October 27, 2010 / Calendar No. 19

C100452HAM

IN THE MATTER OF an application submitted by the 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 535-537 East 11th Street (Block 405, Lots 44 and 45) 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 development of an eight-story building with approximately 46 units, to be developed under the Department of Housing Preservation and Development's Supportive Housing Loan Program.

Approval of three separate matters is required:

- 1. the designation of property located at 535-537 East 11th Street (Block 405, Lots 44 and 45) as an Urban Development Action Area; and
- 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 June 10, 2010.

Approval of this application would facilitate the development of an eight-story building, providing approximately 46 residential units, including one unit for a live-in superintendent, as well as 744-square feet of community facility space, under HPD's Supportive Housing Loan Program.

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.

BACKGROUND

The Department of Housing Preservation and Development (HPD) is seeking an Urban Development Action Area Project (UDAAP) designation, project approval, and disposition of city-owned property for a site located at 535-537 East 11th Street (Block 405, Lots 44 and 45) to facilitate the development of an eight-story building, providing approximately 46 residential units, as well as 744-square feet of community facility space, under HPD's Supportive Housing Loan Program. The site is located in the East Village neighborhood of Manhattan within Community District 3. The lot is zoned R8B, which allows a base FAR of 4.0 for residential and community facility development.

The project site is a 50-foot wide lot on the north side of East 11th Street between Avenue A and Avenue B. The site is currently vacant and adjoined by five- and seven-story residential buildings. The proposed project would be developed under HPD's Supportive Housing Loan Program and consists of the new construction of an eight-story building which would be built pursuant to the Inclusionary Housing Program with a proposed overall FAR of approximately 4. The building will provide permanent housing in 45 studio apartments subject to two-year rental agreements and which would be permanently affordable. Of the 45 units, approximately 27 would be for formerly homeless individuals and approximately 18 would be for low-income single adults from the community earning up to 60% of Area Median Income (AMI). The project will also include approximately 1,800 square feet of landscaped open space at the rear yard and a 744-square foot multi-purpose room for community facility use. As an additional public benefit, the sponsor is also providing public access to Joseph C. Sauer Park, which is directly adjacent to the north of the project site, and a dedicated public bathroom, at the rear of the proposed building.

Land uses on the subject block and in the immediately surrounding neighborhood are primarily residential, with low- and mid-rise multi-family apartment buildings, tenements and rowhouses. Ground-floor local retail spaces are located along the north-south streets. Tompkins Square Park is located one block to the south, at East 10th Street, and Joseph C. Sauer Park is directly adjacent

Page 2 C 100452 HAM

to the project site to the north. A number of smaller community gardens are also located nearby, particularly to the blocks east and south of the site. Areas toward the east along Avenue D are more generally characterized by large-scale, multi-tower, housing development sites (New York City Housing Authority developments). The site is close to a number of bus routes that run along the avenues and East 9th Street. The 1st Avenue Station of the L subway line is located on East 14th Street and First Avenue, about a 10-minute walk from the site, and the Astor Place Station of the 6 subway line is located at Astor Place and Fourth Avenue, about a 15-minute walk from the site.

ENVIRONMENTAL REVIEW

This application (C100452HAM) 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 City Environmental Quality Review (CEQR) Rules of Procedure of 1991 and Executive Order No. 91 of 1977. The designated CEQR number is 10HPD016M. The lead agency is the Department of Housing Preservation and Development.

After a study of the potential impact of the proposed action, a Negative Declaration was issued on June 10, 2010.

Uniform Land Use Review

This application (C100452HAM) was certified as complete by the Department of City Planning on June 21, 2010, and was duly referred to Community Board 3 and the Borough President, in accordance with Title 62 of the Rules of the City of New York, Section 2-02(b).

Community Board Public Hearing

Community Board 3 held a public hearing on this application on July 12, 2010, and on July 27, 2010, by a vote of 37 in favor, 0 opposed, 0 abstaining and one present and not voting, adopted a resolution recommending approval of the application.

