

CITY PLANNING COMMISSION

October 3, 2012/Calendar No. 4

C 120360 ZSM CORRECTED

IN THE MATTER OF an application submitted by Mercer 111 LLC pursuant to Sections 197-c and 201 of the New York City Charter for the grant of a special permit pursuant to Section 74-711 of the Zoning Resolution to modify:

- 1. the bulk regulations of Section 43-17 to allow a building containing Joint Living-Work Quarters for Artist to be enlarged;
- 2. the use regulations of Section 42-00 to allow uses (Use Group 2) on the 2nd through 6th floors;

of an existing 5-story building and proposed 1-story enlargement, on property located at 111 Mercer Street (Block 499, Lot 32), in an M1-5A District, within the SoHo Cast-Iron Historic District, Borough of Manhattan, Community District 2.

The application for the special permit was filed by Mercer 111 LLC on May 21, 2012, to allow a 1-story penthouse enlargement on an existing five-story building and to modify the requirements of Section 42-00 to allow residential use (Use Group 2) on the second through sixth floors of the enlarged building. The property is located at 111 Mercer Street (Block 499, Lot 32), in an M1-5A District within the SoHo Cast-Iron Historic District, within Manhattan Community District 2.

BACKGROUND

111 Mercer Street is a five-story cast-iron building located on the west side of Mercer Street between Prince and Spring streets. The building occupies an interior lot with a frontage of 25 feet on Mercer Street, a depth of 100 feet, and a lot area of 2,500 square feet. The building contains approximately 11,365 square feet of floor area and is built to approximately 4.55 FAR.

The property is located within the SoHo Cast Iron Historic District, which comprises a 26-block area roughly bounded by West Houston Street to the north, Crosby Street to the east, Canal Street to the south, and West Broadway to the west. It contains approximately 500 buildings comprising primarily large-scale cast-iron factories and stores that were constructed in the late

19th century, when the lower region of Broadway was the commercial core of New York City's mercantile trade. The Historic District contains the world's largest collection of full and partial cast-iron facades and several noteworthy examples of brick, stone and mixed-iron and masonry post-Civil War construction. Its cast-iron buildings include a variety of structures that are representative of various styles of commercial construction during the late 19th century, including the Italianate, French Empire, and Neo Grecian styles.

111 Mercer Street is a contributing structure in the Historic District. The building was designed by Henry Fernbach, a prominent architect responsible for a number of cast-iron buildings on nearby Greene Street, and was built in 1878-89.

111 Mercer Street is located within an M1-5A zoning district. The area to the immediate east of the property, across Mercer Street, is zoned as an M1-5B district. In M1-5A districts, special use regulations apply that restrict the location, size, and types of commercial and manufacturing uses and allow Joint Living Work Quarters for Artists (JLWQA) units under specified circumstances. Except for certain exemptions, JLWQA units must be occupied and used by certified artists and their families. Residential uses (Use Group 2) are not permitted as-of-right. M1-5A zoning districts allow commercial and manufacturing uses up to 5.0 FAR and community facility uses up to 6.5 FAR. In M1-5A zoning districts, pursuant to Section 43-17, a building containing JLWQA units may not be enlarged as-of-right.

The ground and cellar floors of 111 Mercer Street have been occupied with retail use since the beginning of 2012. The building is vacant on the second through fifth floors. There is no Certificate of Occupancy on file with the Department of Buildings for the building, but the records of the New York City Loft Board indicate that the second through fifth floors were most recently used for Joint Living Work Quarters for Artists (JLWQA) purposes. The applicant has filed an application with the Department of Buildings for alteration work on the building and for the conversion of the second through fifth floors of the building to an as-of-right JLWQA use.

The requested special permit, pursuant to Section 74-711 of the Zoning Resolution, is required to modify the bulk regulations of Section 43-17 to allow the proposed enlargement to the building

and to modify the use regulations of Section 42-00 to allow the second through sixth floors of the enlarged building to be developed for residential use.

