



FLATIRON
NOMAD

Q3 2023 Economic Report

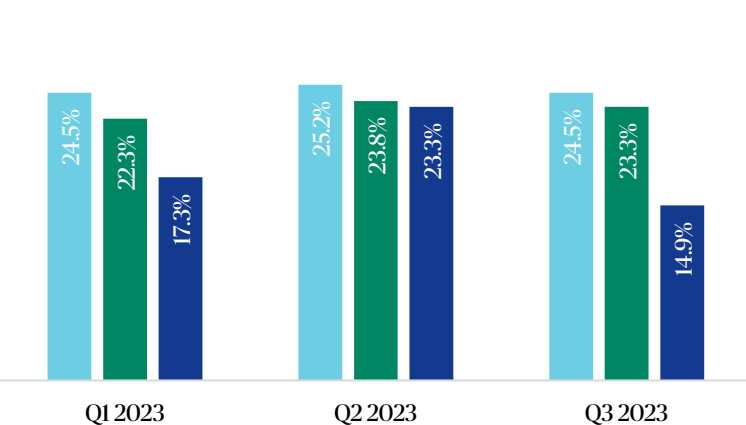
District Office Market

Q3 office availability rates remained relatively stable in Flatiron and NoMad with Class B and C improving given the demand for affordable, non-Class A office space. “The 100,000 square-foot deal gets headlines, but the majority of deals are in the 5,000 to 10,000-foot range at a price point a majority of tenants can afford,” said Brian Feil, Executive Vice President of Leasing of The Feil Organization. “Maybe people are back Tuesday through Thursday, but there’s still 100 people and those 100 people need places to be” ([Commercial Observer](#)).

COMMERCIAL OFFICE SPACE

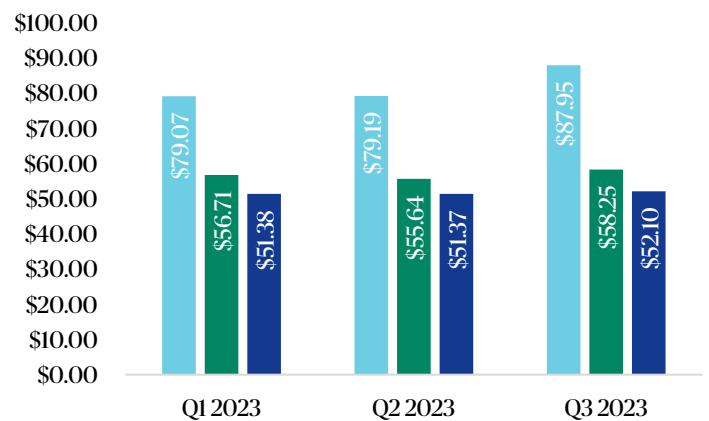
AVAILABILITY RATE

Class A Class B Class C



PRICE (\$ / SF)

Class A Class B Class C



Source: CoStar

FINTECH STARTUP RAMP & LACOSTE RELOCATE TO FLATIRON AND NOMAD

Ramp, a fintech startup offering corporate credit cards and cost-cutting tools for businesses, more than doubled its office footprint with the entire 66,000 square-foot second floor of [Williams Equities](#)’ 28-40 West 23rd Street in Flatiron. The mixed-use property comprises two buildings totaling 561,000 square feet with [The Home Depot](#) on the ground floor, lower level, and mezzanine. [Estee Lauder brand Aramis](#) is also a tenant. “Ramp is one of the fastest growing startups in New York,” said Mac Roos, Leasing Agent with Colliers International’s New York office. “We look forward to their continued growth as they bring the kind of creative energy and workforce that thrive within the building” ([Commercial Observer](#)).

French clothier [Lacoste USA](#) signed an 18,364 square-foot penthouse office lease at 136 Madison Avenue in NoMad this quarter that will serve as the company’s US headquarters after its planned relocation from Midtown in Q2 2024 ([Connect Media](#), [New York Business Journal](#)). Other notable Q3 office leases include tech investor [Primary](#)’s 26,000 square-foot sublease at 381 Park Avenue South ([Commercial Observer](#)), digital ad firm [Clinch](#)’s signing at [Two Trees’ 50 West 23rd Street](#) ([Commercial Observer](#)), and reinsurance specialist [Lockton Re](#)’s 19,000 square-foot space at 261 Fifth Avenue ([Commercial Observer](#)).