Borough President Recommendation

This application was considered by the Borough President, who issued a recommendation approving the application on September 9, 2010.

Page 3 C 100452 HAM

City Planning Commission Public Hearing

On September 15, 2010 (Calendar No. 1), the City Planning Commission scheduled September 29, 2010, for a public hearing on this application (C100452HAM). The hearing was duly held on September 29, 2010 (Calendar No. 12).

There were six speakers in favor of the application and no speakers in opposition.

Representatives of HPD, the project architect, the project's intended sponsor and the project's service provider spoke in favor of the project. A representative of the Manhattan Borough President's office reiterated the Borough President's support for the proposal, and a representative of Manhattan Community District 3 reiterated the Board's support for the proposal.

There were no other speakers and the hearing was closed.

CONSIDERATION

The Commission believes that the approval of this application for an Urban Development Action Area designation and project approval, and the disposition of city-owned property, is appropriate.

This application would facilitate the development of a new, eight-story building, providing 45 studio units of permanently affordable housing for formerly homeless individuals and low-income single adults, as well as one unit for a live-in superintendent. The project will also provide approximately 1,841 square feet of landscaped open space for residents in the rear yard and a 744-square-foot multi-purpose room for community facility use.

The Commission notes that as part of the proposed project, public access to the adjacent Joseph C. Sauer Park will be provided via a separate, secured entrance and passageway through the proposed building, as well as a public restroom at the rear of the proposed building, solely intended for use by park visitors. The Commission further notes that the park access arrangement reflects a longstanding relationship between the local community and the project's intended sponsor, that it satisfies long-held common goals between the local community and the intended sponsor, and that the intended sponsor will be responsible for the ongoing maintenance and security of both the proposed passageway and restroom facilities.

The return of this vacant lot to productive use would eliminate its blighting influence on the

Page 4 C 100452 HAM

neighborhood and would enable this city-owned property to be developed with uses that would serve the needs of Manhattan Community District 3 and the City of New York.

RESOLUTION

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

WHEREAS, the Department of Housing Preservation and Development has recommended the designation of property located at 535-537 East 11th Street (Block 405, Lots 44 and 45), 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 535-537 East 11th Street (Block 405, Lots 44 and 45) as an Urban Development Action Area; and
- b. an Urban Development Action Area Project for such area; and

BE IT FURTHER RESOLVED, 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 property located at 535-537 East 11th Street (Block 405, Lots 44 and 45), Community District 3, Borough of Manhattan, to a developer selected by HPD, is approved.

The above resolution (C100452HAM), duly adopted by the City Planning Commission on October 27, 2010 (Calendar No. 19), 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
KENNETH J. KNUCKLES, Esq., Vice Chairman
ANGELA M. BATTAGLIA, RAYANN BESSER, IRWIN G. CANTOR, P.E.,
ALFRED C. CERULLO, III, BETTY Y. CHEN, MARIA M. DEL TORO,
RICHARD W. EADDY, NATHAN LEVENTHAL, ANNA HAYES LEVIN
SHIRLEY A. MCRAE, KAREN A. PHILLIPS, Commissioners

Page 5 C 100452 HAM

Community/Borough Board Recommendation

CITY PLANNING COMMISSION 22 Reade Street, New York, NY 10007 FAX # (212) 720-3356 Application # C100452 HAM CEQR # 10HPD016M

Community District No. 03 Borough: Manhattan Project Name: 535-537 East 11th Street

			NS

- 1. Complete this form and return one copy date to the Calendar Information Office City Planning Commission, Room 2E, at the above address.
- 2. Send one copy of the completed form with any attachments to the applicant's representative at the address listed above, one copy to the Borough President, and one copy to the Borough Board, when applicable.

