

February 1, 2016/Calendar No.8

C 170048 HAM

**IN THE MATTER OF** an application submitted by the NYC Department of Housing Preservation and Development (HPD):

- 1) pursuant to Article 16 of the General Municipal Law of New York State for:
  - a. the designation of property located at 225 West 140<sup>th</sup> Street (Block 2026, Lot 15) as an Urban Development Action Area; and
  - b. an Urban Development Action Area Project for such area; and
- 2) pursuant to Section 197-c of the New York City Charter for the disposition of such property to a developer to be selected by HPD;

to facilitate a 7-story mixed-use building containing approximately 20 affordable dwelling units and community facility space, Borough of Manhattan, Community District 10.

Approval of three separate matters is required:

- 1. The designation of property located at 225 West 140<sup>th</sup> Street (Block 2026; Lot 15) as an Urban Development Action Area;
- 2. An Urban Development Action Area Project for such area; and
- 3. The disposition of such property to a developer selected by HPD.

The application for the Urban Development Action Area designation and project approval and disposition of City-owned property was submitted by the Department of Housing Preservation and Development (HPD) on August 5, 2016.

Approval of this application would facilitate the development of a seven-story mixed-use building containing affordable dwelling units and community facility use. The Department of Housing Preservation and Development states in its application that:

The Project Area consists of underutilized vacant property that tends to impair or arrest the sound development of the surrounding community, with or without tangible physical blight. Incentives are needed in order to induce the correction of these substandard, insanitary, and blighting conditions. The project activities would protect and promote health and safety and would promote sound growth and development. The Project Area is therefore eligible to be an Urban Development Action Area and the proposed project is therefore eligible to be an Urban Development Action Area Project pursuant to Article 16 of the General Municipal Law.

### **RELATED ACTION:**

In addition to the proposed UDAAP designation, project approval and disposition of City-owned property (C 170048 HAM), which is the subject of this report, implementation of the proposed development also requires action by the City Planning Commission on the following application, which is being considered concurrently with this application:

C 170049 PQM: Acquisition of privately-owned property.

### **BACKGROUND**

The Department of Housing Preservation and Development (HPD) seeks approval of an Urban Development Action Area Project (UDAAP) designation, project approval, and disposition of privately-owned property located at 225 West 140<sup>th</sup> Street (Block 2026, Lot 15). The property is located in Central Harlem within Community District 10 and is zoned R7-2. The action would facilitate a seven-story mixed building containing approximately 20 affordable dwelling units and community facility space.

The development site was the subject of a previous disposition action (C 990008 PPM), approved by the Commission in 2000. At the time, the Department of Citywide Administrative Services (DCAS) requested the disposition of 11 City-owned properties, which included Block 2026, Lot 15. At that time, Lot 15 was vacant and the Community Board and Borough President recommended the disposition of the lot to facilitate residential development. Lot 15 was removed from that application by a modification of the City Council (Resolution No. 1391-2000), and it

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was conveyed to a developer through HPD's Neighborhood Entrepreneur Program, with a restriction limiting development to a building with no more than four dwelling units. The restriction on the number of dwelling units made development of Lot 15 financially infeasible, and it was used as open space for a development on an adjacent lot. In order to unencumber the site to allow development pursuant to zoning, HPD is acquiring the site under a related application (C 170049 PQM) to remove the restrictions limiting development and then disposing the property to a developer to facilitate the development of affordable housing.

The proposed actions would facilitate the development of a seven-story mixed-use building with residential and community facility uses. The project will have a total floor area of approximately 21,600 square feet including approximately 19,000 square feet of residential floor area (20 affordable units) and 2,600 square feet of community facility floor area. The proposed building will be built pursuant to Quality Housing and have a maximum height of 70 feet and a total FAR of 3.19. The community facility space would be located on portions of the first floor and the cellar level of the proposed building. The community facility space is anticipated to be occupied by an organization that would provide resources to the larger community for the prevention of gang violence. As part of the proposed project, there will also be landscaped outdoor space only accessible only to the residents.

The development site is located on the north side of West 140<sup>th</sup> Street between Adam Clayton Powell, Jr. and Frederick Douglass Boulevards. The area is predominantly residential with institutional uses located adjacent to the development site and commercial uses along both

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boulevards. The development site is currently vacant and has a lot area of approximately 5,562 square feet. It is privately-owned and used as open space for an adjacent residential building.

The surrounding area is characterized by residential and commercial uses. The area is generally zoned R7-2 with commercial overlays but there are R8 zoning districts mapped along portions of Frederick Douglass and Adam Clayton Powell, Jr. Boulevards. The height factor regulation in R7 districts encourages low buildings on smaller lots and taller buildings with low lot coverage on larger lots. R7 districts have a maximum residential floor area ratio (FAR) of 3.44 (4.0 pursuant to Quality Housing) and a maximum community facility FAR of 6.5. Districts with commercial overlays have a maximum commercial FAR of 2.0.