The [Kaufman Organization](#) announced the acquisition of 875 Avenue of the Americas, a 26-story office building at 31st Street. “875 Avenue of the Americas presented our team with a dynamic opportunity and offering at the NoMad Gateway, which serves as the nexus between the emergency of Penn Station and the ever-evolving NoMad neighborhood,” said Michael Kazmierski, President and Principal of Kaufman Investments ([Real Estate Weekly](#), [The Real Deal](#)).

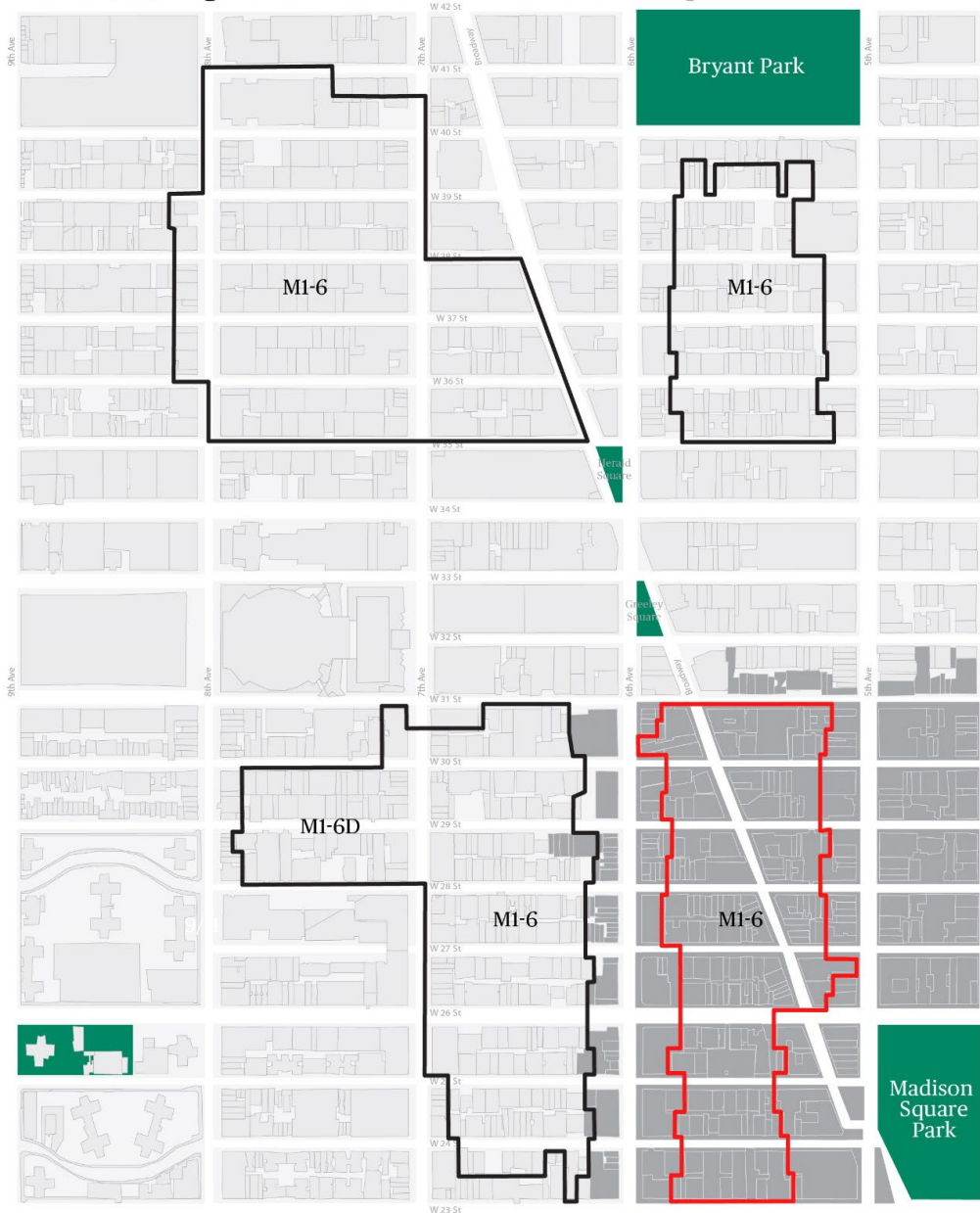
Midtown South Mixed-Use Plan

Announced in August by Mayor Eric Adams, the [Midtown South Mixed-Use Plan](#) (MSMX) aims to foster vibrant, mixed-use neighborhoods across 42 blocks of Midtown South, including parts of Flatiron and NoMad. MSMX focuses on centrally located areas where new housing is prohibited under today's half century-old zoning rules with the goals of expanding housing opportunities, including affordable housing, supporting economic activity, and enlivening the area's public realm.

There are four quadrants in the MSMX study area including 23rd Street to 31st Street from Fifth Avenue to Sixth Avenue that is currently zoned for light manufacturing (M1-6) in Flatiron and NoMad ([MSMX Project Area Map](#)). This area currently has 423 housing units and 16,000 jobs, many of which are in hospitality and restaurant services.

NYC Planning began public outreach on October 17, 2023. [Please complete this brief survey](#) to help NYC Planning understand strengths, challenges, and opportunities for growth in Midtown South.