Docket Description:

Date

- . IN THE MATTER OF an application submitted by the 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 535-537 East 11th Street (Block 405, Lots 44 and 45) as an Urban Development Action Area; and
 - b) an Urban Development Action Area Project for such area; and
 - 4) 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 development of an eight-story building with approximately 45 units, to be developed under the Department of Housing Preservation and Development's Supportive Housing Loan Program.

Related Applications:			
Applicant(s):	Applicant's Representative:		
NYC Dept. of Housing Preservation & Development 100 Gold Street New York, NY 10038	Miriam Gonzalez NYC Dept. of Housing Preservation and Development 100 Gold Street New York, NY 10038		
Community Board No. 3 Borough: MANHATTAN	Borough Board of		
Date of public hearing: 7-12-2010	Location: UNIVERSITY SETTLEMENT, SPEYER HA		
Was a quorum present? YES X NO	A public hearing shall require a quorum of 20% of the appointed members of the board, but in no event fewer than seven such members.		
Vote adopting recommendation taken: 7-27-2010	Location: 100 HESTER ST., NEWYORK, NY 1000		
RECOMMENDATION			
Approve	Approve With Modifications/Conditions		
Disapprove	Disapprove With Modifications/Conditions		
Explanation of Recommendation-Modification/Conditi	ons (Attach additional sheets if necessary)		
Voting			
In Favor: 3 7 Against: O Abstaining:	Total members appointed to the board: 429		
Community/Borough Board Officer	District Manage		
august 6,2010	v.012006w		



SCOTT M. STRINGER

BOROUGH PRESIDENT

September 9, 2010

Recommendation on ULURP Application No. C100452 HAM – 535-357 East 11th Street by the Department of Housing Preservation and Development

PROPOSED ACTION

The Department of Housing Preservation and Development ("HPD") seeks designation of Cityowned properties located at 535-537 East 11th Street (Block 405, Lots 44 and 45) as an **Urban Development Action Area** ("UDAA") and an **Urban Development Action Area Project** ("UDAAP"). HPD also seeks approval of the **disposition** of said lots to the Lower East Side People's Mutual Housing Association Inc. ("LESPMHA"), a local non-profit organization, to facilitate the construction of an eight-story residential building in Manhattan Community Board 3. The affordable housing development will contain 45 studio units that would serve as supportive housing for formerly homeless individuals with histories of psychiatric disabilities and low-income single adults in the community.

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 enterprise 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 Urban Development Area Act] ... is necessary to enable the project to be undertaken; and
- (c) the area designation is consistent with the policy and purpose [of the Urban Development Area Act].

¹ The zoning classification of the proposed development is community facility with sleeping accommodations.

Section 197-c of the New York City Charter ("Charter") mandates that the disposition of all City-owned real property 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 1801 paragraph J of the Charter limits HPD to the disposition of residential real property.

PROJECT DESCRIPTION

HPD seeks designation of City-owned properties located at 535-537 East 11th Street as a UDAA and UDAAP and approval for the disposition of said properties in order to facilitate the construction of new supportive housing for formerly homeless individuals with histories of psychiatric disabilities and low-income individuals. The building is anticipated to be completed and operational by 2013. The project site, consisting of approximately 5,162 SF on two vacant lots, is located on the block bounded by East 11th Street, Avenue B, East 12th Street, and Avenue A. The surrounding land use is primarily residential, with five- to eight-story multi-family residential and mixed-use residential/commercial buildings, including several New York City Housing Authority developments. The surrounding area also contains a number of public parks and community gardens as well as public schools. Directly north of the site, on the same block, are Joseph C. Sauer Park, El Sol Brillante Community Garden, and Children's Garden.