The predominant built form along West 140<sup>th</sup> Street is four- and five-story brownstones and medium density residential buildings with ground floor retail along both Frederick Douglass and Adam Clayton Powell, Jr. Boulevards. The surrounding area contains a variety of institutional and retail uses along both West 135<sup>th</sup> and West 145<sup>th</sup> streets.

The area is well served by parks and playgrounds. Saint Nicholas Park is located two blocks west of the development site and the Fred Samuel Playground is located two blocks east of it. The area is also well served by public transportation, with access to the A, B, C, and D subway lines at West 145<sup>th</sup> Street and St. Nicholas Avenue.

HPD is seeking a UDAAP designation, project approval and acquisition to facilitate the development of a seven-story building with 20 affordable dwelling units with community facility space. These actions are necessary in order to remove the restriction that limits residential

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development to buildings with no more than four units and allow the site to be developed pursuant to zoning.

### **ENVIRONMENTAL REVIEW**

This application (C 170048 HAM), in conjunction with the application for the related action (C 170049 PQM) 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 Housing Preservation and Development. The designated CEQR number is 16HPD078M.

After a study of the potential environmental impacts of the proposed actions, a Negative Declaration was issued on August 11, 2016. A Revised Negative Declaration, which made minor text revisions, was issued on September 2, 2016.

The proposed actions would be implemented in conformance with the following provisions in order to ensure that there are no significant adverse impacts. The provisions are as follows:

### **Hazardous Materials**

HPD has determined that a New York City Department of Environmental Protection (DEP)-

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approved Phase II testing and remediation (if warranted) would be required for the entirety of the Lenox Avenue Development Site (Block 1915, Lots 32-36) as well as the West 140<sup>th</sup> Street Development Site (Block 2026, Lot 15). Phase II testing would consist of soil, groundwater, and soil vapor sampling in accordance with a DEP-approved work plan and health and safety plan (HASP).

The above measures would be required through the LDA between HPD and the project sponsor.

With regard to the privately owned Projected Development Site (Block 1915, Lot 31) and adjacent Lot 29 within the Lenox Avenue rezoning area, an (E) designation would be placed on these properties in connection with the zoning map amendment to ensure there would be no significant adverse impacts associated with hazardous materials. The (E) designation program is administered by the New York City Mayor's Office of Environmental Remediation (OER). The (E) designation mapped on Lots 29 and 31 in connection with the Proposed Actions indicates the presence of an environmental requirement which must be satisfied at OER prior to issuance of any building permits from the Department of Buildings. The (E) designation number is E-377.

The hazardous materials text for the (E) designation [E-377] to be placed on Lots 29 and 31 is as follows:

# Task 1 - Sampling Protocol

Prior to construction, the Applicant submits to OER, for review and approval, a

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Phase II Investigation protocol, including a description of methods and a site map with all sampling locations clearly and precisely represented.

No sampling should begin until written approval of a protocol is received from OER. The number and location of sample sites should be selected to adequately characterize the site, the specific source of suspected contamination (i.e., petroleum based contamination and non-petroleum-based contamination), and the remainder of the site's condition. The characterization should be complete enough to determine what remediation strategy (if any) is necessary after review of the sampling data. Guidelines and criteria for selecting sampling locations and collecting samples are provided by OER upon request.

### **Task 2 - Remediation and Protocol**

A written report with findings and a summary of the data must be submitted to OER after completion of the testing phase and laboratory analysis for review and approval. After receiving such results, a determination is made by OER if the results indicate that remediation is necessary. If OER determines that no remediation is necessary, written notice shall be given by OER.

### Noise

For the privately owned Projected Development Site (Block 1915, Lot 31) and adjacent Lot 29 within the Lenox Avenue rezoning area, an (E) designation would be placed on these properties in connection with the zoning map amendment to ensure there would be no significant adverse impacts associated with noise. The (E) designation program is administered by OER. The (E) designation mapped on Lots 29 and 31 in connection with the Proposed Actions indicates the presence of an environmental requirement which must be satisfied at OER prior to issuance of any building permits from the Department of Buildings. The (E) designation number is E-377.

The noise text for the (E) designation [E-377] to be placed on Lots 29 and 31 is as follows:

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In order to ensure an acceptable interior noise environment, future residential/commercial uses must provide a closed-window condition with a minimum of 28 dBA window/wall attenuation on all fa1yades in order to maintain an interior noise level of 45 dBA. In order to maintain a closed-window condition, an alternate means of ventilation must also be provided.

