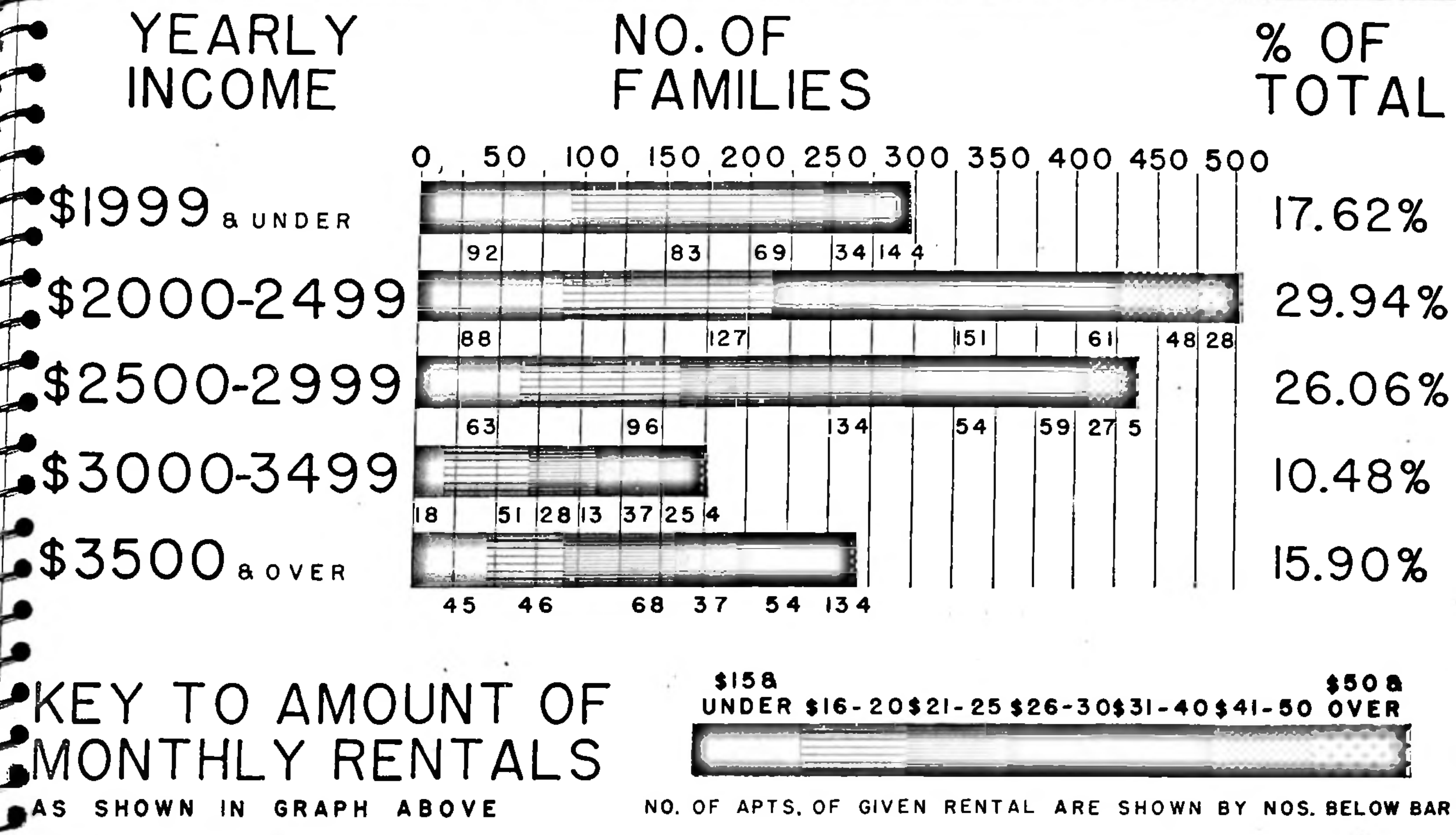
Relocation preferences of the families interviewed were obtained and then summarized by the numbers of families showing preferences for one area or another with the ratios of each preference group to the whole.

Besides the field inspections and interviews factual data was obtained from the New York State Rent Commission and the City of New York Department of Housing and Buildings, Tax Department and Department of Welfare.

