



IN THE MATTER OF an application submitted by West 30th Street LLC pursuant to Section 201 of the New York City Charter, for an amendment of the Zoning Resolution of the City of New York, modifying Article VIII, Chapter 9 (Special Hudson River Park District) and modifying Appendix F for the purpose of establishing a Mandatory Inclusionary Housing area, in connection with a proposed mixed used development on property located at 606 West 30th Street (Block 675, Lots 38 and 39), in a C6-4X District, within the Special Hudson River Park District (HRP), Borough of Manhattan, Community District 4.

An application (N 180151 ZRM) for a zoning text amendment was filed by West 30th Street LLC on November 20, 2017. A modified application (N 180151A ZRM) was filed on February 12, 2018. On May 4, 2018, the applicant withdrew the original application (N 180151 ZRM). The modified zoning text amendment (N 180151A ZRM) is the subject of this report.

This proposed zoning text amendment (N 180151A ZRM) would modify the regulations of the Special Hudson River Park District, define new granting and receiving sites within the special district, and designate a Mandatory Inclusionary Housing (MIH) area on the receiving site that is the subject of the requested actions. Along with the related actions, the proposed zoning text amendment would facilitate the redevelopment of 606 West 30th Street (Block 675, Lots 39 and 38) with a mix of uses, including approximately 193,124 square feet of residential floor area including affordable housing, 14,251 square feet of commercial floor area, and an as-of-right accessory parking garage with about 54 spaces. The actions would also enable a transfer of floor area to support certain intended improvements and capital maintenance in the Hudson River Park within Community District 4.

RELATED ACTIONS

In addition to the zoning text amendment (N 180151A ZRM) that is the subject of this report,

implementation of the proposed project also requires action by the City Planning Commission on the following applications, which are being considered concurrently with this application:

C 180150 ZMM: Zoning map amendment to change an M2-3 zoning district to a C6-4X district and establish a Special Hudson River Park District.

C 180152A ZSM: Special permit pursuant to transfer floor area and modify bulk regulations in connection with the proposed mixed use development.

BACKGROUND

A full background discussion and description of this application appears in the report for the related special permit (C 180152A ZSM).

ENVIRONMENTAL REVIEW

The original supplication (N 180151 ZRM) and this modified application (N 180151A ZRM), in conjunction with the application for the related actions, were reviewed pursuant 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 (NYCRR), Section 617.00 et seq. and the New York City Quality Review (CEQR) Rules of Procedure of 1991 and Executive Order No. 91 of 1977. The designated CEQR number is 17DCP159M. The lead is the City Planning Commission.

A summary of the environmental review and the Final Environmental Impact Statement appears in the report for the related zoning special permit (C 180152A ZSM).

PUBLIC REVIEW

The original application (N 180151 ZRM) was referred to Manhattan Community Board 4 and the Manhattan Borough President for information and review on November 27, 2017 in accordance with the procedures for non-ULURP matters, along with the related actions (C 180152 ZSM and

C 180150 ZMM), which were certified as complete by the Department of City Planning on November 27, 2017, and duly referred to Manhattan Community Board 4 and the Manhattan Borough President in accordance with Title 62 of the Rules of the City of New York, Section 2-02(b). On February 12, 2018, the applicant filed a modified zoning text amendment application (N 180151A ZRM) and a modified special permit application (C 180152A ZSM) and those modified applications were referred to Community Board 4 and the Manhattan Borough President.

Community Board Review

Community Board 4 held a public hearing on the original application (N 180151 ZRM) on January 3, 2018, and on February 7, 2018, by a vote of 41 in favor, none opposed, and with no abstentions, adopted a resolution recommending disapproval of the application with conditions. On March 7, 2018, Community Board 4, by a vote of 35 in favor none opposed, and with no abstentions, disapproved the modified application (N 180151A ZRM) with conditions.

A summary of the Community Board's conditions and recommendations appears in the report for the related special permit (C 180152A ZSM).

Borough President Recommendation

The original application (N 180151 ZRM) and the modified application (N 180151A ZRM) were considered by the Manhattan Borough President, who issued a recommendation on March 7, 2018 recommending approval of the applications with conditions.

A summary of the Borough President's conditions and recommendations appears in the report for the related special permit (C 180152A ZSM).