### Air Quality

For the privately owned Projected Development Site (Block 1915, Lot 31) within the Lenox Avenue rezoning area, an (E) designation would be placed on the property in connection with the zoning map amendment to ensure there would be no significant adverse impacts associated with stationary source air quality. The (E) designation program is administered by OER. The (E) designation mapped on Lot 31 in connection with the Proposed Actions indicates the presence of an environmental requirement which must be satisfied at OER prior to issuance of any building permits from the Department of Buildings. The (E) designation number is E-377.

The air quality text for the (E) designation [E-377] to be placed on Lot 31 is as follows:

Any new development or enlargement on this property must use natural gas as the type of fuel for heating, ventilating, and air conditioning (HVAC).

#### UNIFORM LAND USE REVIEW

This application (C 170048 HAM), along with the application for the related action (C 170049 PQM), was certified as complete by the Department of City Planning on September 6, 2016, and was duly referred to Community Board 10 and the Manhattan Borough President in accordance with Article 3 of the Uniform Land Use Review Procedure (ULURP) rules.

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### **Community Board Public Hearing**

Community Board 10 held a public hearing on this application (C 170048 HAM) on November 2, 2016, and on that date, by a vote of 21 in favor, 7 in opposition and 1 abstention, adopted a resolution recommending approval of this application.

### **Borough President Recommendation**

This application (C 170048 HAM), and the related disposition application (C 170049 PQM), were considered by the Manhattan Borough President, who issued a recommendation approving the application on December 21, 2016 with the following conditions:

- 1. The financing term is extended beyond 30 years; and
- 2. The percentage of permanently affordable units of housing should be made equal to the percentage of city-owned property at the Robeson and Leroy sites.

### **City Planning Commission Public Hearing**

On December 12, 2016 (Calendar No. 4), the Commission scheduled January 4, 2017 for a public hearing on this application (C 170048 HAM). The hearing was duly held on January 4, 2017 (Calendar No.12) in conjunction with the hearing for the related action (C 170049 PQM).

There were six speakers in favor of the application and none in opposition. A representative from HPD spoke in favor of the proposed project, summarizing the proposal and providing a brief history of the site and how the previous approval restricted its development. The HPD representative also stated this proposed project was financially tied to another proposed mixed-use project in the neighborhood, the Robeson, and that the residential components of both projects would be 100 percent affordable. The developer followed with more details about the

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proposal and how it fits within the neighborhood context. He talked about his company's track record in the neighborhood and the surrounding community and how the nonprofit group "Street Corner Resources" was chosen to occupy the proposed community facility space. The architect provided additional details about planned building design elements such as light-colored exterior brick characteristic of the neighborhood, the layout of the site plan and the configuration of units. Another member of the development team spoke about the project's financing and reiterated that this project will be 100 percent affordable.

Representatives from Community Board 10 and the Borough President's office both spoke in favor of the project. The Borough President's representative restated the conditions associated with Borough President's recommendation.

There were no other speakers on the application and the hearing was closed.

### **CONSIDERATION**

The Commission believes that this application for UDAAP designation, project approval and disposition of privately-owned property (C 170048 HAM), in conjunction with the related acquisition application (C 170049 PQM), is appropriate.

The proposed project would improve an underutilized vacant lot with a new 100 percent affordable mixed-use building that will provide needed community facility space for an established local group providing important neighborhood services. The site had been previously conveyed for development through HPD's Neighborhood Entrepreneurs Program, but a restriction limiting residential development to no more than four units made development of the site infeasible, and the site has remained vacant for well over a decade. This acquisition of

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privately-owned property would facilitate the elimination of the restriction on the number of housing units that could be built on the site as-of-right. It would facilitate the disposition of the property to a developer to construct a 100 percent affordable mixed-use building that will provide needed community facility space for an established local group providing important neighborhood services. The proposed project would return the existing vacant lot to productive use and provide much-needed affordable housing in the neighborhood. In letters to the Commission dated January 17<sup>th</sup> and January 27<sup>th</sup>, 2017, HPD advised the Commission that the project will have "a regulatory agreement on the affordable units for a term of 40 years," and that HPD will "continue to discuss the financing structure to confirm that the project remains financially feasible throughout the life of the project."

The proposed project would also complement ongoing public and private redevelopment in the surrounding area that are occurring along Frederick Douglass Boulevard and Lenox Avenue.

The Commission therefore finds that this application for UDAAP designation, project approval and disposition of privately-owned property (C 170048 HAM), in conjunction with the related acquisition application (C 170049 PQM), is appropriate.

