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**DE BLASIO ADMINISTRATION, CITY COUNCIL MEMBER COREY JOHNSON AND HUDSON RIVER PARK TRUST ANNOUNCE PLAN TO SAVE DETERIORATING PIER 40 AND CREATE AFFORDABLE HOUSING FOR WORKING FAMILIES AND SENIORS**

*Estimated \$100 million will prevent loss of Pier 40's recreation fields, funded by transfer of development rights*

*Nearby development by St. John's Center Partners to include 30 percent affordable housing, dedicated apartments for seniors*

**NEW YORK**— Administration officials today announced a new proposal, negotiated with Council Member Corey Johnson, to save Hudson River Park's Pier 40 and deliver nearly 500 affordable apartments to the community, especially for seniors. The transaction, which will undergo a full public review process, would generate approximately \$100 million to repair Pier 40 by transferring development rights to the nearby St. John's site, located across the West Side Highway from Pier 40.

The funds, subject to approval by the Hudson River Park Trust's Board of Directors after an independent appraisal process, will be used to make long-overdue repairs to the severely damaged and dilapidated Pier 40 — the park's largest pier. Portions of the aging pier have been closed in recent months out of concerns for public safety.

As part of the new proposal, the St. John's Center Partners — Westbrook Partners and Atlas Capital Group, LLC — have committed to ensuring that 30 percent of apartments built on their nearby site receiving the pier's development rights will be permanently affordable to low income and moderate income families, including an entire building of affordable homes for seniors. The plan also includes removing much of the existing overpass structure above Houston Street, creating an elevated publicly accessible open space as well as improving the access to Hudson River Park.

"This is a tremendous opportunity to save Pier 40 and to build the permanently affordable housing this community so badly needs. Council Member Johnson's leadership has helped maximize the amount of permanently affordable housing created by this rare opportunity. It's a win-win, and we look forward to working with everyone in the neighborhood through the process ahead," said **Mayor Bill de Blasio**.

"We are thrilled to finally have a critically important framework in place that would save Pier 40 before it's too late," said **Council Member Corey Johnson**. "At long last, we have a great plan that would address the urgent situation at the Pier and give this community treasure back to local families while fulfilling the City's mission to create new permanent affordable housing units. I am pleased this project will go through a process where New Yorkers will have their voices heard to ensure a win-win for community residents, park goers and New Yorkers facing a housing crisis."

"The Department of City Planning's proposed Hudson River Park Special District will allow us to raise the funding needed to repair the piles at Pier 40 and keep this vital resource open for the community," said **Madelyn Wils, President and CEO of the Hudson River Park Trust**. "This is a rare opportunity that we

cannot miss. We look forward to working with the de Blasio administration, local elected officials and the community to secure the funding we need to move ahead with these critical repairs."

"I want to thank Council Member Corey Johnson for his leadership on behalf of the community. At long last we have a real opportunity to save the extraordinary park resource at Pier 40," said **Tobi Bergman, Chair, Community Board 2 Manhattan**. "At the same time and of equal importance, we finally have a project in our district that will help sustain the diversity that is integral to the social fabric of our community and our city. Let's keep finding the synergy of protecting livability and building affordability!"

"We couldn't be happier to be working with our partners in government and in the community to help get Pier 40 repaired quickly and provide much needed affordable housing for seniors and families. We look forward to a public and transparent review process that will show we have created a plan that will transform the St. John's Center—a building long considered an obstacle to the waterfront—from a barricade into a gateway," said **Paul D. Kazilionis, Founder and CEO of Westbrook Partners**.

The announcement comes as the NYC Department of City Planning (DCP) and the St. John's Center Partners started the environmental review process through the filing of an Environmental Assessment Statement and Draft Scope of Work for a Draft Environmental Impact Statement (DEIS.) This will include the rezoning of the St. John's Center site to allow residential units and the creation of a Hudson River Park special district in order to facilitate the transfer of development rights from the Park. The proposed development will be considered through a full public review via the city's Uniform Land Use Review Procedure (ULURP), which includes review by City Planning Commission, local Community Board, Borough President and City Council.

Pier 40's athletic fields are a community asset and host hundreds of thousands of individuals of all ages each year. But a recent report conducted by the engineering firm The Halcrow Group, revealed that 57 percent of Pier 40's 3,500 steel pilings are suffering severe deterioration, up from 38 percent five years ago. The roof is in such disrepair that sections of the income-generating garage and other areas have been closed. Pier 40 has generated roughly 40 percent of HRPT's operating revenue, largely through its parking facility. HRPT has lost in excess of \$1 million in annual operating income due to closed portions of Pier 40.

Losing the Pier would mean a permanent loss of the largest pier in Hudson River Park, a loss of beloved community ballfields and a loss of income to support the Park's operations. The Trust's offices and park operations hub would also have to be relocated. The sale of development rights outside of the Park's limits will generate the funds needed to save the Pier. HRPT is governed by the Hudson River Park Act and operates on a premise of financial self-sufficiency; it receives no public funding for its operations. That self-sufficient model is heavily reliant on the few piers designated for limited commercial uses in the Hudson River Park Act. If the funds and development are approved, HRPT will send out a RFP for firms who can design pile repairs shortly thereafter, with the goal of starting repairs in 2017.

The agreement mirrors the intent of State legislation signed into law in November 2013 in which the transfer of development rights from sites within the Park was authorized as a way of creating revenue for the Trust while avoiding the introduction of additional private uses within the Park.

The current St. John's Center covers more than three city blocks from Charlton Street to Clarkson Street along the West Side Highway and has been underutilized for years. Designed by world-renown architect COOKFOX, the new proposal would create approximately 1.7 million square feet of floor space, of which approximately 1.3 million will be residential, and approximately 400,000 square feet will be commercial space.

The current estimate for the purpose of evaluating the environmental impact of this project is that up to 1,586 residential units would be created. As part of the agreement, the St. John's Center Partners have committed to a requirement that 30 percent of all residential units will be dedicated to permanent affordable housing – including low income, moderate income, and senior housing. The project will include 5 buildings ranging in height from 240 to 430 feet. The development will also include a new approximately 14,200-square-foot

outdoor publicly accessible open space on the existing platform spanning West Houston Street. The current overpass over Houston Street would be demolished and replaced with an elevated garden.

This development is projected to create 1,800 new construction jobs, 1,400 new non-construction jobs, and 1,500 direct full- and part-time jobs from the project's annual operation. The project's construction is estimated to inject \$2.2 billion in the NYC economy and subsequently contribute \$400 million annually from the project's operation. Finally, the project's construction will create approximately \$126 million in new tax revenues for NYC and New York State and then \$21.8 million from its annual operation.

The entire project will be designed for extreme weather and storm resiliency, including state of the art flood mitigation. The new cellars will be designed to be waterproof and to resist the potential for the hydrostatic pressure of high water levels, while the ground floor will be designed with building integrated flood proofing methods. The project will also feature world-class architecture that responds to existing neighborhood character with an elegant design that maximizes light and air to view corridors and streetscape.

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