The building's ground and cellar floors would continue to be used for retail use (Use Group 6). There would be no JLWQA units in the building. The enlarged building would have a total floor area of 12,497 square feet¹ (4.99 FAR), which is within the 5.0 maximum FAR permitted for commercial and manufacturing uses within the M1-5A zoning district.

Under this proposal, the building would have four residential units, with one unit on each of the second through fourth floors and a duplex unit on the fifth and sixth floors. The proposed residential and retail uses would be accessible by separate ground floor building entrances on Mercer Street. A new mezzanine floor above the ground floor would serve as a landing for the stairs serving the residential portion of the Building.

The surrounding area is characterized by five- to twelve-story loft-style industrial buildings that have been converted to a mix of uses. Most of the buildings in the area contain ground floor retail uses with residential, JLWQA, or office uses above. The building located to the immediate south and west of the subject property, at 109 Mercer Street, is a seven-story loft building with ground floor retail space and residential units on the upper floors. The building located to the immediate north, at 115 Mercer Street, is a seven-story loft building with ground floor retail space and JLWQA units on the upper floors.

As stated previously, the subject property is located in the SoHo Cast Iron Historic District. Accordingly, the application includes a report from the Landmarks Preservation Commission stating that a continuing maintenance program has been established that will result in the preservation of 111 Mercer Street and that the proposed enlargement and conversion contribute to a preservation purpose.

^{1.} Corrected square footage from 12,475 to 12,497 square feet.

ENVIRONMENTAL REVIEW

This application (C 120360 ZSM) 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 12DCP178M. The lead is the City Planning Commission.

After a study of the potential environmental impacts of the proposed action, a Negative Declaration was issued on July 9, 2012.

UNIFORM LAND USE REVIEW

This application (C 120360 ZSM) was certified as complete by the Department of City Planning on July 9, 2012, and was duly referred to Community Board 2 and the Borough President, in accordance with Article 3 of the Uniform Land Use Review Procedure (ULURP) rules.

Community Board Public Hearing

Community Board 2 held a public hearing on this application on July 12, 2012, and on July 19, 2012, by a vote of 35 to 3, adopted a resolution recommending approval of the application.

Borough President Recommendation

This application was considered by the Borough President, who issued a recommendation on August 27, 2012, approving the application.

City Planning Commission Public Hearing

On August 22, 2012, (Cal. No. 2), the Commission scheduled September 5, 2012, for a public hearing on this application (C 120360 ZSM). The hearing was duly held on September 5, 2012 (Cal. No. 18). There were three speakers in favor of the application and none in opposition.

Those speaking in favor included the applicant's attorney, the project architect and a representative from the Manhattan Borough President's Office.

The applicant's attorney described the proposal, the need for the requested action and how the project met the requisite findings. The attorney also described how the proposed penthouse addition, to be set back 20 feet from the building's streetwall, would not be visible from the street. The project architect described the proposed build program and restoration efforts to enhance and preserve the building's façade. A representative of the Borough President of Manhattan also spoke in favor, reiterating the Borough President's support for the application.

There were no other speakers and the hearing was closed

CONSIDERATION

The Commission believes that the grant of this special permit is appropriate.

111 Mercer Street is a five-story cast-iron building located on the west side of Mercer Street between Prince and Spring streets. The building contains approximately 11,365 square feet of floor area and is built to approximately 4.55 FAR.

The building currently has retail use on the ground and cellar floors, which has occupied such space since the beginning of 2012, and is vacant on the second through fifth floors.

The requested action would permit the modification of the bulk regulations of Section 43-17 to allow the building to be enlarged with a sixth-floor penthouse, and permit a modification of the use regulations of Section 42-00 to allow the second through sixth floors of the enlarged building to be used for residential use, with a residential lobby on the ground floor. The building's ground and cellar floors would continue to be used for retail use (Use Group 6). There would be no Joint Living Work Quarters for Artists (JLWQA) units in the building. The enlarged building would have a total floor area of 12,497 square feet² (4.99 FAR), which is within the 5.0

^{2.} Corrected square footage from 12,475 to 12,497 square feet.

maximum FAR permitted for commercial and manufacturing uses within the M1-5A zoning district.