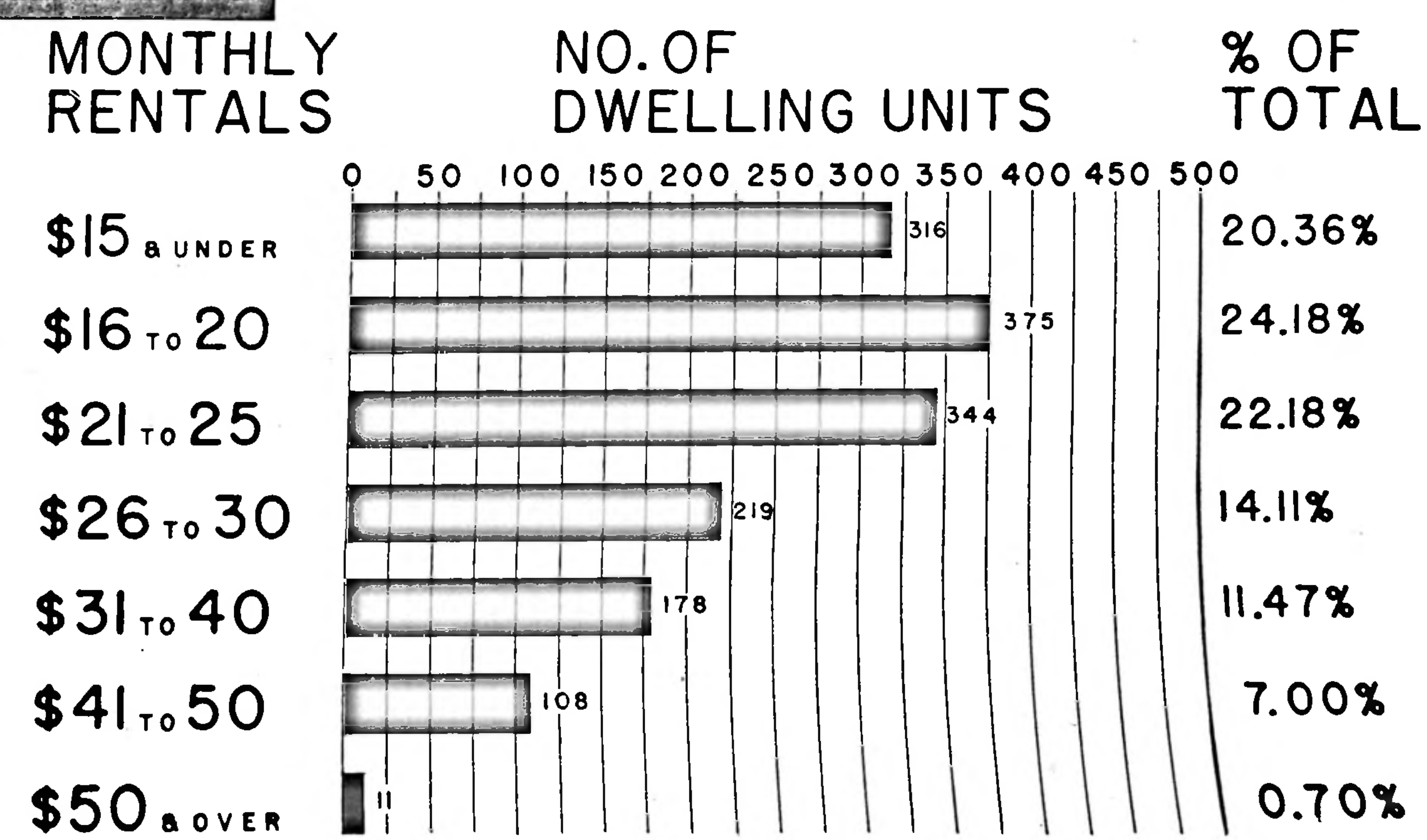
FAMILY COMPOSITION IN RELATION TO SIZE OF DWELLING UNIT



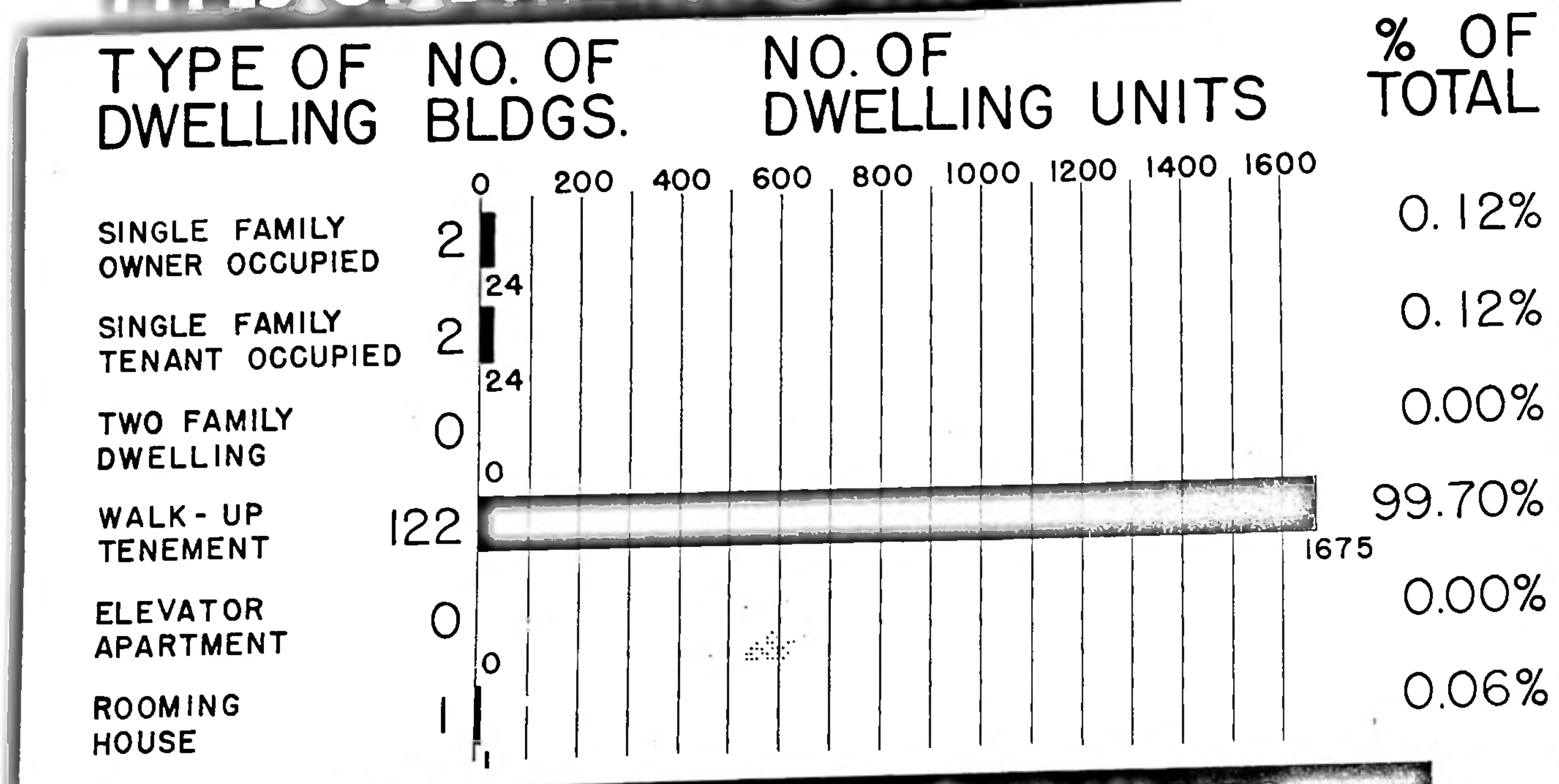
FAMILY INCOME IN RELATION TO RENTALS



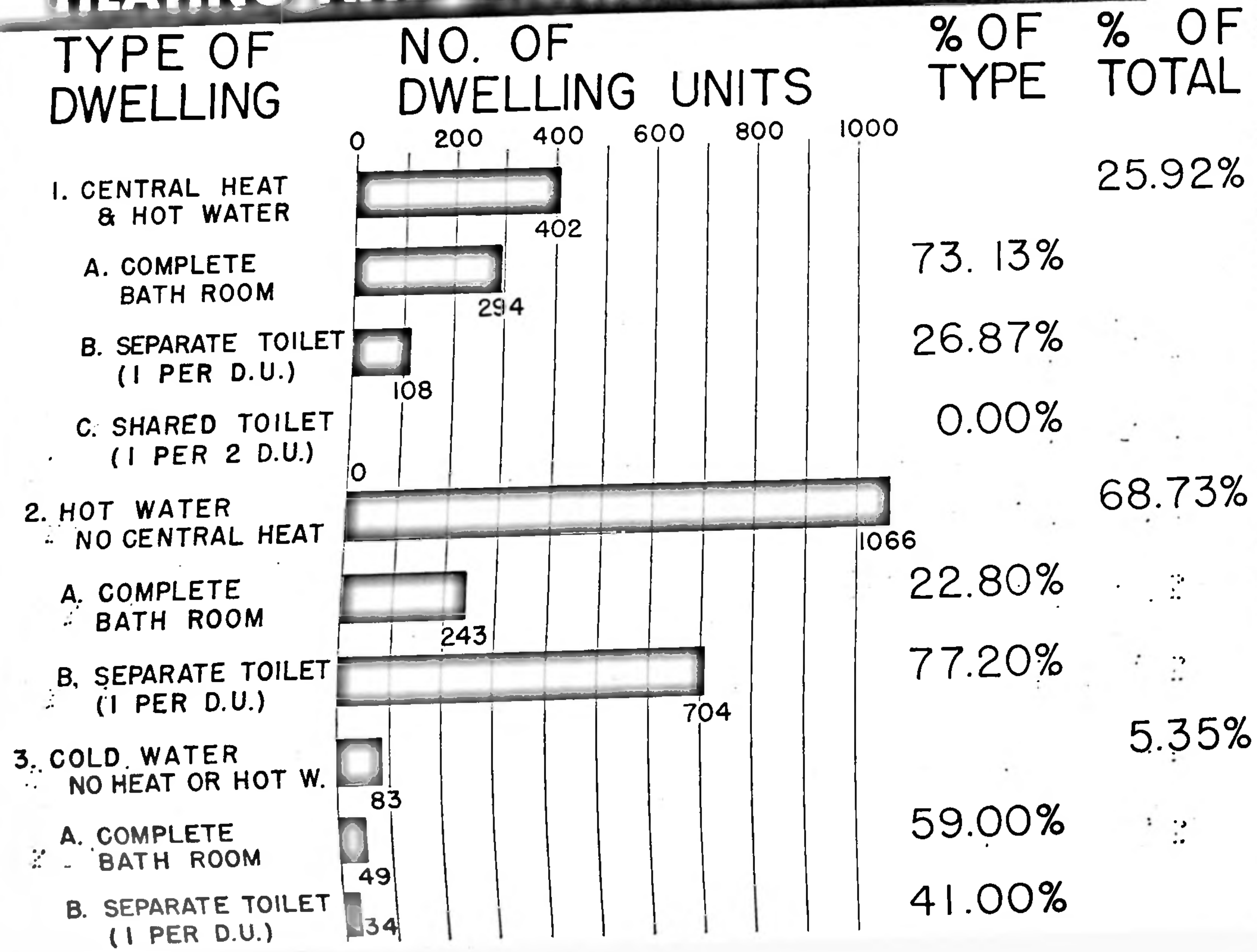
RENTALS



TYPES OF DWELLING UNITS



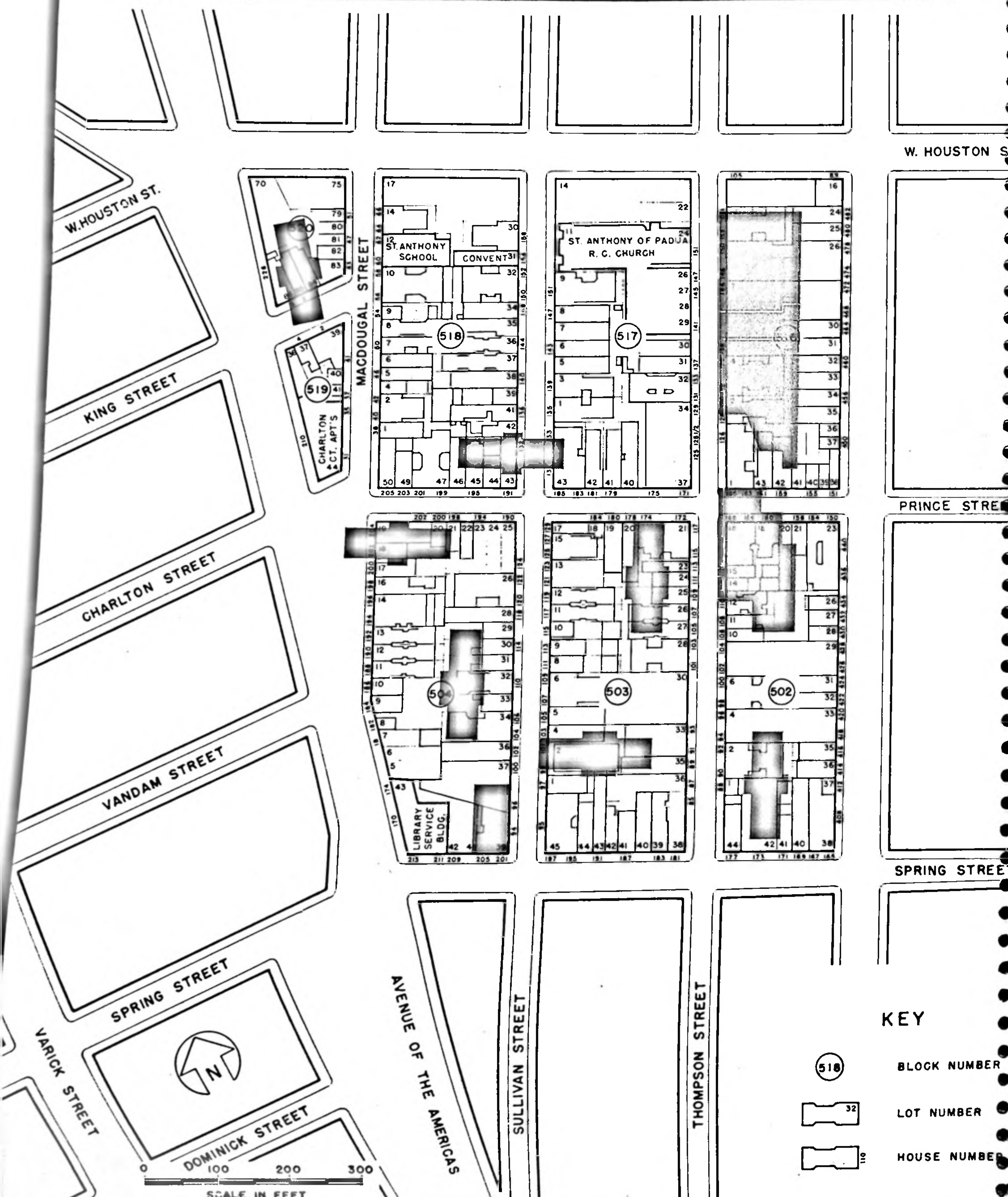
HEATING AND SANITARY FACILITIES



APPENDICES

I BLOCK, LOT & HOUSE NUMBER MAP
II ACQUISITION APPRAISAL
III RESALE APPRAISAL

I BLOCK, LOT & HOUSE NUMBER MAP



II ACQUISITION APPRAISAL

Within the boundaries of this site there are 173 separate parcels of real estate held in private ownership, in addition to 7 parcels owned by the City of New York. It is estimated that as of this date it would cost $6,800,000 to acquire that portion of the entire site in private ownership, in addition to an assessed valuation of $314,500 on the parcels now owned by the