

“City of Yes for Economic Opportunity” Approved by the City Council

On June 6, 2024, the New York City Council approved, with modifications, the NYC Department of City Planning’s Zoning for Economic Opportunity, the second of Mayor Eric Adams’ City of Yes initiatives. The new zoning, which applies citywide, seeks to support economic growth, create more opportunities for small businesses, and bolster new and growing industries.

The Department’s proposal was approved by the City Planning Commission (CPC) on March 6, 2024. The subsequent modifications made by the Council respond to concerns raised by communities and look to balance quality of life issues with citywide goals to update commercial zoning regulations and foster local businesses and job growth.

“When we came into office two years ago, we committed to turning New York City into a ‘City of Yes,’” said Mayor Adams in a [press release](#). “With today’s passage of ‘City of Yes for Economic Opportunity,’ we have taken another historic step to bring our city’s zoning code into the 21st century and build a more inclusive and prosperous economy.”

This initiative is a comprehensive overhaul of zoning regulations intended to provide flexibility for commercial uses including allowing emerging business types to locate throughout New York City; modifying regulations to support the adaptive reuse of existing buildings and to reactivate vacant storefronts; and creating new commercial and manufacturing districts that may be mapped in future rezonings to foster businesses and job growth.

Key components of the newly-adopted text include:

Flexibility for Commercial Uses

- **Expands where various businesses may be located in the city.** Emerging use types, such as indoor agriculture, life sciences research and development, and micro-distribution centers, will be permitted in all commercial districts, subject to certain limitations. Nightlife and amusement uses will also be permitted in all commercial districts, subject to certain limitations.
- **Expands business types and locations within buildings permitted in commercial districts.** The new zoning regulations expand permitted commercial uses in neighborhood retail commercial zoning districts (C1 and C2) to allow all uses previously only permitted in C2 zoning districts, such as trade schools and banquet halls. Additionally, commercial uses in those districts may now be located on the second floor of mixed-use buildings.
- Commercial uses in the regional and central commercial zoning districts (C4 through C7) have been expanded to include uses previously only permitted in C5 and C6 zoning districts, such as apparel manufacturing, or previously only permitted in C7 district, including many amusement uses. In C4, C5, and C6 districts, commercial uses may be located at the same level or above residential use (except for amusement uses). Restaurants and bars are permitted above residential uses in Manhattan, allowing for rooftop bars. In order to protect existing residential units, they are not permitted to be converted to commercial uses when located above a residential use.
- **Allows small-scale clean and light manufacturing uses in commercial districts.** Uses such as apparel, furniture, medical equipment manufacturing, and certain food and beverage manufacturing that previously were permitted only in manufacturing districts will also be permitted in most commercial districts, subject to size restrictions and environmental performance standards.



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Adaptive Reuse of Existing Buildings

- **Removes time limits for non-conforming commercial uses.** Prior regulations prohibited non-conforming commercial uses in residential districts from reoccupying space in buildings if the space was continuously vacant for two years. The new zoning regulations allow store fronts to be reactivated by certain local retail or office uses, even if vacant for over two years.
- **Waives loading regulations for existing buildings.** The new zoning regulations waive additional loading requirements that result from a change of use in existing buildings to allow more flexibility to repurpose existing buildings with new businesses.

New Commercial and Manufacturing Districts

- **New commercial districts.** The new C7 districts, with numerical suffixes, permit a wide range of amusement and recreational uses, but prohibit residential use, and may be mapped in the future. These districts allow businesses consistent with those allowed in central business commercial districts and maximum allowable floor area ratios (FAR) between 2.0 and 15.0.
- **New manufacturing districts.** The new manufacturing districts, with a suffix “A,” range from light to heavy manufacturing and may be mapped in the future. These districts permit maximum FARs between 2.0 to 15.0 and provide more flexible bulk controls for new development.

The new text also reorganizes and updates use classifications to be consistent with the North American Industry Classification System (NAICS) and establishes new streetscape controls to enhance the pedestrian experience and ensure commercial uses contribute to surrounding context.

“This is a momentous day for New York City. For too long, our mom-and-pop shops, entrepreneurs, and commercial corridors have been hindered by our antiquated rules,” said CPC Chair and Department of City Planning Director Dan Garodnick. “The newly adopted zoning changes will reduce storefront vacancies, create more vibrant neighborhoods, and generate economic success across all five boroughs.”

With this vote and the Council’s prior approval of the *City of Yes for Carbon Neutrality*, only the final *City of Yes* initiative, *City of Yes for Housing Opportunity*, remains in public review. That initiative is expected to be voted on by Council by the end of 2024.
