CITY PLANNING COMMISSION

August 24, 2011 / Calendar No. 15

C 110247 PPM

IN THE MATTER OF an application submitted by the New York City Department of Citywide Administrative Services (DCAS), pursuant to Section 197-c of the New York City Charter, for the disposition of one (1) city-owned property, located at 150 Essex Street, Block 354, Lot 12, pursuant to zoning, Borough of Manhattan, Community District 3.

The application (C 110247 PPM) for the disposition of city-owned property was filed by the Department of Citywide Administrative Services (DCAS) on March 11, 2011.

BACKGROUND

The Department of Citywide Administrative Services (DCAS) seeks the disposition of Cityowned property, pursuant to zoning, for a site located at 150 Essex Street (Block 354, Lot 12), in the Lower East Side neighborhood of Manhattan Community District 3. Upon approval of the application, DCAS intends to dispose of the property to the New York City Economic Development Corporation (NYCEDC), which intends to enter into a ten-year lease renewal agreement with the current occupant and lease holder, the Community Healthcare Network (CHN) Downtown Health Center ("the Center").

The property, a 6,812 square-foot City-owned lot, is located in a C4-4A zoning district. It is an irregular, flag-shaped lot, with street frontage on Essex Street and Stanton Street, on a block bounded by Essex, Stanton, Norfolk and Rivington streets.

CHN is a non-profit organization whose mission is to provide access to primary health care, mental health and social services for diverse populations in underserved communities throughout New York City. The Downtown Health Center is an ambulatory healthcare facility occupying an existing, on-site, 6,800 square-foot building, which provides medical and dental services including primary, reproductive and mental health care as well as health education programs to the local community. The existing facilities are in need of interior renovations to facilitate an enlargement of its administrative and treatment spaces to accommodate more patients.

The Center has 36 health professionals and an administrative staff of eight. It serves approximately 40 patients a day and approximately 250 a week. The proposed expansion will result in six additional full-time positions. The Center is open from 9AM to 5PM on Monday

through Friday, and until 7PM on Thursday. CHN is funded by federal, state, and local appropriations administered by the United States Department of Health, New York State Department of Health, New York City Department of Health and Mental Hygiene, and the Centers for Disease Control.

The Center has occupied the space since 1994 and has approximately three years remaining on its current lease. The proposed disposition is intended to facilitate a new ten-year lease commitment. While the building's exterior would remain unchanged, with no plans for enlargement or new development, the disposition would enable the Center to expand its services, upon completion of an interior renovation program.

C4 districts are general commercial-use districts that also allow for a variety of housing types. Much of the surrounding neighborhood around the CHN Center facility is generally characterized by low- to mid-rise buildings with a range of uses, including residential with ground-floor retail, commercial or community facility. Community facility uses are permitted in C4-4A districts, with an allowable FAR of 4.0; residential and commercial uses are also permitted at a maximum 4.0 FAR. The FAR of the CHN site is approximately 0.98.

ENVIRONMENTAL REVIEW

The application (C 110247 PPM) was reviewed pursuant to the New York State Environmental Quality Review Act (SEQRA), and the SEQRA regulations set forth in Volume 6 of the New York Code of Rules and Regulations, Section 617.00 *et seq.* and the New York City Environmental Quality Review (CEQR) Rules of Procedure of 1991 and Executive Order No. 91 of 1977. The lead agency is the Department of Small Business Services.

This application was determined to be a Type II action which requires no further environmental review.

UNIFORM LAND USE REVIEW

The application (C 110247 PPM) was certified as complete by the Department of City Planning on April 11, 2011 and was duly referred to Community Board 3 and the Manhattan Borough President in accordance with Title 62 of the Rules of the City of New York, Section 2-02(b).

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Community Board Public Hearing

Community Board 3 held a public hearing on this application (C 110247 PPM) on May 24, 2011, and on May 31, 2011, by a vote of 36 in favor, 0 opposed and one abstaining, adopted a resolution recommending approval of the application.

Borough President Recommendation

This application (C 110247 PPM) was considered by the Manhattan Borough President, who issued a recommendation approving the application on June 29, 2011.

City Planning Commission Public Hearing

On July 13, 2011 (Calendar No. 7), the City Planning Commission scheduled July 27, 2011 for a public hearing on this application (C 110247 PPM). The hearing was duly held on July 27, 2011 (Calendar No. 11). There was one speaker in favor of the application.

The speaker was a representative from CHN, who described the organization's mission, history and operations. The representative also described the Downtown Health Center's record of services within this community and the importance of the planned lease renewal to support the expansion and enhancement of its operation. The representative stated that the Center has received an approval for grant funding through the American Recovery and Reinvestment Act of 2009, contingent upon the Center's agreement to a ten-year lease and which would help finance the planned renovation and modernization project.

There were no other speakers and the hearing was closed.

CONSIDERATION

The Commission believes that the disposition of one city-owned property located at 150 Essex Street (Block 354, Lot 12), is appropriate.

The Commission notes that the Downtown Health Center has served its Lower East Side neighborhood at its current location since 1994, and that the terms of the Center's current lease agreement allow for it to continue operating at that location until 2014.