City or a total of $7,114,500. However, from these totals must be deducted the estimated acquisition cost of those properties which are to be left remaining on the site, reducing the cost to $6,400,000 for private properties and $205,500 for City owned properties. On a square foot basis, this works out to a cost of $14.16 per square foot of private property acquired.

In arriving at this estimate as to the probable cost of acquisition, the realtor was concerned with the method of acquisition, and also took into account all of the many factors affecting the value of the properties under consideration, such as the present use and condition of the improvements on the site, the general neighborhood including transportation, educational, cultural and religious facilities, prevailing rentals, value as evidenced by recent sales of properties within the site, and decisions of the Court in condemnation proceedings.

As to the method of acquisition, it is considered probable that by far the larger portion of this land will have to be acquired by the City of New York through the exercise of its right of eminent domain. Extensive study of the assemblage of substantial plots within the City during the recent past leads to the conclusion that it is virtually impossible to assemble a site more sizeable than two acres without resorting to condemnation.

Present Use and Condition of Buildings on Site:

Of the three blocks comprising this site, two are primarily residential in nature, while the third is divided almost equally between residential and commercial uses.

Almost all of the commercial buildings cover the entire plot, with some having narrow courts at the rear above the first floor. There are several garages and warehouses, and a number of loft buildings with store and show-room space. These are old loft buildings of non-fireproof construction; many are used for manufacturing.

The residential buildings include many of the older types of apartment construction; there are several lots with front and rear tenements, with small courtyards between; there are dumbbell type tenements; and there are a number of apartment buildings with narrow air shafts. There are also several converted dwellings.

There are no elevators in the residential properties, despite the fact that some of the tenements are five and six stories high. Most of the buildings were erected prior to the establishment of present restrictions, and do not conform to the present standards. Land coverage averages between 70% and 80% of the plot, and density is over 700 persons per acre.