City Planning Commission Public Hearing

On February 28, 2018 (Calendar No. 11), the City Planning Commission scheduled March 14, 2018, for a public hearing on this application (N 180151A ZRM). The hearing was duly held on March 14, 2018 (Calendar No. 25), in conjunction with the public hearings for the related actions.

There were seven speakers in favor of the application, one in favor with conditions, four in opposition with conditions, and four in opposition.

A summary of the City Planning Commission Public Hearing appears in the report for the related special permit (C 180152A ZSM).

WATERFRONT REVITALIZATION PROGRAM CONSISTENCY

This application (N 180151A ZRM), in conjunction with those for the related actions, was reviewed by the City Coastal Commission for consistency with the policies of the New York City Waterfront Revitalization Program (WRP), as amended, approved by the New York City Council on October 30, 2013, and by the New York State Department of State on February 3, 2016 pursuant to the New York State Waterfront Revitalization and Coastal Resources Act of 1981 (New York State Executive Law, Section 910 *et seq.*). The designated WRP number is 16-115.

This action was determined to be consistent with the policies of the New York City Waterfront Revitalization Program.

CONSIDERATION

The Commission believes that the proposed zoning text amendment (N 180151A ZRM), as modified herein, in conjunction with the related zoning map amendment (N 180150 ZMM) and zoning special permit (C 180152A ZSM), is appropriate. A full consideration and analysis of the issues, and the reasons for approving this application, appear in the report for the related special permit (C 180152A ZSM).

RESOLUTION

RESOLVED, that having considered the Final Environmental Impact Statement (FEIS), for which a Notice of Completion was issued on April 27, 2018, with respect to this application (CEQR No. 17DCP159MM), and the Technical Memorandum 001, dated February 23, 2018 (the “Technical Memorandum”), the City Planning Commission finds that the requirements of the New York State

Environmental Quality Review Act and regulations, have been met and that:

1. Consistent with social, economic and other essential considerations, from among the reasonable alternatives thereto, adopted herein is one which minimizes or avoids adverse environmental impacts to the maximum extent practicable; and
2. The adverse environmental impacts disclosed in the FEIS will be minimized or avoided to the maximum extent practicable by incorporating as conditions to the approval, pursuant to the Restrictive Declaration marked as Exhibit A to the report for the related special permit (C 180152A ZSM), those project components related to the environment and mitigation measures that were identified as practicable and the placement of (E) designation (E-455) for hazardous materials and air quality; and
3. No development pursuant to this resolution shall be permitted until the Restrictive Declaration attached as Exhibit A to the report for the related special permit (C 180152A ZSM), as same may be modified with any necessary administrative or technical changes, all as are acceptable to Counsel to the Department of City Planning, is executed and recorded by West 30th Street LLC or its successor, and such Restrictive Declaration shall have been recorded and filed in the Office of the Register of the City of New York, County of New York.

The report of the City Planning Commission, together with the FEIS, constitutes the written statement of facts, and of social, economic and other factors and standards, that form the basis of the decision, pursuant to Section 617.11(d) of the SEQRA regulations; and be it further

RESOLVED, the City Coastal Commission finds that the action will not substantially hinder the achievement of any WRP policy and hereby determines that this action is consistent with WRP policies; and be it further

RESOLVED, by the City Planning Commission, pursuant to Section 200 of the New York City Charter that based on the environmental determination, and the consideration described in this report, the Zoning Resolution of the City of New York, effective as of December 15, 1961, and as subsequently amended, is further amended as follows:

Matter in underline is new, to be added;

Matter in ~~strikeout~~ is old, to be deleted;

Matter within # # is defined in Section 12-10;

* * * indicates where unchanged text appears in the Zoning Resolution

ARTICLE VIII SPECIAL PURPOSE DISTRICTS

Chapter 9 Special Hudson River Park District

* * *

89-02 Definitions

For the purposes of this Chapter, matter in italics is defined in Section 12-10 (DEFINITIONS) and in this Section.