Manufacturing Zone Flatiron NoMad Partnership BID Park



156

**M1-6 PROPERTIES WITHIN
PARTNERSHIP SERVICE AREA**

16K

**JOBS IN FLATIRON & NOMAD
PLAN AREA**

1,250

**BUSINESSES IN FLATIRON &
NOMAD PLAN AREA**

27%

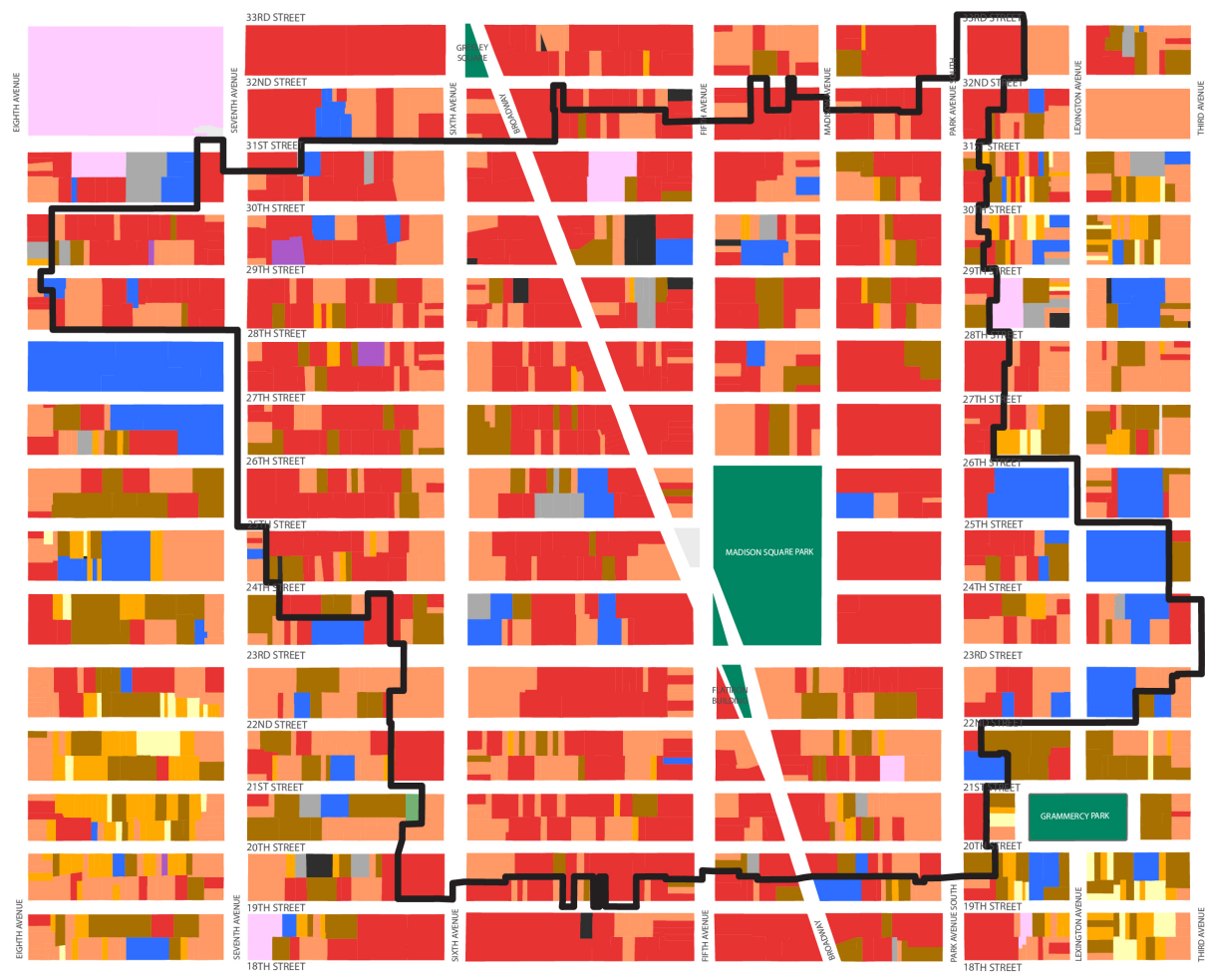
**JOBS IN LEISURE & HOSPITALITY,
LARGEST INDUSTRY GAIN OVER
LAST DECADE**

Midtown South Mixed-Use Plan

FOCUS AREA : FLATIRON NOMAD + MSMX PLAN

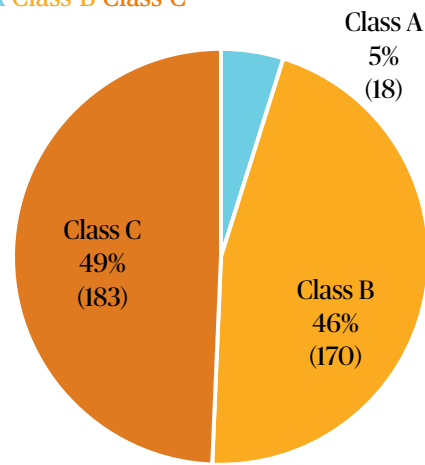
Land Use

- Legend**
- One & Two Family Buildings
 - Multi-Family Walkup Buildings
 - Multi-Family Elevator Buildings
 - Mixed Commercial/Residential Buildings
 - Commercial/Office Buildings
 - Industrial/Manufacturing
 - Transportation/Utility
 - Public Space Facilities & Institutions
 - Open Space
 - Parking Facilities
 - Vacant Land
 - No Data
 - Focus Area



COMMERCIAL/MANUFACUTING BUILDINGS

Class A Class B Class C



14,056

HOUSING UNITS

15M

**SF OF BUILT
RESIDENTIAL SPACE**

32.7M

**SF OF COMMERCIAL
OFFICE SPACE**

400K

SF OF OPEN SPACE

Dining Out NYC

Permanent Outdoor Dining

Signed into law by Mayor Adams on August 16, “[Dining Out NYC](#)” is the City’s permanent outdoor dining program and the largest outdoor dining program in the country. “Outdoor dining is here to stay, New York,” said Mayor Adams. “New Yorkers were hungry for a cleaner, safer, healthier outdoor dining program, and we are delivery for them with Dining Out NYC” ([Office of the Mayor](#)). On October 19, Mayor Adams & NYC DOT Commissioner Ydanis Rodriguez began the public engagement and outreach campaign to solicit feedback on program rules in advance of the program’s scheduled launch in spring 2024.