The Commission notes that the surrounding area is characterized by five- to twelve-story loft-style industrial buildings that have been converted to a mix of uses. Most of the buildings in the area contain ground floor retail uses with residential, JLWQA space, or office uses above. Therefore, the Commission believes that the proposed enlargement and conversion to residential use is consistent with the prevailing land use pattern found on neighboring blocks.

The Commission notes it is in receipt of a report from the Landmarks Preservation Commission (LPC) stating that it has reviewed the proposal and that the proposed enlargement and conversion relate harmoniously to the subject building. The LPC's report also noted that the proposed penthouse would not be visible at street level and that a continuing maintenance program has been established that will result in the preservation of 111 Mercer Street through façade repairs and enhancements that contribute to a preservation purpose. Therefore, the City Planning Commission believes that the proposed conversion and enlargement would have minimal adverse effects on the structures or open space in the vicinity in terms of scale and location.

The City Planning Commission, therefore, believes that grant of the requested special permit, is appropriate.

FINDINGS

The City Planning Commission hereby makes the following findings pursuant to Section 74-711 (Landmark Preservation in all Districts) of the Zoning Resolution:

- (1) such bulk modifications shall have minimal adverse effects on the structures or open space in the vicinity in terms of scale, location and access to light and air.
- (2) such use modifications shall have minimal adverse effects on the conforming uses within the building and in the surrounding area.

RESOLUTION

RESOLVED, that the City Planning Commission finds that the actions described herein will have no significant impact on the environment; and be it further

RESOLVED, by the City Planning Commission, pursuant to Sections 197-c and 200 of the New York City Charter, that based on the environmental determination, and the consideration and findings described in this report, the application submitted by Mercer 111 LLC pursuant to Sections 197-c and 201 of the New York City Charter for the grant of a special permit pursuant to Section 74-711 of the Zoning Resolution to modify:

- 1. the bulk regulations of Section 43-17 to allow a building containing Joint Living-Work Quarters for Artist to be enlarged;
- 2. the use regulations of Section 42-00 to allow uses (Use Group 2) on the 2nd through 6th floors;

of an existing 5-story building and proposed 1-story enlargement, on property located at 111 Mercer Street (Block 499, Lot 32), in an M1-5A District, within the SoHo Cast-Iron Historic District, Borough of Manhattan, Community District 2, is approved, subject to the following terms and conditions:

1. The property that is the subject of this application (C 120360 ZSM) shall be developed in size and arrangement substantially in accordance with the dimensions, specifications and zoning computations indicated on the following approved plans³, prepared by Arpad Baksa, Architect, P.C., filed with this application and incorporated in this resolution:

Dwg. No.	<u>Title</u>	<u>Last Date Revised</u>
CPT-2	Site Plan	15 May 2012
CPZ-1	Zoning Calculations	15 June 2012
CP-03	1 st Floor Plan	15 May 2012

^{3.} Corrected list of approved plans.

CP-04	1 st Floor Mezzanine Plan	15 June 2012
CP-05	2 nd Floor Plan	15 June 2012
CP-06	3 rd Floor Plan	15 June 2012
CP-07	4 th Floor Plan	15 June 2012
CP-08	5 th Floor Plan	15 June 2012
CP-09	6 th Floor Plan	9 April 2012
CP-10	Roof Plan	9 April 2012
CP-11	Building Section	15 May 2012

- 2. Such development shall conform to all applicable provisions of the Zoning Resolution, except for the modifications specifically granted in this resolution and shown on the plans listed above which have been filed with this application. All zoning computations are subject to verification and approval by the New York City Department of Buildings.
- 3. Such development shall conform to all applicable laws and regulations relating to its construction, operation and maintenance.
- 4. In the event the property that is the subject of the application is developed as, sold as, or converted to condominium units, a homeowners' association, or cooperative ownership, a copy of this resolution and the restrictive declaration described below and any subsequent modifications to either document shall be provided to the Attorney General of the State of New York at the time of application for any such condominium, homeowners' or cooperative offering plan and, if the Attorney General so directs, shall be incorporated in full in any offering documents relating to the property.
- 5. All leases, subleases, or other agreements for use or occupancy of space at the subject property shall give actual notice of this special permit to the lessee, sub-lessee or occupant.