Granting site

Within the #Special Hudson River Park District#, ~~the~~ a “granting site” is a #zoning lot#, or a portion of a #zoning lot#, within the areas identified as “A1” or “B1” on the maps in the Appendix to this Chapter, upon which development is regulated by contract, lease, covenant, declaration or otherwise to assure compliance with the purposes of this Special District and from which #floor area# may be transferred. A #granting site# may only transfer #floor area# to a #receiving site# within an area that shares the same letter designation. For example, a #granting site# within area A1 may transfer #floor area# to a #receiving site# within area A2, but not to a #receiving site# within area B2.

Receiving site

Within the #Special Hudson River Park District#, ~~the~~ a “receiving site” is a #zoning lot#, within the areas identified as “A2” or “B2” on the maps in the Appendix to this Chapter, to which #floor area# of ~~the~~ a #granting site# may be transferred.

* * *

89-10 USE AND BULK REGULATIONS

89-11 Use and Bulk Regulations on Receiving Sites

The #use# and #bulk# regulations applicable to ~~the~~ a #receiving site# shall be modified as follows:

(a) C6-4 Districts

Within Area A2 on the maps in the Appendix to this Chapter, the ~~The~~ #use# and #bulk# regulations of the underlying C6-4 District shall not apply. In lieu thereof, the #use# and #bulk# regulations of an M1-5 District shall apply.

Within Area B2, the #use# and #bulk# regulations of the underlying C6-4X District shall not apply. In lieu thereof, the #use# and #bulk# regulations of an M2-3 District shall apply.

(b) C6-3 and M1-5 Districts

The #use# and #bulk# regulations of the underlying C6-3 and M1-5 Districts shall not apply. In lieu thereof, the #use# and #bulk# regulations of an M2-4 District shall apply.

However, on a #receiving site#, for any #development#, #enlargement# or #conversion# that is the subject of a special permit granted by the City Planning Commission pursuant to Section 89-21 (Transfer of Floor Area From Hudson River Park), the #use# and #bulk# regulations of the underlying C6-3, C6-4 or M1-5 District shall only apply to such approved #development#, #enlargement# or #conversion#.

89-12
Special Floor Area Regulations Within Area B2

Within Area B2 on the maps in the Appendix to this Chapter, where the #bulk# regulations of the underlying C6-4X District apply pursuant to the provisions of Section 89-11 (Use and Bulk Regulations on Receiving Sites), the #floor area ratio# of the underlying district shall not apply. In lieu thereof, the maximum base #floor area ratio# shall be 10.0 within a #Mandatory Inclusionary Housing area#, and such maximum #floor area ratio# may be increased to a maximum of 12.0 only as set forth in Section 89-21 (Transfer of Floor Area From Hudson River Park).

89-20
SPECIAL PERMITS

89-21
Transfer of Floor Area From Hudson River Park

The City Planning Commission may permit a transfer of #floor area# from a #granting site# to a #receiving site#, may permit distribution of total allowable #floor area# of a #receiving site# without regard for zoning district boundaries, may permit that such #receiving site# be treated as a single #zoning lot# for all purposes of this Resolution, and may modify #bulk# regulations, except #floor area# regulations, for a #development#, #enlargement# or #conversion# located on such #receiving site#.

* * *

(b) Conditions and limitations

All applications for a special permit pursuant to this Section shall comply with the following conditions:

* * *

(6) for the #receiving site# within Area A2:

- (i) the portion of the #receiving site# located over West Houston Street shall not generate #floor area# for the proposed special permit #development#, and no #floor area# shall be located directly above West Houston Street;

(7) (ii) the height and setback requirements of the applicable district shall apply to the portions of the #receiving site# located on each side of the mapped #street lines# of West Houston Street; and