### RESOLUTION

RESOLVED, that the City Planning Commission finds that the action described herein will have no significant adverse impact on the environment, and

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**WHEREAS**, the Department of Housing Preservation and Development has recommended the designation of property located at 225 West 140<sup>th</sup> Street (Block 2026, Lot 15) in Community District 10, Borough of Manhattan, as an Urban Development Action Area; and

**WHEREAS**, the Department of Housing Preservation and Development has also recommended the approval of an Urban Development Action Area Project for such property;

**THEREFORE**, be it further **RESOLVED**, that the City Planning Commission, after due consideration of the appropriateness of the actions, certifies its unqualified approval of the following matters pursuant to the Urban Development Action Area Act:

- a) the designation of property located at 225 West 140<sup>th</sup> Street (Block 2026, Lot 15) as an Urban Development Action Area; and
- b) an Urban development Action Area Project for such area; and

BE IT FURTHER RESOLVED, by the City Planning Commission, pursuant to Section 197-c of the New York City Charter, that based on the environmental determination and the consideration described in this report, the application of the Department of Housing Preservation and Development, for the disposition of city-owned property located at 225 West 140<sup>th</sup> Street (Block 2026, Lot 15) in Community District 10, Borough of Manhattan, to a developer to be selected by the Department of Housing Preservation and Development, is approved (C 170048 HAM).

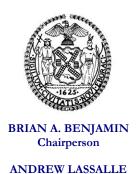
The above resolution (C 170048 HAM), duly adopted by the City Planning Commission on

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February 1, 2017 (Calendar No. 8), 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.

CARL WEISBROD, Chairman
KENNETH J. KNUCKLES, ESQ., Vice Chairman
IRWIN G. CANTOR, P.E., ALFRED C. CERULLO, III, CHERYL COHEN EFFRON,
MICHELLE R. DE LA UZ, JOSEPH DOUEK, RICHARD W. EADDY,
HOPE KNIGHT, ANNA HAYES LEVIN, ORLANDO MARIN, Commissioners

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**District Manager** 

# CITY OF NEW YORK MANHATTAN COMMUNITY BOARD 10

215 West 125<sup>th</sup> Street, 4<sup>th</sup> Floor—New York, NY 10027 T: 212-749-3105 F: 212-662-4215

November 2, 2017

# Uniform Land Use Review Procedure (ULURP) Request for CB10 Advisory Support

Project Name: The Leroy

Application #: C 170048 HAM CEQR #: 16HPD078M

### Action(s) Requested

1) Pursuant to Article 160 of the General Municipal Law of New York State for

- a. The designation of properties located at 225 West 140<sup>th</sup> Street (Block 2026, Lot 15) as an Urban Development Action Area; and
- b. Urban Development Action Area Project (UDAAP) for such area; and
- 2) Pursuant to Section 197-c of the New York City Charter for the disposition of such property to a developer to be selected by HPD: to facilitate a 7-story building containing approximately 20 affordable dwelling units and approximately 2,500 square feet of community facility space in Borough of Manhattan, Community District 10.

Committee: 10 yes; 0 no; 0 abstentions Full Board: 21 yes; 7 no; 1 abstention

WHEREAS, Lemor Development Group ("Lemor"), is requesting an advisory letter of support from Manhattan Community Board 10 ("CB10") for the aforementioned action to facilitate the construction of a mixed-use 100% affordable housing rental development, known as The Leroy, located at 225 West 140<sup>th</sup> Street, which is a privately-owned vacant lot; and

WHEREAS, Lemor and HPD appeared at a Public Hearing of the CB10 Land Use Committee on September 15, 2016, and presented the following information and made the following representations and commitments regarding the proposed development:

1. The Leroy will be a seven-story (75 feet) building comprised of 20 units (3 Studios, 9 One-Bedrooms, 5 Two-Bedrooms, 3 Three-Bedrooms), and 2,500 square feet of community facility space community facility space for Street Corner Resources.

2. The Leroy will function as a 100% affordable housing rental development including (a) 5 units with rents affordable to households earning < 60% of AMI; (b) 12 units with rents affordable to households earning 80% of AMI; and (c) 3 units with rents affordable to households earning 130% of AMI).

THEREFORE, BE IT RESOLVED, that based on and conditioned on the foregoing expressed representations and commitments made by Lemor, on November 2, 2016, the Manhattan Community Board 10 supports the proposed designation of properties located at 225 West 140<sup>th</sup> Street as an Urban Development Action Area Project (UDAAP) to facilitate the construction of a mixed-use 100% Affordable Housing rental development. On Wednesday, November 2, 2016 Manhattan Community Board 10 voted in favor of the aforementioned resolution with a vote of 21 in favor, 7 opposed and 1 abstention.

# **Borough President** Recommendation

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

#### INSTRUCTIONS

1. Return this completed form with any attachments to the Calendar Information Office, City Planning Commission, Room 2E at the above address.

Borough of Manhattan, Community District 10.

