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Real Estate

Buildings With a Past

Creating New York Apartments From Unlikely Buildings

by C. J. HUGHES

New York has always been a place where people could start over, reinvent, try something new.

Buildings have been no different.

Perhaps from the moment somebody turned a stable in colonial Manhattan into a crash pad, what constitutes a home has been open to interpretation.

Naturally, office towers have been favorite targets of makeovers, as businesses require far fewer desks than they used to, freeing up lots of space. And no high-rise has been too sacred: Even the Cathedral of Commerce itself, the Woolworth Building, is adding condos.

But if anything really speaks to second chances, it may be the conversion of buildings that were hard to imagine ever living in — power plants and parking garages, schools and cinemas, warehouses and banks.

And it is no coincidence that there seem to be more of these quirkier conversions than in the past, according to developers, real estate brokers and city officials.

Land is extremely scarce, they say, and historic districts, which are numerous, make new construction tough. Besides, some old-time structures are far bigger than what zoning would allow on their lots today. Adaptive reuse can also be speedier.

But curb appeal may also have something to do with it. “There’s a general movement now that goes beyond real estate, a reaction to a world that’s become increasingly electronic,” said Toby Moskovits, president of Heritage Equity Partners, which is transforming a church-and-school complex into apartments in Williamsburg, Brooklyn. “People are more comfortable,” she added, “with something that feels authentic.”

This year, through June 27, the city issued 28 permits for ground-up construction in Manhattan, according to the city’s



Department of Buildings. During the same time, it also issued 28 “Alt-1” permits, which are required when somebody wants to take a factory, say, and put apartments in it. So, conversions make up half the total of permits, which is in line with 2013, the data show.

In 2007, in contrast, at the height of the last boom, there were 60 conversions out of 181, or about a third of the total, which suggests the share of conversions is growing.

Halstead Property, which projects slightly lower numbers

Parking

As bikes abound and roads grow narrower, New York can seem to be turning its back on cars. The rapid disappearance of gas stations may not be helping things either.

Parking garages are befalling similar fates, which may not be that surprising: Often humdrum, and built for function, they rarely seem to be the focus of preservation efforts, and developers have long eyed their sites for their potential.

But in Greenwich Village, two garages are being incorporated into condo developments, at 12 East 13th Street, with eight units, and 17 East 12th Street, with nine.

On East 13th, near Fifth Avenue, DHA Capital and Continental Properties are at work on a garage once used mainly by Hertz, the rental car company, which also had a ground-floor office. With eight floors, the garage was built in 1930, before modern zoning laws were imposed on the low-slung area, limiting height.

Indeed, had the developers torn down the garage and built new, it is doubtful that a new structure could have been as bulky as what is there now, which meant converting was a better option, said Dan Hollander, DHA's managing principal.

Still, the developers could shift some things around; by shaving off the back of the building and adding that mass to the top, they were able to boost the height to 12 stories.

Other alternations are needed. The windows were not big enough for residential use, so they are being enlarged, as the building also gains a new facade, Mr. Hollander said. But starting with a foundation and walls cut some construction costs on the \$75 million project, he added; similarly, the condo will take less time to complete, about 16 months, versus 24 months for ground-up construction.

DHA is also keeping a parking area, but for 11 cars, not 100 as before, and just on the second floor. Residents will drive into the original bay, then a robotic lift will pick up the vehicle and stow it.

Starting at \$7.5 million for a three-bedroom, the units went on sale in April, although no contracts had been signed by late June.

An almost identical game plan is being followed on East 12th Street, where Rigby Asset Management is removing walls and floors from the back of the eight-story building to allow it to grow to 11 stories, giving apartments more light and air. There, too, a floor will be kept for parking, on the ground floor, for nine cars; and the same automated apparatus as at East 13th Street will serve as attendant. The nine condos, most of which have four bedrooms, are much pricier, however, starting at \$14 million. Sales began at the end of June.