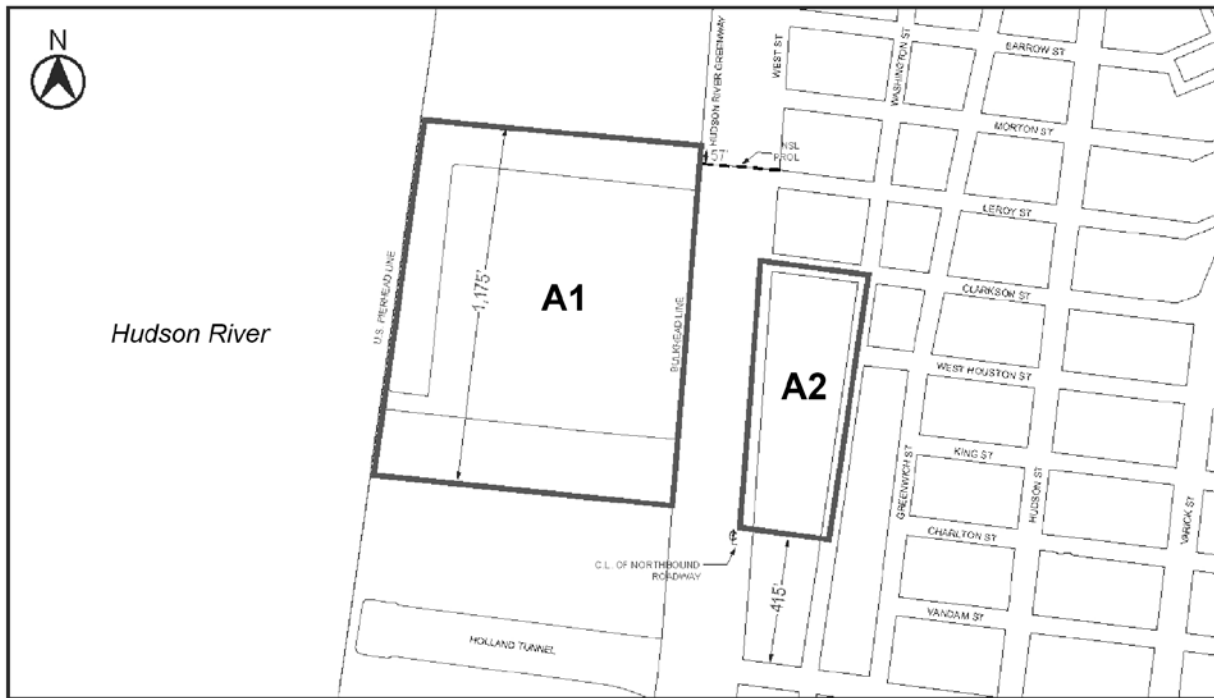
(8)(7) no more than 200,000 square feet of #floor area#, in the aggregate, shall be transferred to #receiving sites# located within the boundaries of Manhattan Community Board District 2.

* * *

Appendix Special Hudson River Park District Plan

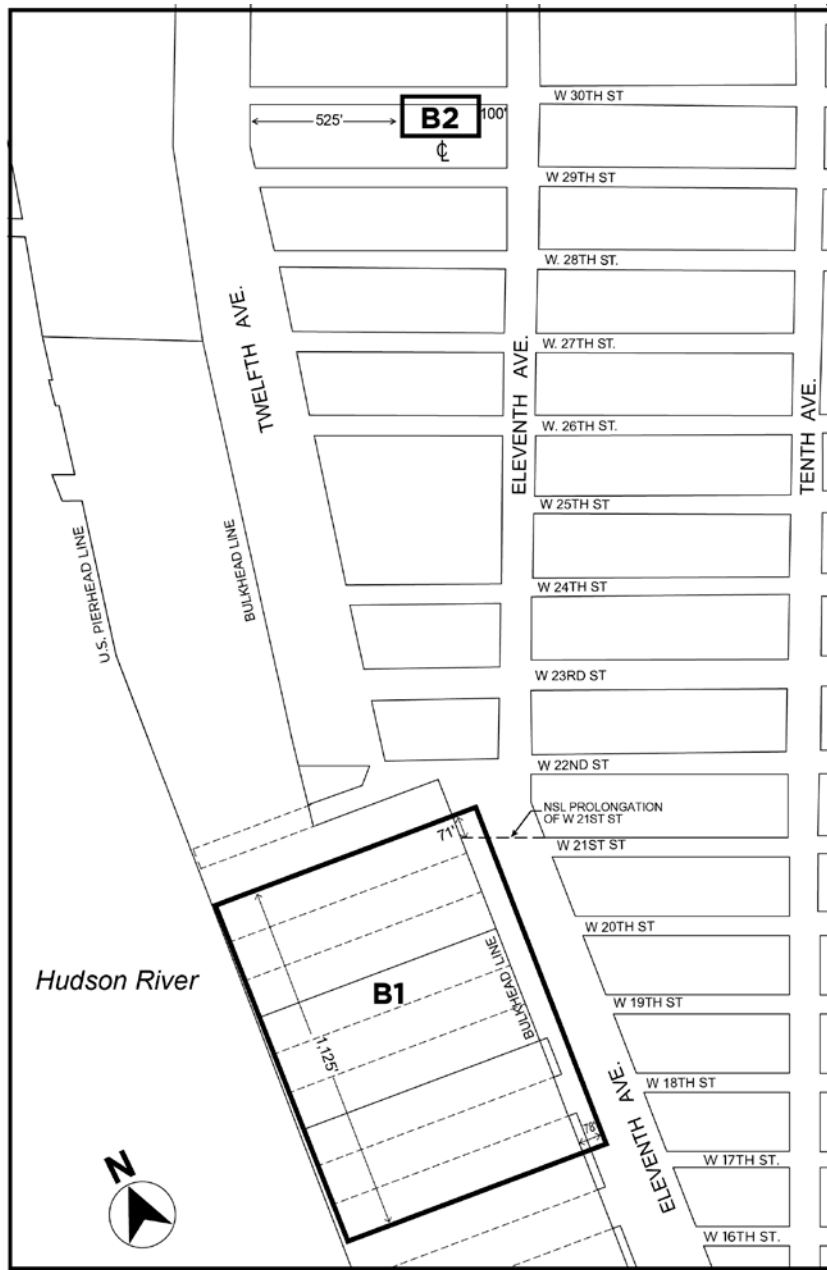
Map 1. Transfer of Floor Area - Granting and Receiving Sites within Areas A1 and A2