- 6. Development pursuant to this resolution shall be allowed only after the attached restrictive declaration dated September 24, 2012, executed by Mercer 111 Owner LLC, the terms of which are hereby incorporated in this resolution, shall have been recorded and filed in the Office of the Register of the City of New York, County of New York.
- 7. Upon the failure of any party having any right, title or interest in the property that is the subject of this application, or the failure of any heir, successor, assign, or legal representative of such party, to observe any of the covenants, restrictions, agreements, terms or conditions of this resolution and the attached restrictive declaration whose provisions shall constitute conditions of the special permit hereby granted, the City Planning Commission may, without the consent of any other party, revoke any portion of or all of said special permit. Such power of revocation shall be in addition to and not limited to any other powers of the City Planning Commission, or of any other agency of government, or any private person or entity. Any such failure as stated above, or any alteration in the development that is the subject of this application that departs from any of the conditions listed above, is grounds for the City Planning Commission or the City Council, as applicable, to disapprove any application for modification, cancellation or amendment of the special permit hereby granted or of the attached restrictive declaration.
- 8. Neither the City of New York nor its employees or agents shall have any liability for money damages by reason of the city's or such employee's or agent's failure to act in accordance with the provisions of this special permit.

The above resolution (C 120360 ZSM), duly adopted by the City Planning Commission on October 3, 2012 (Calendar No. 4), is filed with the Office of the Speaker, City Council, and the Borough President together with a copy of the plans of the development, 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, MICHELLE R. DE LA UZ, MARIA M. DEL TORO, RICHARD W. EADDY, ANNA HAYES LEVIN, ORLANDO MARIN, SHIRLEY A. MCRAE, Commissioners



Community/Borough Board Recommendation

Pursuant to the Uniform Land Use Review Procedure

Application #: C 120360 ZSM

Project Name: 111 Mercer Street

CEQR Number: 12DCP178M

Borough(s): Manhattan Community District Number(s): 2

Please use the above application number on all correspondence concerning this application

SUBMISSION INSTRUCTIONS

Complete this form and return to the Department of City Planning by one of the following options:

- EMAIL (recommended): Send email to CalendarOffice@planning.nyc.gov 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 Mercer 111 LLC pursuant to Sections 197-c and 201 of the New York City Charter for the grant of a special permit pursuant to Section 74-711 of the Zoning Resolution to modify:

- 1. the bulk regulations of Section 43-17 to allow a building containing joint living-work quarters for artists to be enlarged; and
- 2. the use regulations of Section 42-00 to allow residential uses (Use Group 2) on the 2nd through 6th floors;

of an existing 5-story building and proposed 1-story enlargement, on property located at 111 Mercer Street (Block 499, Lot 32), in an M1-5A District, within the SoHo-Cast Iron Historic District, Borough of Manhattan, Community District 2.

Plans for this proposal are on file with the City Planning Commission and may be seen in Room 3N, 22 Reade Street, New York, NY, 10007.

Applicant(s):	Applicant's Representative:			
Mercer 111 LLC 199 Lafayette Street New York, NY 10012	Valerie Campbell, Esq. Kramer Levin Naftalis & Frankel LLP 1177 Avenue of the Americas New York, NY 10036			
Recommendation submitted by:				
Date of public hearing: 7/12/12 Location: Nyu Silver Bles., 32 Warrelly Pl. RM.				
Was a quorum present? YES NO A public heading requires a quorum of 20% of the appointed members of the board, but in no event fewer than seven such members.				
Date of Vote: 7/9/12 Location: Grace Church School, 86 4th Are, Tuttle				
RECOMMENDATION				
Approve With Modifications/Conditions				
Disapprove With Modifications/Conditions				
Please attach any further explanation of the recommendation on additional sheets, as necessary,				
Voting # In Favor: 35 # Against: 3 # Abstaining: 0 Total members appointed to the board: 48				
Name of CB/BB officer completing this form ROBERT GORMLEY NA NA	NAGER 7/26/12			