2. Send one copy with any attachments to the applicant's representative as indicated on the Notice of Certification.

Applications: C 170049 PQM and C 170048 HAM – The Leroy

Docket Description:

IN THE MATTER OF an application submitted by NYC Department of Housing Preservation and Development (HPD)

- 1. Pursuant to Article 160 of the General Municipal Law of New York State for:
  - a. The designation of properties located at 225 West 140<sup>th</sup> Street (Block 2026, Lot 15) as an Urban Development Action area; and
  - b. Urban Development Action Area Project for such area; and
- 2. Pursuant to Section 197-c of the New York City Charter for the disposition of such property to a developer to be selected by HPD:
  - a. To facilitate a 7-story building containing approximately 20 affordable dwelling units and approximately 2,600 square feet of community facility space in Borough of Manhattan, Community District 10.

BOROUGH: Manhattan COMMUNITY BOARD NO: 10 RECOMMENDATION **APPROVE** APPROVE WITH MODIFICATIONS/CONDITIONS (List below) **DISAPPROVE** DISAPPROVE WITH MODIFICATIONS/CONDITONS (Listed below) EXPLANATION OF RECOMMENDATION - MODIFICATION/CONDITIONS (Attach additional sheets if necessary)

See Attached

December 21, 2016

DATE



1 Centre Street, 19th floor, New York, NY 10007 (212) 669-8300 p (212) 669-4306 f 431 West 125th Street, New York, NY 10027 (212) 531-1609 p (212) 531-4615 f www.manhattanbp.nyc.gov

Gale A. Brewer, Borough President

December 21, 2016

Recommendation on ULURP Application Nos. C 170048 HAM and C 170049 PQM – The Leroy
By New York City Department of Housing Preservation and Development

### PROPOSED ACTIONS

The New York City Department of Housing Preservation and Development ("HPD" or "the Applicant") seeks approval of two land use actions to facilitate the development of a 7-story mixed-use building at 225 West 140<sup>th</sup> Street (Block 2026, Lot 15) in the Central Harlem neighborhood, Community Board 10 (CB 10) in the Borough of Manhattan.

The actions include the acquisition of property and then the subsequent designation of city-owned property as an Urban Development Action Area (UDAA), the approval of the project as an Urban Development Action Area Project (UDAAP), and the disposition of such property to a developer to be selected by HPD.

Under Chapter 15, Section 381 of the Charter, the city may acquire property "whenever required for any public or municipal use or purpose or for the promotion of public utility, comfort, health, enjoyment or adornment."

City-owned properties that are no longer in use or are in deteriorated or deteriorating condition are eligible to be designated as UDAA and UDAAP, pursuant to the Urban Development Area Act (Article 16 of the State General Municipal Law). UDAA and UDAAP provide incentives for private entities to correct substandard, unsanitary and/or blighted conditions. According to New York State General Municipal Law § 694(4), to receive a UDAA and/or UDAAP designation the City Planning Commission and the City Council must find that:

- (a) the present status of the area tends to impair or arrest the sound growth and development of the municipality;
- (b) the financial aid in the form of tax incentives, if any, to be provided by the municipality pursuant to [the tax incentives provisions of the Urban Development Action Area Act]... is necessary to enable the project to be undertaken; and
- (c) the area designation is consistent with the policy and purposes [of the Urban Development Action Area Act].

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Section 197-c of the New York City Charter mandates that the disposition of all city-owned real property (other than the lease of office space) be subject to the Uniform Land Use Review Procedure ("ULURP"). While no specific findings must be met to make a property eligible for disposition under Section 197-c, Section 1802(6) (j) of the Charter limits HPD to the disposition of residential real property.

### PROJECT DESCRIPTION

HPD seeks to develop a 7-story building, approximately 70 feet 11 inches in height, totaling 21,600 square feet. The Development Site will contain approximately 19,000 square feet of residential floor area and 2,600 square feet of community facility floor area for a total FAR of 3.9. The proposed building only occupies frontage along West 140<sup>th</sup> Street. Since the property was previously disposed for an unbuilt UDAAP, the city will need to re-acquire the property and re-designate the site as an UDAAP for the current proposal.

The building as proposed does not require waivers from the City of New York Zoning Resolution or a change to the Zoning Map.

# **Background**

The intention of the applicant is to convey ownership to the future developer of the site, Lemor Realty Corporation. Lemor is a New York State MWBE Certified Real Estate and Property Management firm that is as having an extensive history of development and management of residential and commercial properties in Upper Manhattan. The company's website includes information about their work with HPD going as far back as 1995 with references to its previous participation in the Neighborhood Entrepreneurship Program and Third Party Transfer Program.