The Commission believes that the disposition of this property to the New York City Economic Development Corporation and the subsequently planned lease renewal agreement with the existing tenant, the Community Healthcare Network Downtown Health Center, would facilitate

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the tenant's plans to upgrade its physical plant and enhance the scope of its services, while continuing to serve the community through a comprehensive project phasing plan. The Commission further believes that the site's continued use as a healthcare service facility is consistent with existing area land uses.

RESOLUTION

RESOLVED, by the City Planning Commission, pursuant to Sections 197-c of the New York City Charter that, based on the environmental determination and the consideration described in this report, the application submitted by the Department of Citywide Administrative Services, pursuant to Section 197-c of the New York City Charter, for the disposition of city-owned property located at 150 Essex Street (Block 354, Lot 12), Borough of Manhattan, pursuant to zoning, is approved.

The above resolution (C 110247 PPM), duly adopted by the City Planning Commission on August 24, 2011 (Calendar No. 15), is filed with the Office of the Speaker, City Council and the Borough President, in accordance with the requirements of Section 197-d of the New York City Charter.

AMANDA M. BURDEN, FAICP, Chair RICHARD W. EADDY, Vice-Chair ANGELA M. BATTAGLIA, RAYANN BESSER, IRWIN G. CANTOR, P.E., ALFRED C. CERULLO, III, NATHAN LEVENTHAL, ANNA HAYES LEVIN, SHIRLEY A. MCRAE, KAREN A. PHILLIPS, Commissioners

ORLANDO MARIN, Commissioner, ABSTAINING

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PLANNING.	Community/Borough Board Recommendation	
NY GPLANNING		
Application #: C110247 PPM	Project Name: 150 Essex Street	
CEQR Number: 11SBS004M	Borough(s): Manhattan Community District Number(s) 3	
Please use the above application number on all correspondence concerning this application		

SUBMISSION INSTRUCTIONS

- 1. Complete this form and return to the Department of City Planning by one of the following options:
 - <u>EMAIL (recommended)</u>: Send email to <u>CalendarOffice@planning.nyc.gov</u> and include the following subject line: (CB or BP) Recommendation + (6-digit application number), e.g., "CB Recommendation #C100000ZSQ"
 - MAIL: Calendar Information Office, City Planning Commission, Room 2E, 22 Reade Street, New York, NY 10007
 - FAX: (212) 720-3356 and note "Attention of the Calendar Office"
- Send one copy of the completed form with any attachments to the <u>applicant's representative</u> at the address listed below, one copy to the Borough President, and one copy to the Borough Board, when applicable.

Docket Description:

IN THE MATTER OF an application submitted by the New York City Department of Small Business Services (SBS), pursuant to Section 197-c of the New York City Charter, for the disposition of one (1) city-owned property, located at 150 Essex Street (Block 354 Lot 12), Borough of Manhattan, Community District 3, pursuant to zoning.

Applicant(s): NYC Department of Smale Business Services 110 William Street New York, NY 10038	Applicant's Representative: Andrew Schwartz, First Deputy Commissioner 212.513.6428	
Recommendation submitted by: Manhattan Community Board 3		
Date of public hearing: 5/9/2011	Location: <u>University Settlement At Houston Street Center,</u> 237 Bowery, New York, NY 10002	
Was a quorum present? YES NO NO NORE THAN 7 MEMBERS PRESENT	A public hearing requires a quorum of 20% of the appointed members of the board, but in no event fewer than seven such members.	
Date of Vote: 5/24/2011	Location: P.S. 20, 166 Essex Street, New York, NY 10002	
RECOMMENDATION		
Approve	Approve With Modifications/Conditions	
Disapprove	Disapprove With Modifications/Conditions	
Please attach any further explanation of the recommendation on additional sheets, as necessary.		
Voting 1- PRESENT NOT VOTING (c.ty PLANNING STATE)		
	al members appointed to the board: 50	
Name Susun fleger SUSAN STETZER Date 5/31/2011	Title District Mananger	

Borough President Recommendation

City Planning Commission 22 Reade Street, New York, NY 10007 Fax # (212) 720-3356

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 INSTRUCTIONS Return this completed form with any attachments to the Calendar Information Office, City Planning Commission, Room 2E at the above address. 	Send one copy with any attachments to the applicant's representative as indicated on the Notice of Certification.
Application #: C 110247 PPM	
Docket Description:	
C 110227 PPM - IN THE MATTER OF an application sub Services (SBS), pursuant to Section 197-c of the New Yo located at 150 Essex Street (Block 354, Lot 12) within Ma	mitted by the New York City Department of Small Business rk City Charter, for the disposition of one City-owned property, nhattan Community District 3.
COMMUNITY BOARD NO: 3	BOROUGH: Manhattan
RECOMMENDATION	
APPROVE	
APPROVE WITH MODIFICATIONS/CONDITIONS	(List below)
DISAPPROVE	
DISAPPROVE WITH MODIFICATIONS/CONDITON	NS (Listed below)
EXPLANATION OF RECOMMENDATION - MODIFICATION	ON/CONDITIONS (Attach additional sheets if necessary)
See Attached	
- 10 . 2	

BOROUGH PRESIDENT

6/29/11



SCOTT STRINGER BOROUGH PRESIDENT

June 29, 2011

Recommendation on ULURP Application No. C 110247 PPM – 150 Essex Street by New York City Department of Small Business Services

PROPOSED ACTION

The New York City Department of Small Business Services ("SBS") seeks approval of the disposition of City-owned property to the New York City Economic Development Corporation ("NYCEDC") to allow for a lease renewal by the Community Healthcare Network ("CHN") Downtown Health Center ("the Center") at 150 Essex Street located within Manhattan Community District 3. The approval of this application would allow CHN to enter into a long-term lease with NYCEDC.

