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Karen Horvat, New York City Tree Expert, On Greenery's Real Estate Benefits

'It's a quality-of-life issue not only for the people who are buying or renting in the building, but for the whole surrounding community'

BY [DAVID M. LEVITT](#) FEBRUARY 21, 2023 9:00 AM

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KAREN HORVAT IN BROOKLYN'S WILLIAMSBURG NEIGHBORHOOD.

PHOTO: BIVIANA SANCHEZ/FOR COMMERCIAL O

Go ahead, call her a tree hugger. She won't mind!

Karen Horvat, president and CEO of [New York Tree Pit Services](#), is someone to turn to when you, the real estate developer or tenant, have a tree problem. It happens much more frequently than you'd expect. Over the last 20 to 30 years, following a period when the big city became the urban jungle, the city has developed a new appreciation for its trees. If you buy a property, you bear some responsibility to preserve and protect the trees that surround it. If you develop a property, you have to

to when you, the real estate developer or tenant, have a tree problem. It happens much more frequently than you'd expect. Over the last 20 to 30 years, following a period when the big city became the urban jungle, the city has developed a new appreciation for its trees. If you buy a property, you bear some responsibility to preserve and protect the trees that surround it. If you develop a property, you have to plant a certain number of trees to maintain the desired tree-to-development frontage.

Horvat, who was in finance for a quarter-century, mostly with HSBC, has made herself an expert on these arcane rules, which you don't want to run afoul of. She saw an opportunity to do well while at the same time doing right by New York City's trees, and ran with it. Her clients include Halstead Management, a property manager; Urban Atelier Group, a construction manager; and the Harlem-based nonprofit Community League of the Heights.

New York City has some 666,134 street trees, per a 2015 city tree census. New developments must have one tree for every 25 feet of frontage, and the process of siting a tree can take as much as three years.

Horvat talked to Commercial Observer in early February about New York City's tree arcana and its relationship to real estate.

Her remarks have been edited for length and clarity.

Commercial Observer: I was talking to someone about photos he saw of New York sidewalks in the 1930s and 1940s, and it was pretty much treeless.

Karen Horvat: I haven't seen those photos, but I would not be surprised. The requirements to plant street trees is relatively new in the grand scheme of things. And combine that with the recent MillionTrees initiatives and other major tree-planting initiatives, you could see why it would be so much greener now than it would be back then.

The Parks Department does a census of all of the street trees every 10 years or so. I'm looking at the website now. It's called [Trees Count](#). And it has all of the information about street trees from the most recent census, including the number of trees, they're all mapped out beautifully. They have this amazing interactive map that shows all the trees, and it's also got some interesting facts out there like the financial benefits of trees — so \$151 million in benefits that they've quantified — as well as some fun facts. Like if you planted all of the street trees side by side, they would stretch from Manhattan to the Grand Canyon.

How did you decide to make trees your life's work?

I made a career change into an entirely new business. I was walking home one day, from a long, hard day at the office. I was walking through the Williamsburg retail area. And I just looked down at the really awful conditions of the street trees and the stuff around them. And I just thought, why is this happening? It piqued my interest.

So, I did some research and started to learn why care for these areas tends to fall through the cracks. And I just felt like it was a really solvable problem. As I had already been considering a career change, the time was right to just take a shot. And that was, like, four years ago.

What about the situation reached inside you and said, “I need to do something about this”?

I think that we can go into the many, many benefits of trees, right? They clean the air, they shade-pool our cities, they reduce energy consumption. And, in New York City, they play an important role in wastewater management. There's so many benefits. I knew I already wanted to do something that would leave a lasting impact on the world. So that was the basic starting point.

But it developed into this idea because, as I said, the street trees in New York are so critical. And it was an unmet need, and it was aligned with my passion. There's been many interesting studies about the urban heat, called the urban heat island effect, which is essentially how cities get very hot, and how areas that were historically economically disadvantaged did not get as many trees as the more affluent areas, and they have higher heat-related illnesses. So I know that the city is working very hard to remediate that issue, and I'm just happy to be part of that solution.

There's this massive business need, too, right? In addition to the sentimental attachment to trees, there's a hard-nosed business need that you address as well. Talk to me a little about that.

Absolutely. Our organization is technically a hybrid organization, which means we have a for-profit business model that also has a social benefit.

Most of our business actually does come from real estate developers, general contractors and construction management firms because the projects that they're working on have triggered a street-tree zoning requirement. They have to plan on at least one street tree for every 25 feet of the building frontage when they're doing either a new building or a major renovation.

