



## **CITY PLANNING COMMISSION**

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August 11, 2004/Calendar No. 25

C 040314 HAM

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**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 59-61 East 4<sup>th</sup> Street (Block 460, lot 56), 62-72 East 4<sup>th</sup> Street (Block 459, Lots 17-19, 21-22) and 19 East 3<sup>rd</sup> Street (Block 459, Lot 40), Sites 4 and 5 within the Cooper Square Urban Renewal Area, as an Urban Development Action Area;
  - 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 sponsor to be selected by HPD;

to facilitate the rehabilitation and disposition of six buildings and a vacant lot, tentatively known as the East 4<sup>th</sup> Street Cultural District, to preserve and promote the cultural activity of East 4<sup>th</sup> Street, Borough of Manhattan, Community District 3.

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Approval of three separate matters is required:

1. The designation of 59-61 East 4<sup>th</sup> Street (Block 460, lot 56), 62-72 East 4<sup>th</sup> Street (Block 459, Lots 17-19, 21-22) and 19 East 3<sup>rd</sup> Street (Block 459, Lot 40), Sites 4 and 5 within the Cooper Square Urban Renewal Area in the Borough of Manhattan, as an Urban Development Action Area;
2. An Urban Development Action Area project for such property; and
3. The disposition of such property to a sponsor to be selected by the Department of Housing Preservation and Development (HPD).

The application for the UDAAP area designation and project, and the disposition of city-owned properties was submitted by the Department of Housing Preservation and Development (HPD) on March 1, 2004.

Approval of this application would facilitate the disposition and rehabilitation of six city-owned buildings and a city-owned vacant property to existing tenants. The proposed project, known as *East 4<sup>th</sup> Street Cultural District*, aims to preserve and promote cultural activity on East 4<sup>th</sup> Street. The rehabilitation and disposition of the six buildings and one vacant property is intended to help the existing tenants and cultural institutions on East 4<sup>th</sup> Street.

The Department of Housing Preservation and Development (HPD) states in its application that:

The seven properties (“UDAAP Area”) consist of four occupied buildings, one underutilized vacant lot and two vacant buildings which tend 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 Disposition 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 seeks approval of an Urban Development Action Area designation and project, and disposition of city-owned properties to facilitate the *East 4<sup>th</sup> Street Cultural District*.

The six sites are located between Second Avenue and the Bowery in an R7-2 district. The sites at 62, 64, 66–68, 70, and 72 East 4<sup>th</sup> Street, located on the south side of East 4<sup>th</sup> Street, and 19 East 3<sup>rd</sup> Street are located on Site 4 of the Cooper Square Urban Renewal Area (CSURA). These sites are adjacent to one another. The site at 59 - 61 East 4<sup>th</sup> Street, located on the north side of the street, is located on Site 5 of the CSURA. The CSURA and the existing R7-2 zoning district permit the proposed community facility and residential uses.

The block and surrounding area are predominantly residential in character, with nearby blocks having a mix of city-owned and privately owned vacant and occupied residential buildings. The neighborhood is typified by five- or six-story, brick buildings. Commercial and retail uses are available on East 4<sup>th</sup> Street, the Bowery and Second Avenue

Four tenants would be required to relocate from their current building to another building within the disposition area. Two cultural organizations would relocate from 59-61 East 4<sup>th</sup> Street to 64 East 4<sup>th</sup> Street. Two other organizations, one currently located at 59-61 East 4<sup>th</sup> Street and one located at 64 East 4<sup>th</sup> Street, would relocate to 70 East 4<sup>th</sup> Street.

The site at 59-61 East 4<sup>th</sup> Street (Block 460/ Lot 56) is developed with a seven-story building with a mix of commercial, community and cultural arts organizations and residential tenants. Under the proposed project, the building would be rehabilitated and disposed to an entity comprised of seven of the current tenants and two additional residential tenants. Three of the current occupants would relocate elsewhere and two additional residential spaces would be

created for tenants relocating from elsewhere in the urban renewal area. The building would retain its current mix of uses. The building's tenants would include a printshop, a theater, and two not-for-profit organizations.