* * *



- #Special Hudson River Park District#
- A1 Area within which a #Granting S-site# may be located
- A2 Area within which a #Receiving S-site# may be located

Map 2. Transfer of Floor Area - Granting and Receiving Sites within Areas B1 and B2



- #Special Hudson River Park District#
- B1** Area within which a #granting site# may be located
- B2** Area within which a #receiving site# may be located

* * *

APPENDIX F
Inclusionary Housing Designated Areas and Mandatory Inclusionary Housing Areas

* * *

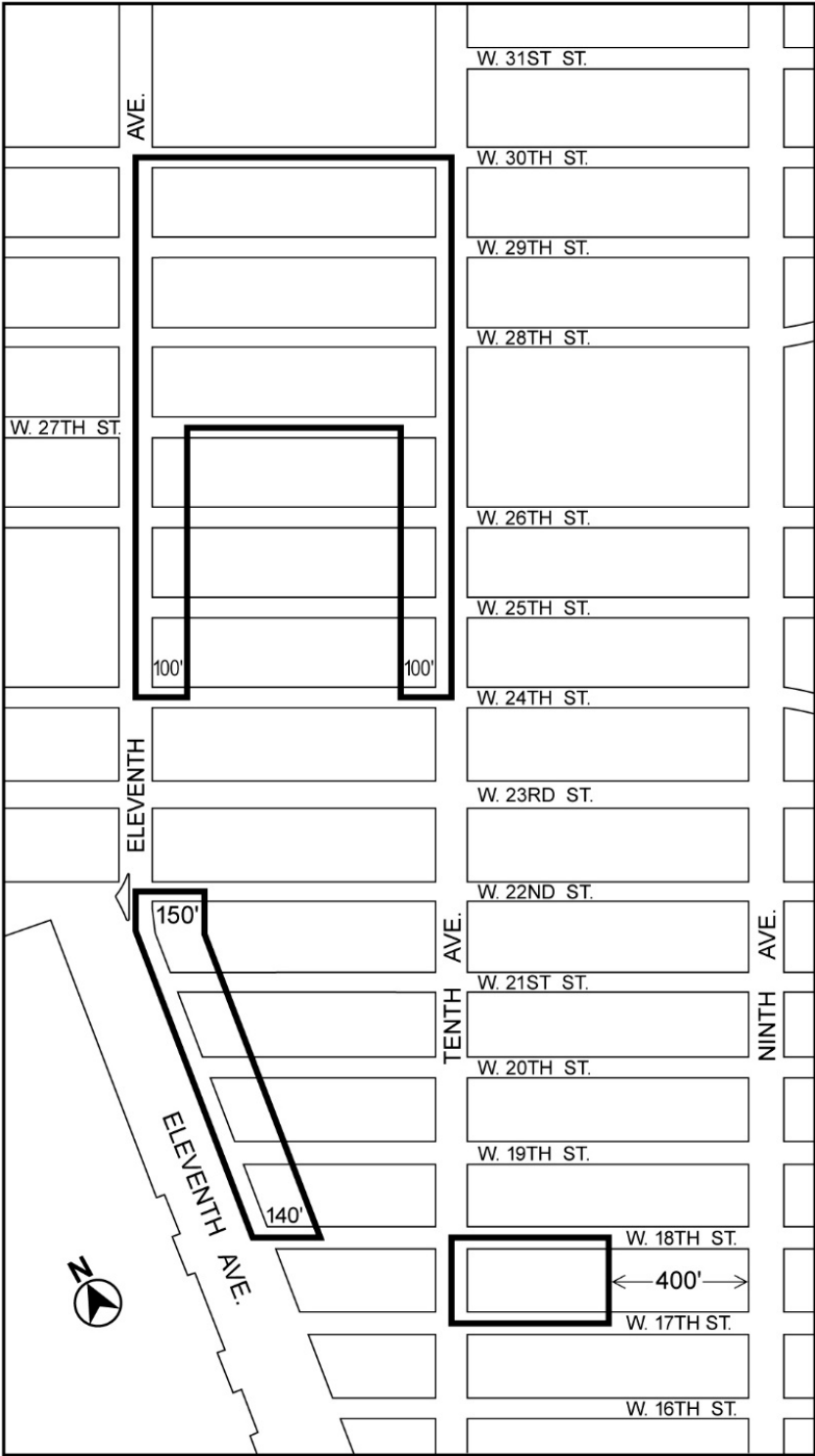
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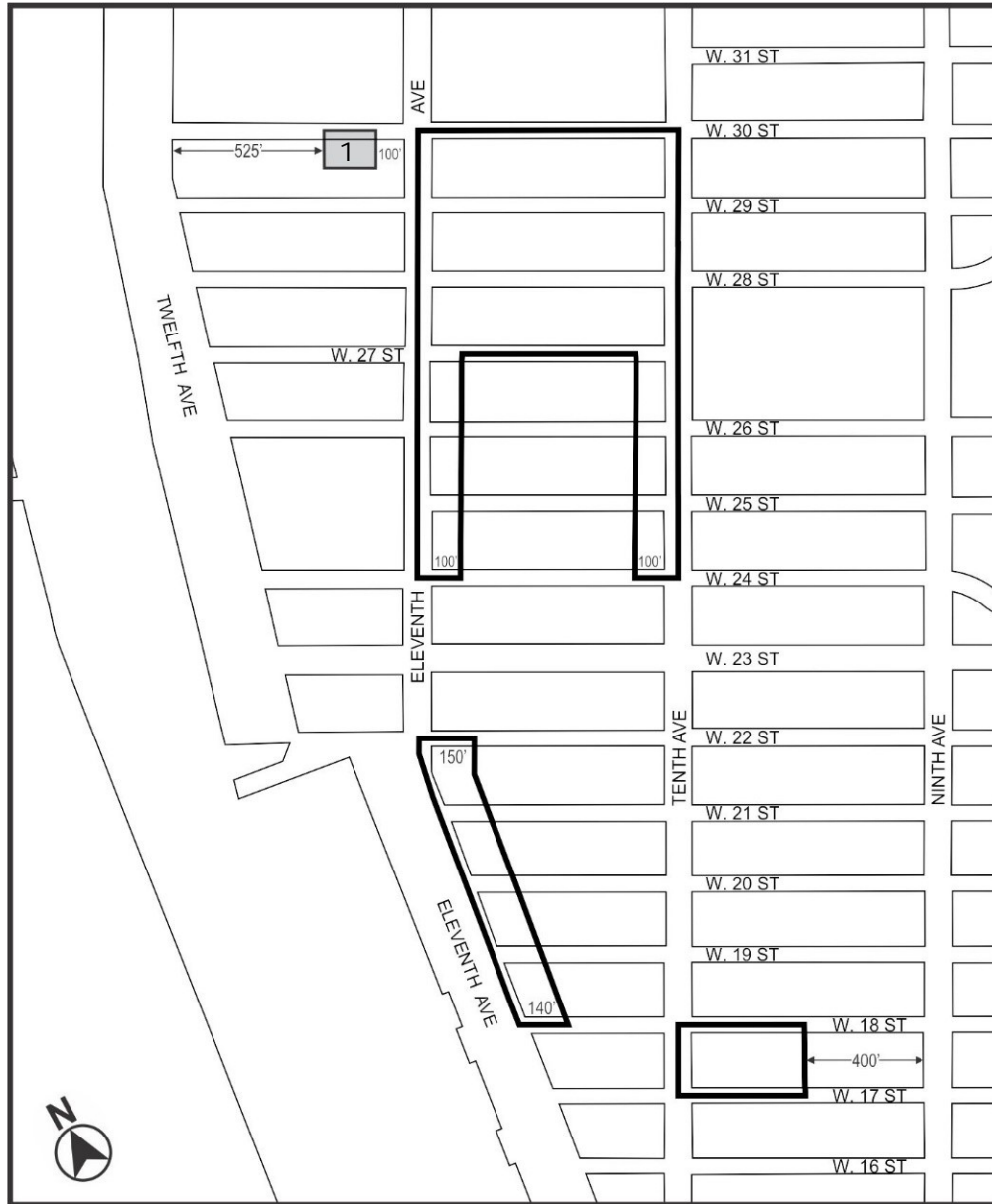
Manhattan Community District 4