David Gruber, Chair Bo Riccobono, First Vice Chair Jo Hamilton, Second Vice Chair Bob Gormley, District Manager



Antony Wong, Treasurer Susan Kent, Secretary Keen Berger, Assistant Secretary

COMMUNITY BOARD NO. 2, MANHATTAN

3 Washington Square Village New York, NY 10012-1899

July 24, 2012

Amanda Burden, FAICP Chair, City Planning Commission 22 Reade Street New York, NY 10007

Dear Chair Burden,

At its Full Board meeting on July 19, 2012, CB#2, Manhattan (CB#2-Man.), adopted the following resolution:

111 Mercer Street (west side of Mercer between Spring and Prince Streets): A resolution stating no objection to ULURP Application 120360ZSM seeking a special permit pursuant to Section 74-711 of the Zoning Resolution to modify (i) the requirements of Section 43-17 to allow a 1-story enlargement of an existing 5-story building, and (ii) requirements of Section 42-00 to allow residential use on the second through sixth floors of the enlarged building.

Whereas

- The applicant's representatives made a presentation to the committee and the application was provided to committee members in advance of the meeting;
- 2. The property is located with an M1-5A zoning district and within the SoHo Cast Iron Historic District;
- 3. The current uses include retail on the ground level and cellar floors and the building is vacant on the 2nd through 5th floors which are being altered for JLWQA use;
- 4. The adjacent building to the south is a seven story loft building with ground floor retail and residential use above and the adjacent building to the north is a seven story building with ground floor retail and JLWQA use above;
- 5. In M1-5A districts, buildings containing JLWQA uses may not be enlarged as of right;
- 6. The applicant provided documentation that required conditions had been met for modification of use and bulk regulations in zoning lots with buildings located within historic districts, including certificates and approvals from the Landmarks Preservation Commission;
- 7. The applicant provided documentation that the requirements for a special permit had been met, including that the bulk modifications shall have minimal adverse effects on the structures or open space in the vicinity and that the use modifications shall have minimal adverse effects on the conforming uses within the building and the surrounding area;
- 8. The current FAR of the existing building is 4.55 and with the proposed enlargement the building would remain within the allowed FAR of 5.0;

- 9. This documentation will be subject to review by the City Planning Commission;
- 10. One member of the public expressed concerns about possible noise from new air conditioning units and the architect provided satisfactory assurances regarding the size and type of units proposed;
- 11. No one from the community spoke in favor or opposition to the application;
- 12. Committee members expressed a general preference for JLWQA use over residential use to help retain the historic uses of SoHo as an artist's community;
- 13. CB2 has previously recommended approval of residential use in similar buildings, there are other buildings in the neighborhood that have been converted to residential use;
- 14. Because this is a vacant building with no apparent prior JLWQA use, no artists will be displaced by this action and the committee had no information that artists had previously lived in the building;
- 15. There is a public benefit to the required long term preservation of this 1878 loft building which is a contributing building in the historic district;

Therefore it is resolved that CB#2, Man. has no objection to a special permit to allow the proposed one-story enlargement of 111 Mercer Street and to allow residential use in the second through sixth floors of the enlarged building.

Vote: Unanimous, with 35 Board members in favor, and 3 in opposition (C. Dawson, D. Diether, J. Kiely).

Please advise us of any decision or action taken in response to this resolution.