The Development site consists of one privately-owned lot Block 2026, Lot 15. Documents available on the Department of Finance's database classify the lot as city-owned land starting in the early 1970s<sup>2</sup>. In July 1998 HPD submitted an accelerated UDAAP application for disposition of 12 lots which included 10 occupied multiple dwelling buildings and two vacant lots claiming the lots in their current state dampened development in the area (995023 HAM). The proposal was moved through the Neighborhood Entrepreneurs Program (NEP). NEP was designed to encourage local private property companies to own and manage existing and new housing in their communities. Once a building was selected for NEP by the city, it was sold to the Neighborhood Partnership Housing Development Fund Corporation (NPHDFC), a subsidiary of

<sup>&</sup>lt;sup>1</sup> Lemor Realty Corporation website, http://www.lemordev.com/about-us/

<sup>&</sup>lt;sup>2</sup> Department of Finance Automated City Register Information System: Documents related to Block 2026, Lot 15, http://acrisweb.csc.nycnet/DS/DocumentSearch/DocumentImageView?doc\_id=FT\_1610008521861

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the Enterprise Foundation, for \$1 and then leased to the entrepreneurs with the intention of moving toward private ownership.<sup>3</sup>

The City Council approved HPD's accelerated UDAAP application in May 1999 followed by Mayoral approval in June 1999. NPHDFC sold Block 2036, Lot 14 and 15, both vacant, and Block 2009, Lot 18 which had an existing 7-story, 55 unit building, to Maxwell Development LLC, an entity controlled by the principals of Lemor Realty Corporation, in October 2002. Prior to the sale in September 2002 the lots were merged and retained Tax Lot number 15. The approval included a limitation on the property for a development containing 1-4 residential units.

From discussions with the owner, there have been challenges to develop the lot. Initial plans to develop a 1-4 unit building struggled due to the economics caused by of the building scale. The owner subsequently pursued an option to use Lot 15 as a private park. In 2002 a certificate of occupancy was filed with the Department of Buildings to designate Lot 15 as a private park. The owner did not have specific opening or closing times and they would make the space available for local organizations, such as the West 140<sup>th</sup> Street Block Association, which sponsored community events such as the West 140<sup>th</sup> Street Block Association. However, the owner stated that the private park model also became untenable due to escalating property taxes averaging \$30,000 a year. In order to pursue the current proposal the prior ULURP limitation would need to be lifted.<sup>5</sup>

### **Area Context**

The neighborhood surrounding the project area is comprised of strong residential and commercial elements, as well as a variety of building typologies such as townhouses, multifamily mixed-use tenements and "tower in the park" style developments. There is a strong commercial element along Frederick Douglass Boulevard to the east and along Adam Clayton Powell Boulevard to the west of the project site.

Within interior lots of the surrounding blocks, there are similar multi-family buildings. To the south of the project site is Strivers Row Historic District, which is notable for its singular historic period of development of row houses. Public housing is distributed around the Project Site in Samuel (MHOP) I, II, III; and the Drew-Hamilton development to the north.

<sup>&</sup>lt;sup>3</sup> "Developer Program Archive: Neighborhood Entrepreneurs Program", HPD, http://www1.nyc.gov/site/hpd/developers/development-programs/nep.page

<sup>&</sup>lt;sup>4</sup> Department of Finance Automated City Register Information System: Recorded documents for Block 2026, Lot 15, http://acrisweb.csc.nycnet/DS/DocumentSearch/DocumentImageView?doc\_id=FT\_1610008521861 
<sup>5</sup> Gustavo Solis, "7-Story Building with 20 Apartments Coming to West 140th Street", DNAinfo

https://www.dnainfo.com/new-york/20151215/central-harlem/7-story-building-with-20-apartments-coming-west-140th-street (December 15, 2015)

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A number of academic institutions border the Project Site. To the west is P.S. 123 Mahalia Jackson elementary and middle school. To the southwest is Mott Hall High School. To the south is the Thurgood Marshall Academy for Learning and Social Change High School and P.S. 175 Henry H Garnet Elementary School. To the southeast is P.S. 197 John B. Russwurm Elementary School. Finally, to the north is P.S. 194 Countee Cullen Elementary School.

In 1961, the area was predominantly zoned as R7-2, which has a maximum residential FAR of 4.0 and a maximum community facility FAR of 6.5. The commercial zoning compliments the medium density zoning with a C1-5 overlay district (maximum commercial FAR of 2.0), along Lenox Avenue until West 135<sup>th</sup> Street. To the south of the development is the 125<sup>th</sup> street corridor, which is mainly commercial. A rezoning in 2005 established the Special 125<sup>th</sup> Special District to foster new mixed-use development and increase the supply of nonprofit visual or performing arts spaces. The special district also included protections to prevent out-of-scale commercial buildings and impacts on the nearby historic rowhouse areas through street wall and height limits.

The area is well served by public transportation. The Project Site is between the 140<sup>th</sup> Street and 135<sup>th</sup> Street stations; both are serviced by the 3 line and the 2 stops at 135<sup>th</sup> Street as well. The 135<sup>th</sup> Street station at the foot of St. Nicholas Park provides C and B train service that connects to A and D express train service at 125<sup>th</sup> Street and St. Nicholas Avenue. A,C,D and B service is available at West 145<sup>th</sup> Street and St. Nicholas Avenue at the far side of Jackie Robinson Park.