The project sponsor, LESPMHA, proposes to develop an eight-story, elevator building (74 feet, 6 inches in height) on the site. The building will contain 45 affordable studio units and one two-bedroom unit for the building's on-site superintendent. The project is within an R8B zoning district and will be developed pursuant to the Quality Housing Program. The development will utilize 20,612 SF of floor area. In addition to the residential units, the building will have an all-purpose room, laundry room, tenant storage space, and an approximately 1,841-SF landscaped rear yard available to residents. The development will also include supportive services spaces, including a counselor's office and a conference room. The project sponsor will provide a separate passageway along the site's eastern edge that will provide public access to Joseph C. Sauer Park from East 11th Street and access to a public bathroom for the park users. The project will receive funding through HPD's Supportive Housing Loan Program and low-income housing tax credits.

Of the building's total units, 27 units will be available to formerly homeless individuals recovering from mental illness and the remaining 18 units will be available to low-income single adults from the community. The building will be affordable to individuals earning 60 percent or less than of the Area Median Income. Formerly homeless individuals will be referred to the development by the New York City Department of Homeless Services ("DHS") for the supportive housing units. LESPMHA will be responsible for tenancy of the low-income units.

LESPMHA will partner with Community Access, Inc. ("Community Access"), a longstanding local community organization, to provide supportive services to tenants. Community Access will provide screening and assessment of potential tenants referred by DHS. To the greatest extent possible, preference to the referrals from the community will be given. Each formerly homeless resident will be assigned a service coordinator and provided supportive services to help

C 100452 HAM – 535-537 East 11th Street Page 3 of 4

tenants live both independently and within an integrated mainstream environment, including: screenings for health and social service needs; entitlement assistance; peer-counseling; crisis intervention and conflict resolution; training in daily living skills; social and recreation activities; and employment training and job placement. Health and social service professionals will be on site to consult with all referred tenants and assess the types of support and service plans they need to improve their mental well-being. The proposed development will also have a trained front-desk staff member who will be on duty twenty-four hours daily to provide both security and necessary support and attention to tenants and their needs. These services will be funded by DHS and the New York/New York III program, which is administered by the New York City Department of Health and Mental Hygiene. In addition, LESPMHA will be providing the community greater access to and amenities for Sauer Park.

The proposed project will incorporate energy-efficient elements to comply with HPD's requirements for new construction projects set forth in Enterprise's Green Communities Criteria 2008. Some energy-efficient and environmentally sustainable elements include: Energy Star appliances, high efficiency lighting and lighting fixtures; water-conserving plumbing fixtures; energy-efficient heating and cooling systems; and no- or low-VOC paints, adhesives and sealants.

COMMUNITY BOARD'S RECOMMENDATION

At a Full Board meeting on July 27, 2010, Manhattan Community Board 3 voted unanimously to <u>approve</u> the application by a vote of 37 in favor, 0 opposed and 1 abstention.

BOROUGH PRESIDENT'S COMMENTS

The proposed development plan results in an entirely affordable residential building. The residential development is consistent with surrounding land uses and represents a vastly superior use of land compared to existing conditions. Development of this site would not only eliminate blight, but would also provide housing opportunities to specific populations in need, low-income individuals and formerly homeless individuals recovering from psychiatric disabilities. Further, HPD's disposition of this site will promote the sound growth that is necessary to obtain the UDAA and UDAAP designations. The creation of affordable and supportive housing opportunities in this area is a highly appropriate use of City-owned land and addresses a local, borough and citywide need.

LESPMHA and Community Access are both community organizations that have long histories of serving the Lower East Side community. LESPMHA has developed and managed numerous affordable residential developments in the neighborhood, and Community Access has a strong track record of constructing supportive housing in the community. Their combined experience, capacity, and understanding of the neighborhood will contribute to the proposed development as being a positive addition to the community.

Furthermore, the developer has made a commitment to include energy-efficient and green building elements in this affordable and supportive housing development, which will contribute to environmentally sustainable development within the neighborhood.

BOROUGH PRESIDENT'S RECOMMENDATION

The proposed development meets the required findings for UDAA and UDAAP designation and is an appropriate disposition of City-owned property.

The Manhattan Borough President therefore recommends <u>approval</u> of ULURP Application No. C 100452 HAM.

Scott M. Stringer

Manhattan Borough President