



## CITY PLANNING COMMISSION

---

March 24, 2010 / Calendar No. 3

C100173 HAM

---

**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 302-304 East 2<sup>nd</sup> Street (Block 372, Lot 49) 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 a 13-story mixed-use building, tentatively known as Houston Dee, with approximately 166 residential units, Community District 3, Borough of Manhattan.

---

Approval of three separate matters is required:

1. the designation of property located at 302-304 East 2<sup>nd</sup> Street (Block 372, Lot 49) 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 December 3, 2009.

Approval of this application would facilitate the development of a 13-story mixed-use building, providing approximately 166 residential units as well as retail and community facility space.

The project is tentatively known as Houston Dee.

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 project site, at the northwest corner of Avenue D and East 2<sup>nd</sup> Street (Block 372, Lots 39, 41, 42, 43, 44, 47, 48, 49, 51), is a merged 24,998-square foot zoning lot comprised of one city-owned property (Lot 49) which is the subject of the proposed disposition and designation as an Urban Development Action Area and Project, and eight privately-owned sites (Lots 39, 41, 42, 43, 44, 47, 48, and 51). Two existing buildings, at the northern edge of the zoning lot on Avenue D (Lot 39) and at the western edge of the zoning lot on East 2<sup>nd</sup> Street (Lot 51), would remain, while the proposed building would be constructed on the remainder of the site, which is currently vacant. An existing six-story residential building with ground-floor retail occupies Lot 39 on Avenue D, and a five-story residential building with ground-floor retail occupies Lot 51 on East 2<sup>nd</sup> Street.

The proposed new building would occupy the undeveloped portions of the zoning lot (Lots 41, 42, 43, 44, 47, 48 and 49), including the city-owned property which would be disposed to a developer to be designated by the Department of Housing, Preservation and Development. The disposition site (Lot 49) is located in an R8A zoning district, and the remainder of the building site is split between an R8A and R8A/C1-5 zoning district. The proposed project would be built pursuant to the Inclusionary Housing Program with a proposed overall FAR of approximately 6.9.

The proposed building will front on Avenue D and East 2<sup>nd</sup> Street and will include approximately 166 mixed-income rental apartments in approximately 142,117 square feet on the 2<sup>nd</sup> through 13<sup>th</sup> floors. Of the 166 residential units, approximately 34 will be permanently affordable units developed through the use of the Inclusionary Housing Program; these 34 units

will be available for families earning below 50% of AMI. The remaining units will be market rate. Approximately 8,981 square feet of commercial use will be located in ground-floor locations, with separate entrances on East 2<sup>nd</sup> Street and Avenue D. On the ground floor, accessible to all tenants, the building will also include fitness and recreation spaces of approximately 2,614 square feet and approximately 3,606 square feet of open space at the rear yard. The building will also include accessible open space located on the roof and terraces over the second and third floors.

Land uses on the subject block and in the immediately surrounding neighborhood are primarily residential, with low- to mid-rise buildings west of Avenue D and north of East Houston Street, and with ground-floor local retail spaces located on the north-south streets. Areas to the east of Avenue D are more generally characterized by large-scale, multi-tower, housing development sites, including the Lillian Wald Houses directly across Avenue D to the east and Baruch Houses to the southeast across Houston Street (both New York City Housing Authority developments).

## **ENVIRONMENTAL REVIEW**

The East Village/Lower East Side Rezoning 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 New York City Planning Commission (CPC) was the lead agency for the environmental review, and the designated CEQR number is 07DCP078M. On behalf of the CPC, the New York City Department of City Planning (DCP) prepared a Final Environmental Impact Statement (FEIS), and the CPC issued a Notice of Completion for the FEIS on September 26, 2008. On October 7 of that same year, the CPC approved ULURP applications for the

Zoning Map Amendment and Zoning Text Amendment actions (C 080397(A) ZMM, N 080398(A) ZAM) needed to implement the East Village/Lower East Side Rezoning, and a complete description of the findings of the FEIS is provided in the CPC report for C 080397(A) ZMM.

As part of the FEIS, the project site described herein was analyzed as a development site, with a development containing a nominally lower number of dwelling units and amount of ground floor commercial space than those proposed in the current project. Following finalization of the project design, the City determined that an assessment of the updated projected development associated with the proposed project, as described in this application (C 100173 HAM), was warranted. A Technical Memorandum dated December 10, 2009 was prepared by the applicant to assess the potential for the proposed project to result in additional or different significant adverse impacts than those disclosed in the FEIS for the East Village/Lower East Side Rezoning. The CPC determined that the proposed project constitutes a minor modification to what was previously analyzed and would not result in any significant adverse impacts not previously identified in the FEIS.

### **Uniform Land Use Review**

This application (C 100173 HAM) was certified as complete by the Department of City Planning on December 14, 2009, 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 January 7, 2010, and on January 26, 2010, by a vote of 21 in favor, 11 opposed, and 0 abstaining, adopted a resolution recommending approval of the application with the following conditions: that the roof space be

closed at 10:00 PM seven days per week and that the developer make best-faith efforts in local sourcing and hiring through the Lower East Side hiring network.

### **Borough President Recommendation**

This application was considered by the Borough President, who issued a recommendation approving the application on March 3, 2010.

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

On February 24 (Calendar No. 3), the City Planning Commission scheduled March 10, 2010, for a public hearing on this application (C 100173 HAM). The hearing was duly held on March 10, 2010 (Calendar No. 16).

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

Representatives of HPD, the project architect, the developer and his land use consultant appeared in favor of the project. In response to a concern regarding windows on an adjacent residential building on Lot 51, which are built on a lot line shared with the development site, the HPD representative stated that those windows are not needed to meet the light and air requirements of that building and that HPD has had discussions with the owner of Lot 51 concerning the matter. In response to Community Board 3's recommendations, the developer stated that he was willing to comply with Community Board 3's requests regarding rooftop nighttime closing as well as to commit to best-faith efforts at local sourcing and local hiring in connection with the project. A representative of the Manhattan Borough President's office re-iterated the Borough President'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, mixed-use, mixed-income residential building, with 166 units, 34 of which would be permanently affordable under the requirements of the Inclusionary Housing Program. The proposal will provide needed new units of affordable housing to the East Village community and New York City residents.

The Commission notes that, in response to the conditions and stipulations raised by Community Board 3, the developer stated at the Public Hearing that he has agreed to comply with the requested rooftop nighttime closing as well as commit to best-faith efforts at local sourcing and local hiring in connection with the project.

The return of this vacant lot to residential use would enable this city-owned property to be developed in a manner 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 302-304 East 2<sup>nd</sup> Street (Block 372, Lot 49), 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 302-304 East 2<sup>nd</sup> Street (Block 372, Lot 49) 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 302-304 East 2<sup>nd</sup> Street (Block 372, Lot 49), Community District 3, Borough of Manhattan, to a developer selected by HPD, is approved.

The above resolution (C 100173 HAM), duly adopted by the City Planning Commission on March 24, 2010 (Calendar No. 3), 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**  
**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**