Multiple bus lines service the area as well. There is the M10 bus along Frederick Douglass Boulevard and Adam Clayton Powell Jr. Boulevard is served by the M5 bus that turns east on West 110th Street and continues downtown along 5<sup>th</sup> Avenue until 8<sup>th</sup> Street. Lenox Avenue is served by the M102 and M7 New York City Transit (NYCT) Bus lines that provide service downtown to the East and West sides of Manhattan respectively. The Bx33 runs along West 135th Street with service to Port Morris in The Bronx. The 125<sup>th</sup> Street corridor serves as a major crosstown line for NYCT bus service, featuring the M60 Select Bus Service line that provides the only direct link from Harlem to the LaGuardia International Airport in East Elmhurst. The West 145<sup>th</sup> Street corridor is also served by the Bx19 bus that crosses into the Bronx at the 145<sup>th</sup> Street Bridge.

The Project Site is served by New York Police Department's (NYPD) 32nd Precinct, located on 135th Street between Frederick Douglass Boulevard and Adam Clayton Powell Jr. Boulevard. The Fire Department of New York's (FDNY) Engine 69, Ladder 28 is three blocks to the north at 248 West 143<sup>rd</sup> Street. Engine 59, Ladder 30 Firehouse is also nearby on West 133<sup>rd</sup> Street between Lenox Avenue and Adam Clayton Powell Boulevard.

# Project Area and Project Site

The Project Area/Development Site consists of a single lot, Block 2026, Lot 15, located at 225 West 140<sup>th</sup> Street. The site is located on the south side of the block approximately 335 feet east

of Frederick Douglas Boulevard and approximately 380 feet west of Adam Clayton Powell Boulevard. The site dimensions are approximately 55.67 ft. wide along West 140th Street and approximately 99.92 feet deep toward the centerline of the block parallel to the avenues for a total lot area of 5,562 square feet. After the development site was sold to the proposed developer a certificate of occupancy was filed with the Department of Buildings in 2002 designating Lot 15 as a private park. It remained open space available to the community at the discretion of the proposed developer till approximately 2014 when soil boreing tests began in preparation of future development.

## **Proposed Project**

This project will create a new mixed-use development that includes community space for a well-regarded local nonprofit and addresses the need for more affordable housing in the Central Harlem neighborhood. The proposed 7-story building, with a height of approximately 75 feet, will contain approximately 20 affordable rental units, 2 of which will be permanently affordable. The total floor area for the lot is approximately 21,415 sq. ft.

Per our conversations with the applicant, the building's rent structure will provide three tiers of affordability. Each tier will include a range of apartment sizes from studios to 3-bedrooms. The breakdown is as follows: 25% of units or 5 units are targeted for families at 57% AMI; 60% or 12 units at 80% of AMI; and 15% or 3 units at 130% AMI. The unit size mix will be: 15% or 3 units will studios; 45% or 9 units will be 1-bedroom; 25% or 5 units will be 2-bedroom; and 15% or 3 units will be 3-bedroom. The developer will be designating 2 units out of the 20 units as permanently affordable while the remaining 18 units will be affordable for 30 years per the terms of HPD's M²/Mixed-Middle-Income Program.

Below in Figures 1 and 2 are the expected rents and income limits for the units in the proposed development:

Figure 1: Approximate Income Limits for M2/Mixed-Middle-Income Program

Incomes	57% AMI	80% AMI	130% AMI
Studio	\$36,195	\$43,500	\$70,720
1-Bedroom	\$38,760	\$54,375	\$88,400
2-Bedroom	\$46,512	\$65,250	\$106,080
3-Bedroom	\$53,723	\$75,400	N/A

Figure 2: Approximate Rents for M2/Mixed-Middle-Income Program

Rents	57% AMI	80% AMI	130% AMI	Market Rent*
Studio	\$864	\$1,047	\$1,728	\$1,800
1-Bedroom	\$928	\$1,318	\$2,169	\$2,350
2-Bedroom	\$1,120	\$1,589	\$2,610	\$3,000
3-Bedroom	\$1,288	\$1,830	N/A	\$3,700

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\*Market Rent in new or renovated buildings similar amenities is approximately 140-150% of AMI and as high as \$3,000 for a 1-bedroom

Source: NYC Department of Housing Preservation and Development, M<sup>2</sup> Incomes & Rents

The first floor will contain the bulk of the community facility space (2501 sq ft) with access to a portion of the cellar as accessory space (560 sq ft). The assumed tenant is Street Corner Resources, a local gang-violence prevention program. Plans also place the laundry and mechanical/utility systems in the cellar.

