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Stalled building sites are slow to revive

By Joe Anuta

Major contraction in the numbers seen in hot Manhattan and Brooklyn residential markets over the last year, but elsewhere the news is not as good. In the Bronx, stalled sites nearly doubled over the last year, while Queens and Staten Island saw modest dips.

Despite strong residential markets and prediction for robust growth in overall construction, the number of stalled construction sites in the city is down a relatively modest 12% from last year, according to a report released Monday by the New York Building Congress.

More than half of the 610 stalled sites currently tracked in the report using city Department of Building data were residential, according to the report, with Manhattan and Brooklyn leading the decrease.

But the total decline of 80 sites over the last year came as something of a disappointment to Richard T. Anderson, president of the building congress. He pointed out that residential markets are soaring in many locations across the city, and his association just last month released a report predicting that overall construction spending is on track to hit levels by the end of next year not seen since the boom of 2007.

"This is still a lot of stalled sites," he said. "Most of the remaining locations are in the outer boroughs, which is why you are only seeing a modest recovery."

One reason, unsurprisingly, is simply that frozen projects tended to thaw quicker in hotter markets. Manhattan is the prime example. There stalled sites plummeted 26% to 90 this year, down from 122 a year earlier according to the report. In June the number of stalled sites dipped below 100 for the first time in more than three years, with tony developments including the Renwick Modern in Hudson Square and condominium projects at 56 Leonard Street and 5 Franklin Place in Tribeca among the restarted developments that led the decline, according to the report.

Across the river, Brooklyn is still home to the most stalled sites in the city, but that number is also being whittled down relatively swiftly. It currently stands at 267 sites, down from 323 last year, for a decline of 17%.

In the rest of the boroughs, however, it was a different story. Nowhere more so than in the Bronx. There the number of stalled sites actually nearly doubled, hitting 43 currently, up from 26 a year earlier. Queens, meanwhile, had the second-largest number of stalled sites but that number changed little over last year. This month the number stands at 165, down four from last year. It was a similar story in Staten Island, which saw a decrease of 10% from 50 stalled sites last year to 45 this year.

"This is one of the biggest questions in the market today," Mr. Anderson said, referring to the still substantial number of frozen projects despite a continuously improving construction environment.

The building congress suggested its list of stalled sites, 43% of which are shovel ready but remain empty, could be a place for incoming Mayor Bill de Blasio to focus his attention in January, since he has made increasing affordable housing options a centerpiece of his campaign.