DINING OUT NYC – CITY’S PROCESS & TIMELINE



MAYORAL BILL SIGNING
Summer 2023



TESTING KIT-OF-PARTS
Summer 2023



RULEMAKING PROCESS
Fall 2023

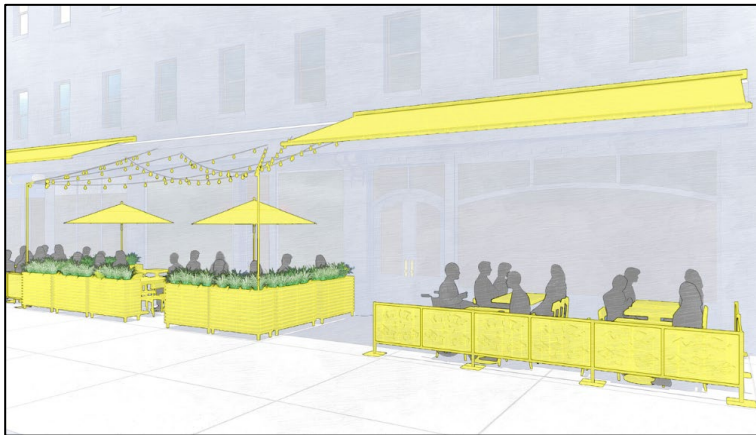


APPLICATIONS OPEN
Early 2024



PROGRAM LAUNCHES
Spring 2024

TYPES OF PERMANENT OUTDOOR DINING + FEE STRUCTURE



SIDEWALK DINING

- Intended to look and feel like a traditional Sidewalk Café, with lower fees than the previous program
- Operation season: year-round
- [Fee structure](#):
 - Four-Year License Fee: \$1,050
 - Annual Revocable Consent Fee: \$18 per square feet



ROADWAY DINING

- Open-air setups that extend the restaurant’s look and feel to the street
- Operation season: April through November
- Setups must be easy to move & store off-site
- [Fee structure](#):
 - Four-Year License Fee: \$1,050
 - Annual Revocable Consent Fee: \$14 per square feet

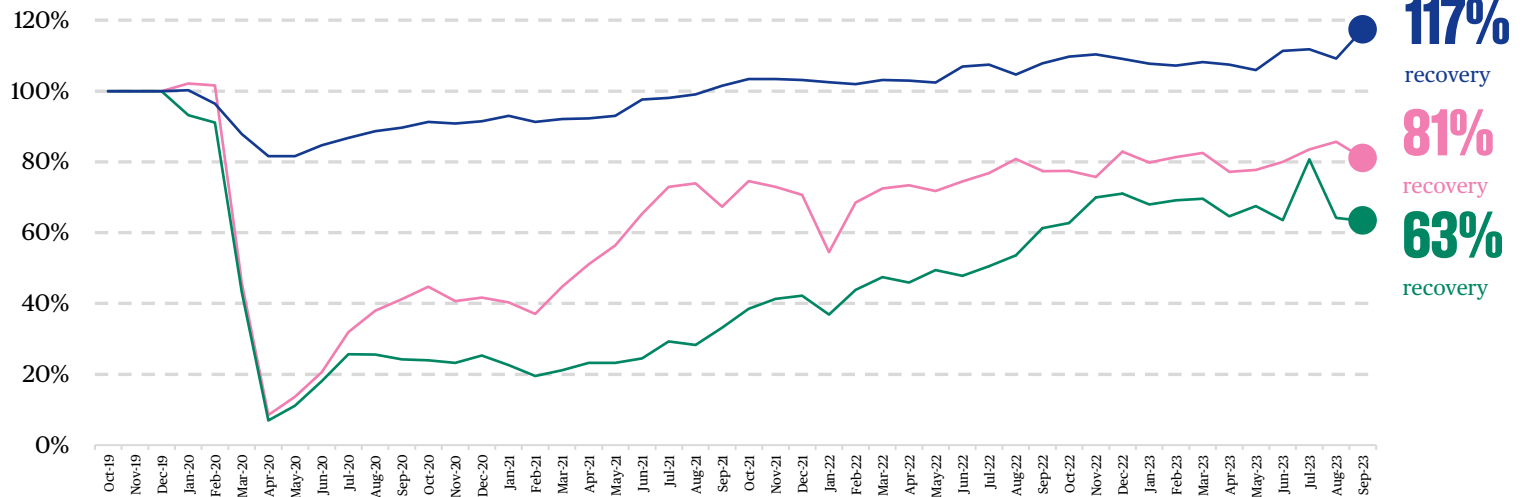
[DINING OUT NYC – FAQ](#)