Sincerely,

David Gruber, Chair

Community Board #2, Manhattan

Tobi Bergman, Chair

Land Use & Business Development Committee

Community Board #2, Manhattan

DG/fa

cc: Hon. Jerrold L. Nadler, Congressman

Hon. Thomas K. Duane, NY State Senator

Hon. Daniel Squadron, NY State Senator

Hon. Deborah J. Glick, Assembly Member

Hon. Scott M. Stringer, Man. Borough President

Hon. Christine C. Quinn, Council Speaker

Pauline Yu, CAU

Vivian Awner, Community Board Liaison, Dept. of City Planning

Land Use Review Unit, Dept. of City Planning

Jeff Mulligan, Executive Director, Board of Standards & Appeals

Derek Lee, Man. Borough Commissioner, NYC Department of Buildings

Thomas C. Wargo, Director, Zoning Division, Dept. of City Planning

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.

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

Application #: C 120360 ZSM

Docket Description:

C 120360 ZSM – IN THE MATTER OF an application submitted by Mercer 111 LLC pursuant to Sections 197-c and 201 of the New York City Charter for the grant of a special permit pursuant to Section 74-711 of the Zoning Resolution to modify:

- 1. the bulk regulations of Section 43-17 to allow a building containing joint living-work quarters for artists to be enlarged; and
- 2. the use regulations of Section 42-00 to allow residential uses (Use Group 2) on the 2nd through 6th floors:

of an existing 5-story building and proposed 1-story enlargement, on property located at 111 Mercer Street (Block 499, Lot 32), in an M1-5A District, within the SoHo-Cast Iron Historic District, Borough of Manhattan, Community District 2.

District 2.	
COMMUNITY BOARD NO: 2	BOROUGH: Manhattan
RECOMMENDATION	
APPROVE	
APPROVE WITH MODIFICATIONS/CONDITIONS (List below)	
DISAPPROVE	
DISAPPROVE WITH MODIFICATIONS/CONDITONS (Listed below)	
See Attached	
- Stell Stay	8/24/12
BORØUGH PRESIDENT	DATE



THE CITY OF NEW YORK OFFICE OF THE PRESIDENT BOROUGH OF MANHATTAN

SCOTT M. STRINGER BOROUGH PRESIDENT

August 27, 2012

Recommendation on ULURP Application No. C 120360 ZSM – 111 Mercer Street by the Mercer 111, LLC

PROPOSED ACTION

Mercer 111, LLC¹ ("the applicant") seeks a **special permit pursuant to Section 74-711** of the Zoning Resolution ("ZR") to modify bulk and use regulations of ZR §§ 43-17 and 42-00 to permit a 1-story enlargement of an existing 5-story building, and to allow Use Group 2 uses on the second through sixth floors of 111 Mercer Street (Block 499, Lot 32). The project site is located within the SoHo-Cast Iron Historic District ("Historic District") and an M1-5A zoning district in Manhattan's Community District 2.

Pursuant to ZR § 74-711, applicants may request special permits to modify the use regulations of zoning lots that contain landmarks or are within Historic Districts as designated by the Landmarks Preservation Commission ("LPC"). In order for the City Planning Commission ("CPC") to grant use and bulk modifications, the applicant must first meet the following conditions: 1) LPC has issued a report that states the applicant will establish a continuing maintenance program for the preservation of the building and that such modification or restorative work will contribute to a preservation purpose; 2) the application shall include a Certificate of Appropriateness, other permit, or report from LPC stating that such bulk modifications relate harmoniously to the subject landmark building in the Historic District²; and 3) the maximum number of permitted dwelling units is as set forth in ZR § 15-111. Further, the CPC must find that such bulk modifications shall have minimal adverse effects on the structures or open space in the vicinity in terms of scale, location and access to light and air; and that such use modifications shall have minimal adverse effects on the conforming uses within the building and in the surrounding area.

² The LPC issued a favorable report to the City Planning Commission February 9, 2012. A Certificate of Appropriateness was also granted on February 3, 2012. LPC's determinations have not been re-examined in this recommendation.



¹ Edmond Li is a Managing Member of Mercer 111 LLC.