Further evidence of the sub-standard nature of the housing now in existence on this site is found in the Wood, Dolson & Company report, which indicates that only 23% of the apartments provide central heating and complete bathrooms, and that 16% of the apartments do not even have individual toilets for each family.

Surrounding Neighborhood:

To the north of this site are three blocks of a highly similar nature, now under consideration as an extension of the current plan for redevelopment of this site, or similar redevelopment. Beyond to the north is the Washington Square Site. To the northeast, east and southeast, there are solid blocks of five and six story loft buildings. This area to the east embraces one of the most intensively developed of the older manufacturing and industrial sections of Manhattan.

To the south, the neighborhood is similar to that of the site in question, with a preponderance of old law tenements. To the west is a more modern industrial and commercial development, with fireproof loft and factory buildings, as well as several publishing houses. To the immediate west on Van Dam and Charlton Streets there are a number of private homes and converted dwellings.

Transportation facilities are adequate. There is a station of the Sixth Avenue subway at Spring Street, and a station of the B.M.T. line at Prince Street. There are cross town bus lines on Houston Street and on Spring Street, and north-south bus lines on Broadway and on the Avenue of the Americas.

There is a Roman Catholic Church and school just north of the site, and a Presbyterian Church to the west; churches of other denominations are at some distance from the site. There are two public schools nearby, one at the Avenue of the Americas between Broome Street and Dominic Street, and one on King Street between the Avenue of the Americas and Varick Street.

Prevailing Rentals:

The existing rentals in the neighborhood of this property for apartments in tenement buildings and for stores and lofts in commercial properties, although showing a rather satisfactory yield based upon the depressed value of these old buildings, would nevertheless be insufficient to return a reasonable profit upon the reconstruction value of the various structures. In other words, the rentals are on a very low level which reflects a satisfactory yield for sub-normal properties. This unique condition is one of the factors preventing the elimination of slums by the investment of private capital without the intervention of the municipality charged with the well-being of its citizens.

Value as Evidenced by Sales:

A search of recorded conveyances revealed that since January 1, 1947 there were 25 bona fide sales of properties within the boundaries of this site in addition to four foreclosures of mortgages. These sales were analyzed in detail and revealed the following indications of value:

The sales were made at considerations averaging 81% of the assessed valuation at the time of conveyance, and 79% of the 1950/51 assessed valuation of properties conveyed.

There was a total area of 86,371 square feet involved in these sales; the total consideration applicable to land was $353,485, showing an average land price of $4.09 per square foot. It might be well at this point to explain the method used in deciding what proportion of the consideration was attributable to land value. The consideration was allocated to land and building in the ratio existing between the land and building assessments at the time of the sales. While it might be argued that this method of analysis presumes too heavily upon the correctness of the assessed valuation, there is no other objective approach to a proration of the consideration. It would be fallacious for the appraiser to estimate the replacement cost of the building and deduct it from the total consideration, thereby finding a residual land value, since (a) the building may well be worth substantially more or less than its replacement cost, from an economic standpoint, and (b) the appraiser cannot project himself into the minds of both parties to each transaction in order to ascertain the opinion of the parties as to the relative worth of land and building in establishing the consideration to be paid by the buyer and accepted by the seller.

In a further study designed to determine the extent, nature, and trend of the market, the following figures were disclosed:

The sales covered 18% of the area of the site, and 17% of the 1950/51 assessed valuations of the site. The 25 sales covered 24 tax lots; there are 173 privately owned tax lots in the site, therefore the market covered 14% of the total number of tax lots in the site.

The distribution of sales with respect to type of improvement was as follows:

Type of Improvement	*No. of Sales*	*% of Total*
Residential, no stores	3	12.0%
Residential, stores on grade	14	56.0%
Unimproved plots	2	8.0%
Commercial properties	6	24.0%
	25	100.0%

In 1947 there were 7 transactions averaging 85% of assessed valuation; in 1948 there were 13 transactions averaging 86% of assessed valuation; in 1949 there were 3 transactions averaging 75% of assessed valuation; in 1950 there were 2 transactions averaging 63% of assessed valuation; a total of 25 transactions averaging 81% of assessed valuation.