Map 1. (date of adoption)

[EXISTING MAP]



[PROPOSED MAP]



-  #Inclusionary Housing designated area#
-  Mandatory Inclusionary Housing Program Area *see Section 23-154(d)(3)*
- Area 1 — [date of adoption] — MIH Program Option 1

* * *

The above resolution (N 180151A ZRM), duly adopted by the City Planning Commission on May 7, 2018 (Calendar No. 8), 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.

MARISA LAGO, *Chair*

KENNETH J. KNUCKLES, ESQ., *Vice Chairman*

**RAYANN BESSER, ALFRED C. CERULLO, III, CHERYL COHEN EFFRON,
MICHELLE DE LA UZ, RICHARD W. EADDY, HOPE KNIGHT, ANNA HAYES LEVIN,
ORLANDO MARÍN**, *Commissioners*



CITY OF NEW YORK

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BURT LAZARIN
Chair

JESSE R. BODINE
District Manager

February 5th, 2018

Marisa Lago, Chair
New York City Planning Commission
120 Broadway
31st Floor
New York, NY 10271

re: 180150 ZMM; N 180151 ZRM; 180152 ZSM – 606 West 30th Street – Block 675 Lot 39

Dear Chair Lago:

On the recommendation of its Chelsea Land Use Committee, the Executive Committee of Manhattan Community Board 4 (CB4) voted to recommend denial of the cited applications for a proposed development at 606 West 30th Street – Block 675 Lot 39 - unless the conditions and recommendations in Section XI below are met. This letter is subject to ratification by the full board at its February 7, 2018 meeting.

I. Background

Block 675 lies in the northwest corner of Chelsea, bounded by West 29th and 30th Streets and by Eleventh and Twelfth Avenues. Over the years, proposals for Block 675 have evolved from a park with an underground Department of Sanitation facility to being a gateway for an Olympic/Jets stadium to a coveted development site adjacent to the Hudson River, the High Line and the Western Rail Yards.

In 2013 CB4 prepared a study of Block 675 and the five blocks to the south, recommending to the Department of City Planning (DCP) that these blocks be studied for inclusion in an expanded Special West Chelsea District (SWCD). We specifically recommended that Block 675 be rezoned from M1-6 and M2-3 to C6-4 with building height and bulk regulations similar to those in SWCD Subarea A.

Later in 2013 DCP released “Study for the Potential Expansion of the Special West Chelsea District.” The study recommended that a planning framework to guide zoning decisions should be prepared for Block 675 when future uses were clearer. In 2017 the City Planning Commission (CPC) approved a Planning Framework for Block 675 that recommended C-6 districts with an “appropriate massing response to a transitioning context.” The Framework also recommended “active uses on frontages facing the High Line and transparency at and above the High Line level.”