Section 197-c of the New York City Charter mandates that the disposition of any City-owned real property be subject to the Uniform Land Use Review Procedure ("ULURP"). Under section 197-c, no specific findings need to be met in the disposition of City-owned property.

PROJECT DESCRIPTION

SBS seeks approval to dispose City-owned property located at 150 Essex Street through a long-term lease to the existing tenant Community Healthcare Network. CHN's current lease, managed by NYCEDC, does not expire until 2014; however, the proposed lease must be executed to allow CHN to use a \$1.4 million grant distributed through the American Recovery and Reinvestment Act of 2009. The grant requires a long-term lease of at least 10 years. CHN will use the grant to fund capital improvements at the Center and expand the range of healthcare services it offers there.

The Center currently employs 36 healthcare professionals and eight administrative staff members. It is open six days a week (Monday through Saturday) and serves up to 250 patients a week or approximately 40 patients a day. A little more than half of its patients are from the immediate community. Patients who visit the Center are able to access pediatric, adult medicine, family planning, and women's healthcare services. The growing number of patients and services provided at the Center has led to space constraints that limit CHN from expanding its medical programs unless renovation and capital improvements to the Center are undertaken.



CHN's proposed renovations for the Center, funded by the grant, would result in interior improvements and would not alter the building's bulk or floor area. Upon approval of the proposed disposition, CHN will reconfigure the building to create: two new dental units, new reception and waiting areas, seven new examination rooms, and new administrative offices. In addition, several existing nurses' stations and offices will be reconfigured to optimize space utilization. CHN also proposes to add a new storefront façade to increase patient accessibility into the building as well as beautify the entrance.

The proposed improvements are expected to increase the number of patients the Center can serve by 30 percent and enable CHN to provide dental services, which are not currently offered at the site. Additionally, CHN anticipates adding 11.5 employees, which will further increase the Center's capacity to serve its patients and the community. CHN will phase construction in order to keep the Center open during the estimated 12-week construction period.¹

The subject property is an existing one-story building located on the northeast corner of Essex Street and Stanton Street. The site is located within a C4-4A zoning district, which allows a maximum FAR of 4.0 for community facility uses. The building contains approximately 6,675 SF of floor area and has an approximate FAR of 0.98. The surrounding area is comprised of buildings with a mix of heights and uses. The west side of Essex Street, near the project site, primarily consists of 4- to 7-story residential and mixed-use buildings that have ground-floor commercial uses. The east side of Essex Street is mainly 1- to 3-story commercial establishments and community facilities including public schools.

COMMUNITY BOARD'S RECOMMENDATION

At a Full Board meeting on May 24, 2011, Manhattan Community Board 3 voted unanimously to <u>approve</u> the application by a vote of 36 in favor, 0 opposed and 1 present not voting member.

BOROUGH PRESIDENT'S COMMENTS

CHN is a not-for-profit organization with a network of nine community-based healthcare centers located throughout New York City.² The organization's mission is to bring medical services to underserved communities that lack access to basic primary care. CHN has operated in the Lower East Side for over 20 years and has operated the Center at its current location since 2007. The Center is an asset to the community by both serving and employing local residents; 53 percent of the patients served and 30 percent of the staff reside in the local neighborhood.

Given the changing state of healthcare services in New York City, community-based healthcare centers are vital for maintaining the well-being of many families and individuals. The Center's holistic healthcare approach assesses the physical, mental, and social state of patients to help them stay healthy. The proposed renovation will allow the Center to increase its capacity and provide expanded or new medical services such as dental services.

The renewal of this lease is necessary to realize the proposed renovations, which will lead to a

¹ This project is expected to be completed by late 2011 or early 2012.

² Community Healthcare Network operates throughout New York City, with locations in every borough with the exception of Staten Island.

better healthcare facility than currently exists. These renovations will further the Center's mission and expand the services CHN has provided to the Lower East Side community for the past two decades.

BOROUGH PRESIDENT'S RECOMMENDATION

CHN has a long history of providing essential healthcare services to the community. The proposed disposition of City-owned property will allow the renewal of CHN's lease and enable the organization to move forward with its renovation and construction plans. This renovation is essential to increasing the level of services provided to the neighborhood, and the project represents a good use of City-owned property.

Therefore, the Manhattan Borough President recommends <u>approval</u> of ULURP Application No. C 110247 PPM.

Scott M. Stringer

Manhattan Borough President