To facilitate this development the applicant is seeking to reclaim the development site as a city-owned lot so that it may be disposed back to the proposed developer without the current restriction that only a building with a maximum of 4 units can be constructed on the site. Additionally the applicant is seeking a UDAAP designation for the site.

### **Proposed Actions**

The proposed affordable housing development will create approximately 20 units and approximately 2,600 square feet of community facility space. In order to facilitate the development of this city-owned property, two actions are required by HPD.

Acquisition of Private Property (C 170049 PQM)

HPD proposes to acquire currently vacant, unimproved land that is privately owned located at 225 West 140<sup>th</sup> Street, Block 2026, Lot 15. The project is not subject to fair share criteria, nor is it listed in the Community Board's Statement of Needs. The site is currently zoned R7-2 and was subject of an earlier UDAAP and property restriction limiting any building on this site to no more than 4 dwelling units.

Urban Development Action Area and Urban Development Action Area Project (C 170048 HAM) HPD seeks designation of city-owned property located at 225 West 140<sup>th</sup> Street (Block 2026, Lot 15) as an Urban Development Action Area ("UDAA") and approval for the mixed-use project as an Urban Development Action Area Project ("UDAAP"). The property is located on the north side of West 140<sup>th</sup> Street between Frederick Douglass Boulevard and Adam Clayton Powell Jr. Boulevard.

In addition, HPD seeks approval for the disposition of said property to the Lemor Realty Corporation (LRC). HPD and LRC report that the financing of the application is dependent on the success of the proposed Robeson development on Lenox Avenue between West 130<sup>th</sup> and West 131<sup>st</sup> streets (C 170050 ZMM, C 170051 HAM and N 170052 ZRM) and the Leroy alone is not a feasible development in the current market.

### COMMUNITY BOARD'S RECOMMENDATION

At its Full Board meeting on November, 2nd, 2016, Manhattan Community Board 10 (CB 10) passed a favorable resolution without conditions in support of designating Block 2026, Lot 15 as

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an Urban Development Action Area (UDAA), the approval of the project as an Urban Development Action Area Project (UDAAP), and the disposition of such property to a developer to be selected by HPD. Previous to the full board vote, on September 15, 2016 and October 20, 2016, CB 10 Land Use Committee heard from HPD, representatives from Lemor Realty Company, and members of the public regarding this project. The vote tally at the Land Use Committee was 10 in favor, 0 opposed, and 0 abstentions. At the full board meeting 21 voted in favor, 7 opposed, and 1 abstained.

### **BOROUGH PRESIDENT COMMENTS**

This application represents an appropriate use of city resources to facilitate the development of affordable housing on privately-owned vacant land. Our own conversation with the developers revealed the tremendous financial difficulties of constructing on the lot due to the conditions created by the 2002 conveyance. The project design comports with that of the surrounding neighborhood and aligns with the street wall on West 140<sup>th</sup> Street.

We recognize the effort by HPD to create incentives for projects that provide affordable housing. However, we must also create financing that maintains affordability beyond 30 years, particularly for projects on city-owned land. Where permanent affordability is not feasible, the city must explore mechanisms to achieve "practical permanence" where the city has contributed land. We look forward to a robust exploration of all options for increasing the amount of new, permanently affordable units.

This project is one of two by Lemor that are moving forward simultaneously (the other being the application for the Robeson ULURP Application Nos. C 170050ZMM, C 170051 HAM and N 170052 ZRM). According to Lemor, the financing for the two projects is interdependent, and the city is providing 40% of the land. (This does not include the land which is being reacquired by the city as a part of this application and then disposed back to Lemor). When the city disposes of valuable real property for the purpose of providing the public benefit of affordable housing, the percentage of housing that is permanently affordable should be, at a minimum, equal to the percentage of land contributed by the city. Taken together, these projects fall short.

In converting a blighted parcel of land into urgently needed affordable housing, it meets the goal of UDAAP. But the lack of permanent affordability ensures that families will eventually be displaced, and the formula for determining the percentage of affordable unit needs to reflect the percentage of city property granted to the developer. Each of these projects provide an opportunity to improve the terms of the city's regulatory agreement for the construction of affordable housing.

I strongly recommend that the city undertake a review of its approach in order to create more affordable units with permanent affordability when providing city-owned land to housing

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developers. There will never be a better time than now when the last vacant city property is available and developers are eager to create housing in a high demand market.

### BOROUGH PRESIDENT RECOMMENDATION

Therefore, the Manhattan Borough President recommends <u>approval</u> of ULURP Application Nos. C 170048 HAM and C 170049 PQM on the conditions that:

1. The financing term is extended beyond the 30 years; and

2. The percentage of permanently affordable units of housing should be made equal to the percentage of city-owned property at the Robeson and Leroy sites.

Gale A. Brewer

Manhattan Borough President