

THE REAL DEAL

New York Real Estate News

This month in real estate history

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1971: City approves loft living for artists in Soho

The city's Board of Estimate approved a zoning change 38 years ago this month that permitted hundreds of artists to live legally for the first time in loft buildings in Soho. The gritty manufacturing neighborhood with its signature cast-iron facades began attracting artists in the 1960s who were seeking cheaper live-work spaces in Manhattan. The buildings' high ceilings and large windows provided abundant natural light for artists. But the area's light manufacturing zoning in an area that employed about 20,000 workers did not permit residential uses, and so many lived there illegally, fearing evictions.

The new provision covered about 1,000 buildings south of Houston Street to Canal Street, and from West Broadway to Lafayette Street. It was estimated that some 600 artists and about 1,400 family members were living in the lofts.

In 1970, the City Planning Commission estimated artists were paying an average of around \$200 per month for a 2,400-square-foot space. The city tried to strike a balance between the residents and the manufacturing industry, and two years later, in 1973, the Soho Cast Iron Historic District was designated.

By 1983, rents in Soho skyrocketed to \$1,000 to \$2,500 for a 1,500-square-foot loft as art galleries, boutiques and trendy restaurants moved in. Today, landlords charge about \$4,000 to \$8,000 per month for an equivalent amount of space.

1953: Private property in city worth record \$19.9 billion

The assessed value of private property in New York City reached a record \$19.9 billion, fueled by a postwar construction boom that eclipsed the previous high set in 1932, the city announced 56 years ago this month.

The taxable value of the city's realty wealth for fiscal year 1953 to 1954 was 2.5 percent higher than the year earlier, fed by new development and a tax change to equalize the worth of comparable properties.

The total assessed value in 1932 was \$19.6 billion, but with the onset of the Great Depression, the municipal rolls declined and remained lower for two decades. The greatest net increase was \$203 million in Queens, which was undergoing a surge in new home and apartment construction. Manhattan followed with the next highest net increase of \$147 million, but much of that was due to the tax change, not new construction.

The assessed value of the Empire State Building was set at \$45 million, which was no change from a year earlier, but the Equitable Building at 120 Broadway was set at \$30 million, a \$1.5 million jump. By 1975, the total assessed value of city property had doubled to \$40.3 billion. For fiscal year 2008, the

total assessed value of city property was \$145 billion, while that of the Empire State Building was \$262 million, according to the city's Department of Finance.

1930: City's largest hotel, the New Yorker, opens

The 43-story, 2,500-room New Yorker Hotel was the tallest and biggest hotel in New York City when it opened in the early weeks of the Great Depression 79 years ago this month. The limestone-and-brick tower at 481 Eighth Avenue between 34th and 35th streets in Midtown South cost \$22.5 million to build, and became a gathering place for Hollywood stars such as Spencer Tracy and Joan Crawford and a venue for Big Band jazz legends such as Benny Goodman.

The building, with its distinctive Art Deco setbacks, had a grandiose lobby, two ballrooms and one of the largest barbershops in the world. The sub-basement housed the nation's largest private power plant. But as the neighborhood declined in the late 1960s and early 1970s, the hotel changed hands several times. It sold in 1967 in a foreclosure auction to the Hilton Hotels Corporation, which in 1972 sold it for \$8.9 million to a hospital.

After going bankrupt in a failed attempt to convert the hotel into a medical center, the hospital sold it in 1976 for \$5 million to the Rev. Sun Myung Moon's Unification Church, which used it for residences for two decades. In 1994, a small portion of the building reopened as a 187-room hotel. In 2000, the hotel became a franchisee of the Ramada hotel chain with 912 rooms and suites in the top half of the building. Offices and dormitory rooms occupy the lower half of the building up to the 18th floor.

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