Decisions in Condemnation Proceedings:

Since it is deemed probable that virtually all of the land for the proposed development will have to be acquired through condemnation, particular study was made of the relationship between awards made by the New York State Supreme Court in the First Judicial District and the assessed valuation of properties condemned in the recent past. The appraiser consulted with members of the Corporation Counsel's staff, and studied the awards made in condemnation proceedings for the acquisition of land for public use, both for housing and other purposes, such as street widening, and for the acquisition of land to be resold to private investors for use in the public interest in the creation of new housing.

Statistical data in connection with the most pertinent of these awards has been made available to the Committee. It is sufficient to note here that during the past decade such awards have ranged from 83% of the assessed valuation to 128%, and that since the general improvement in the real estate market in 1947, in no instance have awards been lower than the assessed valuation.

Assessed Valuation:

In connection with this site, detailed studies were made of the assessed valuation of each tax lot for the tax years 1949/50 and 1950/51. A brief summary of the 1950/51 assessed valuations involved follows:

	No.	*Land*	*Building*	*Total*
Unimproved Lots:				
Private Ownership	9	$ 122,500	....	$ 122,500
N.Y. City Owned	3	39,000	....	39,000
	12	$ 161,500	....	$ 161,500
Improved Properties:				
Private Ownership	164	$2,652,000	$2,916,000	$5,568,000
N.Y. City Owned	4	225,000	50,500	275,500
	168	$2,877,000	$2,966,500	$5,843,500
Totals for Site:				
Private Ownership	173	$2,774,500	$2,916,000	$5,690,500
N.Y. City Owned	7	264,000	50,500	314,500
	180	$3,038,500	$2,966,500	$6,005,000

Detailed studies upon which we have based our opinion as to the probable cost of acquisition of the site, and from which the foregoing information has been abstracted, have been made available to the Committee.

CHARLES F. NOYES CO., INC.
George A. Hammer,
Vice President

III RESALE APPRAISAL

In order to estimate the resale value of the land within this site, we have made an analysis of the proposed redevelopment plans for this area, and have made a careful study of all factors affecting the value of the land in this site for the proposed redevelopment. We have come to the conclusion that the over-all reuse value of the land as if cleared is $6.50 per square foot, or $283,140 per acre. Since the area to be developed for middle cost housing consists of 458,645 square feet, the total resale value as if cleared, of this portion of the site, would be $2,980,000. It should be borne in mind that since it is intended to sell this site encumbered with the present improvements, it will be necessary to apply a discount to the above value in order to compensate the purchaser for the attendant cost of obtaining possession from the present occupants of the buildings, and for the cost of demolition. It has been estimated that the resale value of the land in its present condition would amount to $2,055,000 or approximately $4.48 per square foot.

It has been planned by the Committee to develop an area of approximately 10.5 acres as a housing project, with a two-fold purpose.

(1) The elimination of a slum area.
(2) The alleviation of the shortage of residential space in the middle income brackets within the Borough of Manhattan in the City of New York.

We, as realtors, have been asked to exercise our judgment as to (a) the suitability of this area for housing of the desired type, (b) the economic feasibility of such an undertaking, and (c) the price which could be realized by the City of New York for the site if offered at public auction to private investors after its acquisition by the Committee through the use of its right of eminent domain.

Before reaching a conclusion in relation to the above points, we made a careful survey of the site and its surrounding neighborhood. The results of this survey as to the site and the surrounding neighborhood have been incorporated in our report relative to the probable acquisition cost of the property. Another factor to which we gave considerable study before reaching our conclusions was the present market value of the land as used today, through an analysis of all sales of property within the site occurring since January 1, 1947. The data relating to these sales was also fully discussed in our report concerning acquisition cost, and it would seem unnecessary to develop the point further herein.

Additional factors considered before reaching our final conclusions included a study of the cost attendant to the construction of the project, the rentals which could be obtained upon completion of the improvement, the expenses attendant to the operation of the completed structures, the yield that could reasonably be anticipated by a private investor on the over-all investment, and the potential value inherent in this land for the projected use.

Construction Costs:

Estimates as to the cost of constructing the proposed buildings, including all professional fees, as well as the cost of landscaping and site improvements, were supplied to us by the architects for the project. To these figures were added allowances for costs involved in the completion of the projected buildings, such as interest on land and on capital invested in the building during construction, real estate taxes on land (based on the present assessed valuation of the land), and finance, legal and organization expenses involved in a project of this size. This latter item includes inspection and examination fees, and title and recording charges.