Q3 Mobility Trends

*Source: Placer.ai, Lyft/Citi Bike

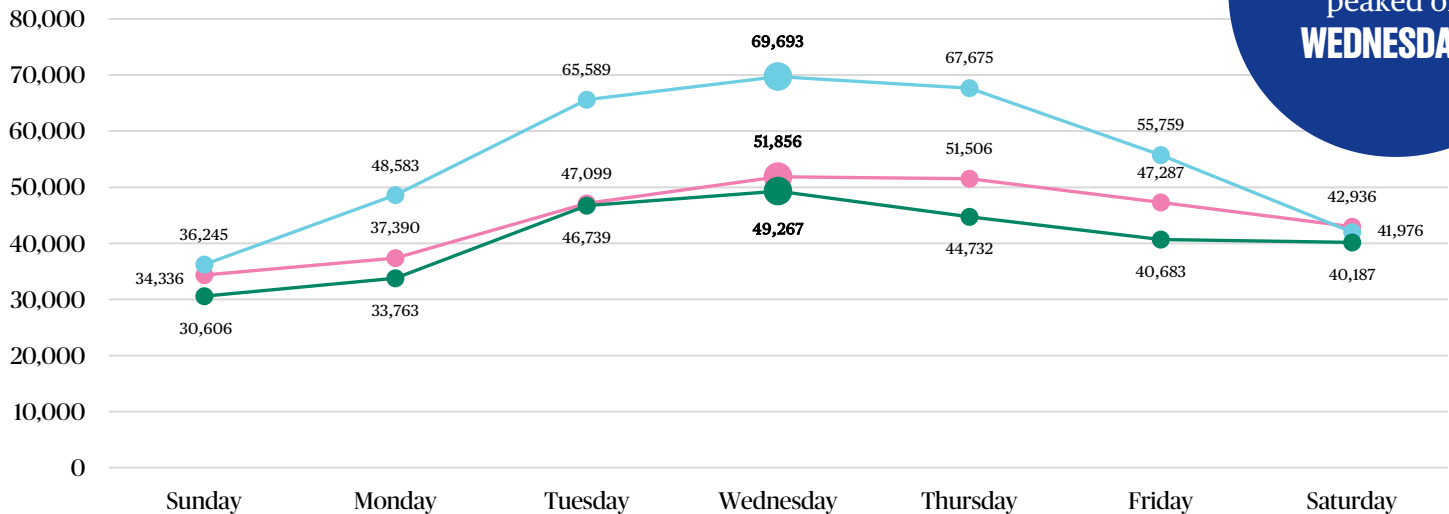
TRENDS & RECOVERY (2019 – 2023)

Visitors / Shoppers Full-Time Employees (weekdays) Residents



DAY-OF-WEEK (SEPTEMBER 2023)

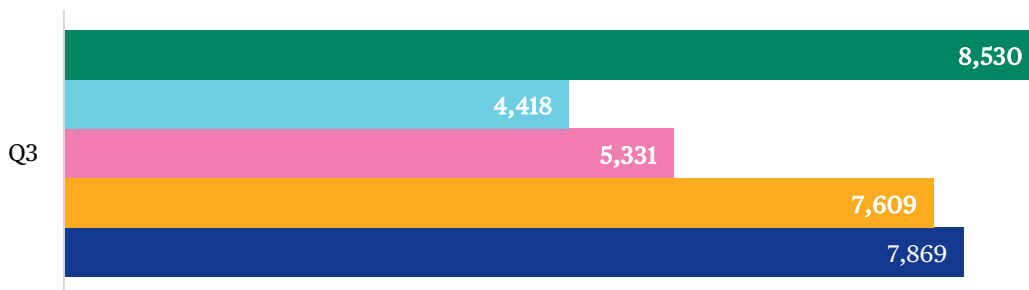
Plazas (Springboard) Park Avenue South/28th (Exteros) Broadway/31st (Exteros)



September foot traffic peaked on **WEDNESDAYS**

Q3 FLATIRON & NOMAD CITI BIKE DATA – AVERAGE DAILY RIDERSHIP

2019 2020 2021 2022 2023



267K

August rides in Flatiron & NoMad, a monthly record

Location Counts

AVERAGE Q3 DAILY PEDESTRIAN COUNTS

Placer.ai Springboard Sensor Exteros Sensor Citi Bike



METHODOLOGY

Placer.ai Springboard Exteros

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