PROJECT DESCRIPTION

The applicant seeks a special permit to modify bulk and use regulations to allow a 1-story addition atop an existing 5-story building, and Use Group 2 residential uses on the 2nd through 6th floors of the enlarged building located at 111 Mercer Street. The proposed project will increase the building's total floor area from 11,364 SF (4.45 FAR) to 12,497 SF (5 FAR) which is the maximum floor area permitted on the site. Additionally, the proposed sixth-floor enlargement will raise the building's height from 74 feet and 9 inches to 91 feet³. The applicant further seeks a use modification to allow an approximate 9,837 SF of residential development on the 2nd through 6th floors, which is not allowed as of right.

The project site is located on the west side of Mercer Street between Prince and Spring streets, and is located within the SoHo-Cast Iron Historic District, designated in 1973. Georgetown Cupcakes, a retail bakery has occupied the ground-floor and cellar levels. The remaining 2nd through 5th floors could be occupied by as-of-right Use Group 17D joint living-work quarters for artists ("JLWQA") uses, but are currently vacant. The building, constructed between 1878 and 1879, was designed by Henry Fernbach, an architect for a number of similarly-styled cast-iron buildings in the area. Therefore, the building's style, scale, materials and details make it a contributing building in the Historic District.

The project site is located entirely within an M1-5A zoning district. Light industrial, commercial and retail, and community facility uses are permitted in the zoning district. While JLWQAs are allowed within the district in buildings built prior to December 15, 1961, residential dwelling units are not permitted as of right.

The area is mostly characterized by mercantile buildings with cast-iron facades that were built in the early to late 19th Century. The collection of buildings in the area is predominately three- to eight-stories tall, and much of the physical traits of surrounding buildings have remained in tact. The surrounding land uses are comprised of primarily retail stores on the ground floor, and a mix of residential and JLWQA units on the upper floors.

As part of this special permit application pursuant to ZR § 74-711, the applicant proposes a restoration and maintenance program for the subject building. The restoration plan, which includes extensive restorative cast-iron façade, storefront, window and sidewalk work, was found by LPC to bring the historic building to "sound first-class condition." Furthermore, a restrictive declaration will be filed against the property to ensure that the continuing maintenance program for the building will be kept in perpetuity.

COMMUNITY BOARD'S RECOMMENDATION

At its Full Board meeting on July 19, 2011, Manhattan Community Board 2 voted unanimously to <u>approve</u> this application by a vote of 35 in favor, and 3 in opposition.

³ This height includes the mechanical bulkhead on the roof. The building will be 83 feet and 1 inch without the bulkhead.

BOROUGH PRESIDENT'S COMMENTS

The special permit pursuant to ZR § 74-711 is a powerful tool as it can modify many sections of the Zoning Resolution to make owning and maintaining historic structures less burdensome and more desirable. In return for waiver(s), the applicant must ensure that the property is properly rehabilitated and maintained in perpetuity. The LPC has found that the proposed use change and the building's restoration plan will contribute to a preservation purpose worthy of allowing the applicant to request this use waiver from the CPC.

The applicant proposes to maintain the ground floor commercial uses and convert the upper floors to residential uses. The proposed modification is consistent with the area's existing land uses, and is unlikely to have adverse effects on the conforming uses within the surrounding neighborhood. The upper stories of buildings in the nearby area consist primarily of JLWQAs, which are similar to the proposed residential use. Additionally, the use change will help fill the building's vacancy and thereby activate the building.

Additionally, the proposed bulk modification will be set back 20 feet from the Mercer Street frontage. The 6th-story enlargement was found by LPC to not be visible from the street level, and the proposed addition will not block any lot-line windows. Therefore, the bulk modification will not have a significant impact on surrounding structures or open spaces.

In applying for the special permit, the applicant is undertaking extensive work to bring this historic building to a sound, first class condition. The property owner is also entering into a restrictive declaration to ensure continued maintenance of the building will be in perpetuity.

BOROUGH PRESIDENT'S RECOMMENDATION

This application meets the conditions and findings for a special permit regarding a use modification pursuant to ZR §74-711.

Therefore, the Manhattan Borough President recommends <u>approval</u> of ULURP application No. 120360 ZSM.

Scott M. Stringer

Manhattan Borough President