And what we find is that these firms, they're really focusing their energy on the building construction phase. So they come to us to address this small but very critical part of their project, which is kind of a specialty. They have people who deal with the Department of Buildings, but the Parks Department is a different entity. And we're able to help them navigate through the separate additional review process that's required from the Parks Department. Then we also do all the planting and care for them.

We also work with a lot of property managers. They come to us because they have these portfolios of condos and co-ops, and they seem to have a constant need for rehabilitating existing trees and tree pits, and also just maintenance.

So whereas a developer might subcontract out to somebody to do the plumbing, they subcontract out to you to do the trees.

We remind the builders to start with an expert like us early in their construction project. Many of them wait too long. And we see these countless situations where the building is near completion, but they have not started their plan review process or their street tree requirements, and then they wind up paying the price at the end of the project. It gets expensive, they have rework, or they wind up with empty tree pits in front of their building, and all of that impacts the marketability of the property.

Obviously, having trees around makes a project more saleable. If people come to a property and see trees, they tend to think it's greener, and it would be more comfortable to live or work there.

Absolutely. It's a quality-of-life issue not only for the people who are buying or renting in the building, but for the whole surrounding community.

If people remember nothing else about trees, what would that one thing be that they might otherwise barely notice?

For people who are property managers or property owners, one thing I always tell them that they don't often know is how critical it is to support the health of the existing trees that are out there.

Many people don't know that the Parks Department requires more open space around the new trees than they did historically. So if a street tree dies, there's no guarantee that it can be replaced, even when you hire a private contractor to do it, because of these new spacing standards. I always tell people to do everything you can to support the health of the tree: Put tree guards up, keep people out, work the soil, keep the soil away from the trunk, which is something that people often forget to do. And mulch and water — all of that.

Street trees are technically on public land, and technically under the jurisdiction of the Parks Department. But there's just no way that the Parks Department can provide full care for almost 700,000 tree pits. So it really does have to be a shared responsibility.

It says here that New York Tree Pit Services wasn't founded until 2018. What was the need that you and your people saw? And how was New York failing its trees?

It's just something I observed, and I think many New Yorkers probably observe as they walk down the street: the very sorry condition of the street tree beds.

It's really just a resource issue. There are so many trees and tree pits in New York City. The Parks Department has a limited budget. They do plant a lot of trees, but they can only do so many, and they are focusing their limited resources on areas that have the greatest need.

This has resulted in wait times of two to three years when people request to have a tree planted in front of their house. So there are tree pits that sit empty for long periods of time because they require more work like concrete or stump work to even be eligible for a tree.

Then, even when a tree does get planted by the city, there's still a need to find separate funding for things like tree guards and maintenance because the city doesn't take requests for free tree guards or they don't do maintenance. So this whole process can be very confusing and overwhelming for the average concerned citizen, and many of them just sort of throw up their hands and say, "It's not my property. There's nothing I can do. I'll wait for the city." But in many cases, the city is just not going to be able to help.

What about the pandemic? How did it impact yourself and your tree pit services?

Honestly, we had to shut down for about four months because of a child care issue. So I had to take care of my child. There was no school and no help in that regard.

But what we found is that so many people were working from home, looking out the front window, reconnecting with nature, and they started to look at their trees and say, “I want to do something about this.” So we got a surge from that.

We also had a surge from COVID due to [the growing rat problem in New York](#). It’s not something that we had originally planned for, but it’s become there’s just a very strong demand for us to help people with rats being in tree beds.

I saw something on your Facebook page about that. You guys are very rat-conscious. You have a whole way to make sure that trees are protected, and tree beds don’t become rat refuges.

We see so many failed, homemade DIY solutions. The rats are extremely resourceful. They chew through just about anything. So, the only long-term solution that we know of is to create a physical impenetrable barrier by laying a steel fabric or mesh across the entire tree and then securing it into place. So we’ve done that for many clients with success.

What do they do in other cities? Are there organizations like yours in other cities? Or can you go national with what you do?

I certainly think there are opportunities to go into other markets. New York City is unique, of course, because of its density. And you’re dealing with very small spaces to have trees.

I’m from Chicago, and I know the sidewalks are much wider, there’s much more opportunity for greenery in a newer city. I don’t have this for sure. But my information is that the cities are not all that different from New York in that they are piecing it together from a combination of public services through parks departments.

And city, state and local funding sources, business improvement districts, or community groups that serve a specific geographic area — and property owners. We really don't see another way for it to work unless all three of those sources are contributing.

This interview ran as part of Commercial Observer's Tenant Talk newsletter. [Please consider subscribing to that and other newsletters here.](#)