The site at 62 East 4<sup>th</sup> Street (Block 459/ Lot 17) is developed with a five-story building that is currently occupied by two arts organizations. The rear yard of this site extends to East 3<sup>rd</sup> Street. Under the proposed project, the building would be rehabilitated and disposed to an entity comprised of the two existing tenants, a dance company and a theater company.

The site at 64 East 4<sup>th</sup> Street (Block 459/ Lot 18) is developed with a four-story building occupied by two arts organizations. Under the proposed project the building would be rehabilitated and disposed to an entity comprised of the existing tenant, a theater, and two new cultural tenants, two theaters, who are relocating from 59 - 61 East 4<sup>th</sup> Street building in the disposition area.

The site at 66 East 4<sup>th</sup> Street (Block 459/ Lot 19) , has a five-story building which is occupied by two arts organizations. The proposed purchaser is a not-for-profit cultural group comprised of the existing tenants, a theater and a film workshop.

The site at 70 East 4<sup>th</sup> Street and 19 East 3<sup>rd</sup> Street (Block 459/ Lot 21,40) comprises a vacant three- story building most recently used by the Department of Housing Preservation and Development as a site office and the adjacent vacant land. It is proposed that the building will be

rehabilitated and both lots would be disposed of to an entity comprised of two theaters. Both groups are relocating from the buildings in the disposition area. The proposed use is a youth-oriented facility with theater and dance activities, with the possibility of a future extension into the vacant lot.

An existing vacant one-story building at 72 East 4<sup>th</sup> Street (Block 459/Lot 22) is used for storage for the adjacent HPD site office. Under the proposed project, the building would be rehabilitated and disposed of to the existing arts organization, a theater workshop, located at 79-81 East 4<sup>th</sup> street as an extension of its current theater production facility.

The nearest subway station is located on East Houston Street and First Avenue ( F and V lines). 14<sup>th</sup> Street (the L line) is also nearby and several bus lines serve the area on 10<sup>th</sup> Street, 14<sup>th</sup> Street, and along the avenues.

## **ENVIRONMENTAL REVIEW**

This application ( C 040314HAM) 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 for Procedure of 1991 and Executive Order No. 91 of 1977. The lead agency is the Department of Housing Preservation and Development.

This application was determined to be a Type II action which requires no further environmental review.

## **UNIFORM LAND USE REVIEW**

This application (C 040314HAM) was certified as complete by the Department of City Planning on March 22, 2004, and was duly referred to Community Board 3 and the Borough President, in accordance with Article 3 of the Uniform Land Use Review Procedure (ULURP) rules.

### **Community Board Public Hearing**

Community Board 3 held a public hearing on this application on (C 040314 HAM) May 13, 2004 and on May 24, 2004 by a vote of 37 in favor, 0 opposed and 0 abstentions, adopted a resolution recommending approval of this application.

### **Borough President Recommendation**

This application was considered by the Borough President, who issued a recommendation approving this application on June 25, 2004.

### **City Planning Public Hearing**

On June 23, 2004 (Calendar No.5), the City Planning Commission scheduled July 14, 2004 for a public hearing on this application (C 040314 HAM). The hearing was duly held on July 14, 2004 (Calendar No. 16). There were five speakers in favor of the application and no speakers in opposition.

The Councilmember from the Second District testified in favor of the project and described the proposed project. She described the process in which the Department of Housing Preservation and Development (HPD) and the Department of Cultural Affairs (DCA) worked with the

existing tenants of the city-owned properties in order to create the proposed *East 4<sup>th</sup> Street Cultural District*.

The Assistant Commissioner of the Department of Housing Preservation spoke in favor of the application. He described HPD's role in the project and how HPD had worked with the existing cultural tenants to develop business plans and fundraising strategies to ensure the stability and success of the proposed ownership agreements.

The Assistant Commissioner of the Department of Cultural Affairs spoke in favor. She testified that cultural groups have greater security and increased opportunities when they own the space in which they operate. She also described the benefits of cultural organizations and their activities as a great local economic development tool.