Rental Values:

In connection with the estimation of the rental value of the projected apartments, intensive study was made of the prevailing rentals in other large apartment developments both within the Borough of Manhattan and in the New York metropolitan area generally. Particular attention was given to rentals in new buildings which are not subject to rent controls. Within Manhattan, almost all new apartment construction, other than subsidized and tax exempt housing, is in the luxury class, with very few rentals at less than $50 per room per month, and a large number of rentals ranging up to $100 per room per month. However, in suburban New York, there are a large number of apartments renting at between $30 and $40 per room.

The apartments within the projected development for this site can be rented very readily for $33.00 per room per month. In fact, on the present rental market, they could undoubtedly be rented at higher rates. However, since one of the objectives of the Committee is to provide housing at the lowest possible rental consistent with sound financial planning, and since the approach to value through the capitalization of a stream of income presumes the continuance of that income on a reasonably steady plane, we have used this minimum rental of $33.00 per room per month as a basis for our calculations as to the capitalized value of this projected development.

It was also necessary to determine the rental value of certain other space in the projected buildings, including stores, commercial space, a theatre and parking facilities. The rental values of this commercial space were established after a consideration of all pertinent factors such as the nature of the space, the market for such space created by the projected housing, and rental value of similar space in the vicinity.

Operating Expenses:

We estimate that the proposed improvement for this site could be operated at a cost of approximately $90 per room per annum by a private investor. This figure is based on current rates for labor, materials and utilities and includes the following items: Payroll, Payroll Taxes, Fuel, Water, Insurance, Repairs, Gas and Electricity including tenants' consumption, Painting and Decorating, Reserve for Replacements, Supplies, Management and Brokerage, and Miscellaneous Expenses. Payroll estimates are predicated on the use of automatic rather than manually controlled elevators.

The figure of $90 per room does not include real estate taxes or amortization of the investment, which have received consideration in the projection of the net return applicable to the proposed development.

This estimate was made after extensive study as to the cost of operating somewhat comparable buildings in the recent past, including a number of large projects within the City operated by such investors as insurance companies.

Anticipated Yield:

Based on the foregoing estimates of rental value and operating costs and computing real estate taxes on the basis of a reasonable approximation of the assessable value of the proposed project, the estimated net return on a free and clear basis shows a yield of approximately 7% on the total investment involved. We believe that this represents an adequate return on an investment of this character. Since it will probably be possible for a potential investor to secure a substantial mortgage at considerably lower interest than 7%, the percentage of return on the equity would be proportionately higher than 7%.

Projected Use:

It is our considered opinion that the most desirable use to which this land could be put, after demolition of the existing slums,would be as a site for apartment buildings offering housing at moderate rentals, in conjunction with shops along the easterly boundary of the site, and commercial space in a small area at the northwest corner of the site. A detailed study of the economic feasibility of such development reveals that such use is financially sound.

Of the present site tenants, only a small percentage could afford the type of housing planned for this site. A large majority of the present occupants are in income brackets which would make them eligible for subsidized public housing.

However, there is great demand for housing at a moderate rental level, for people whose incomes are in excess of the maximum established by the City Housing Authority, but are not large enough to secure housing at the high levels now prevailing in privately constructed new dwellings.

There is ample demand for housing at moderate rentals, if it can be produced by private capital, with the aid of such land subsidies as are contemplated in this program.

Comparative Approach to Value:

Another type of appraisal procedure usually applied in determining the valuation of land is the comparative method, through which analogies are drawn between the assets and benefits inherent in the site being appraised and those found in similar sites suitable for the same purpose and offered concurrently for sale or lease.

This method of appraisal could not be applied in this manner in the instant case due to the fact that no similar assemblage of land presently improved with sub-standard housing, is to be found on Manhattan Island, which is susceptible to private negotiation as distinguished from acquisition through the use of the right of eminent domain.

It was possible, however, to ascertain the acquisition cost of other housing projects, both private and public, and to compare the assets and benefits of those sites (as to their relative location, transportation facilities, neighborhood conditions, and desirability) with those of the subject site.

In order to establish a value on this site for resale purposes, at a level consistent with its market value for the use envisioned by the Committee on Slum Clearance, the comparative method was applied to this extent. In the application thereof, the records and statistics of many private and public projects were studied and analyzed to determine (a) acquisition cost, (b) construction cost, (c) operating expenses incurred, (d) rentals obtained, and (e) the resultant monetary yield.

All of the foregoing study is reflected in the resale value which we have placed upon this site.

CHARLES F. NOYES CO., INC.
George A. Hammer,
Vice President

Aerial photograph by Fairchild Aerial Surveys, Inc.

Design: Richard C. Guthridge