Speakers also testifying in favor of the project were representatives from three organizations to be included in the proposed East 4<sup>th</sup> Street District. They spoke about the development of their respective organizations and the benefits of being in close proximity to other cultural groups and being considered part of a cultural district, especially for marketing purposes and when applying for grant money. The representatives also described the great benefits of their Lower East Side location.

There were no other speakers and the hearing was closed.

## **CONSIDERATION**

The Commission believes that the proposed UDAAP designation and project, and disposition of city-owned properties, is appropriate.

The Commission notes that the requested actions would facilitate the disposition and rehabilitation of six city-owned buildings and one vacant property to existing tenants. The project site is located on East 3<sup>rd</sup> and East 4<sup>th</sup> streets between the Bowery and Second Avenue in the Lower East Side. The application would facilitate dispositions to six ownership entities formed by various partnerships of the existing tenants and cultural institutions. Some tenants would be required to relocate from their current building to another building within the disposition area.

The Commission also believes that the disposition and rehabilitation of the city-owned properties would preserve cultural spaces for the existing tenants and support the cultural community on East 4<sup>th</sup> Street. The Commission believes that the proposed project would provide for a wide range of opportunities for the existing cultural organizations such as theater groups, a printmaking workshop, dance companies, and visual arts groups. The Commission notes that several of the organizations are not-for-profit groups that focus on youth and minority artist activities.

The Commission notes that the proposed project would facilitate rehabilitation of city-owned buildings that would significantly improve the block's physical condition and streetscape, and that the cultural uses will activate the street.



## **RESOLUTION**

The City Planning Commission finds that the proposed disposition of city-owned property located at 59-61 East 4<sup>th</sup> Street (Block 460, lot 56), 62-72 East 4<sup>th</sup> Street (Block 459, Lots 17-19, 21-22) and 19 East 3<sup>rd</sup> Street (Block 459, Lot 40) conforms to the objectives and provisions of the Cooper Square Urban Renewal Plan adopted on December 11, 2001.

**RESOLVED**, that the City Planning Commission finds 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 59-61 East 4<sup>th</sup> Street (Block 460, lot 56), 62-72 East 4<sup>th</sup> Street (Block 459, Lots 17-19, 21-22) and 19 East 3<sup>rd</sup> Street (Block 459, Lot 40), Sites 4 and 5 within the Cooper Square Urban Renewal Area, located in Community District 3 , 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 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:

and the City Planning recommends that the New York City Council find that:

- a. The present status of the area tends to impair and arrest the sound development of the municipality;
- b. The financial aid in the form of tax incentives to be provided by the municipality pursuant to Section 696 of the Urban development Action Area Act is necessary to enable the project to be undertaken; and
- c. The project is consistent with the policy and purposes stated in Section 691 of the Urban Development Action Area Act; 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 59-61 East 4<sup>th</sup> Street (Block 460, lot 56), 62-72 East 4<sup>th</sup> Street (Block 459, Lots 17-19, 21-22) and 19 East 3<sup>rd</sup> Street (Block 459, Lot 40), Sites 4 and 5 in the Cooper Square Urban Renewal Area, in Community District 3, Borough of Manhattan, a sponsor to be selected by the Department of Housing Preservation and Development is approved (C 040314 HAM).

The above resolution ( C 040314 HAM), duly adopted by the City Planning Commission on August 11, 2004 (Calendar No. 25), is filed with the Office of the Speaker, City Council, and the Borough President in accordance with the requirements of Section 197-d of New York City Charter.

**AMANDA M. BURDEN, AICP, Chair**

**KENNETH J. KNUCKLES, ESQ., Vice Chair**  
**ANGELA M. BATTAGLIA, ANGELA R. CAVALUZZI, R.A.,**  
**RICHARD W. EADDY, JANE D. GOL,**  
**CHRISTOPHER KUI, JOHN MEROLO, KAREN A. PHILIPS,**  
**DOLLY WILLIAMS, Commissioners**