II. Description of Project

The applicant proposes to build a 520 foot tall, 36 story, 177,750 square foot mixed use building at 606 West 30th Street, Block 675 Lot 39. The development site is on the south side of the street between Eleventh and Twelfth Avenues and faces the High Line. The building would have three commercial/retail stories and 33 residential stories with approximately 218 dwelling units, an undetermined number of which would be affordable pursuant to one of the Mandatory Inclusionary Housing options, and 47 as-of-right accessory parking spaces. The site would be rezoned from the current M2-3 to C4-6X, increasing the Floor Area Ratio (FAR) from two to ten. The applicant will purchase an additional two FAR, 29,625 sf of floor area, at \$323.04/sf from the Hudson River Park Trust pursuant to ZR 89-00 *et seq.*

III. Proposed Actions

The application includes the following proposed actions:

- A Text Amendment to ZR 89-00, *et seq.* to modify the provisions of Special Hudson River Park District (SHRPD), designating Piers 59, 60 and 61, and the Headhouse, Block 662 Lots 11, 16 and 19 as the granting site and the development site as the receiving site for the transfer of development rights;
- A Text Amendment to ZR Appendix F to designate the development site as a Mandatory Inclusionary Housing (MIH) area;
- A Map Amendment to Zoning Map 8b to rezone the development site from M2-3 to C6-4X and to establish the SHRPD at the project area; and
- A Special Permit pursuant to ZR 89-21, as amended by the SHRPD Text Amendment, to permit the transfer of 29,625 sf of floor area from the granting site to the development site; to grant a base height waiver to permit a base height of 45 feet rather than the required minimum of 60 feet; to grant a front setback waiver to permit a balcony/structure to project ten feet into an area where a 15-foot setback would be required; and grant a rear yard waiver to permit the second floor to occupy an area where a 20-foot rear yard would be required and to permit a balcony/structure to project ten feet into an area where a 30-foot rear yard would be required; and grant a tower lot coverage waiver to permit a maximum proposed envelope to exceed 45% of the lot area.

IV. Building Height

The proposed height of 520' for the building is excessive. The proposed project should be constrained by, and step down from, the 450' height of Special West Chelsea District Subarea A to the east and the 642' heights of Hudson Yards Sites 6A and 6B (residential buildings flanking a school on the north side of West 30th Street on the eastern end of the block between Eleventh and Twelfth Avenues) of the Western Rail Yards immediately to the north.

The context for the development of Block 675 has been set by the two major westside rezonings approved in 2005. The West Chelsea rezoning creating the SWCD established a broad U-shaped profile, with a relatively low central area stepping up to greater building heights in the north and in the south. The Hudson Yards rezoning creating the Special Hudson Yards District established a building height profile that decreases from Tenth Avenue west to the Hudson River, as well as from West 33rd Street south to West 30th Street. Each of these rezonings was designed in part specifically to protect

the Hudson Riverfront from overdevelopment, recognizing it as a valuable feature to be preserved for the enjoyment of all rather than only for those fortunate enough to live next to it.

In our 2013 study, we recommended that building bulk regulations for Block 675 should be similar to those of the adjacent SWCD Subarea A, and CPC’s 2017 Planning Framework for Block 675 recommended C-6 districts with an “appropriate massing response to a transitioning context.” However, the inclusion of the development site within the area designated to receive development rights from the Hudson River Park (HRP) has led us to revisit our analysis. The addition of 2 FAR from the park to the 10 FAR in the proposed C6-4X district is a 20 percent increase. Our long-standing preference for lower heights in the mid-blocks, as well as our agreement with the decrease in height moving westward towards the Hudson River, means that this building should step down from the 550’ height we are recommending for an adjacent development on Eleventh Avenue. We have concluded that a height of 450’ is appropriate for a mid-block building.

V. Affordable Housing

The proposed project will be mapped within a Mandatory Inclusionary Housing (MIH) designated area and is subject to the requirements of the MIH program which has two options. The applicant has chosen Option #1 which requires 25 percent of the total residential floor area be devoted to affordable housing. The income eligibility bands for Option #1 are as follows:

Percent of residential floor area	Percent of AMI* residents must have	Example of income for two-person family	Example of income for four-person family
10%	40%	\$30,560	\$38,160
10%	60%	\$45,840	\$57,240
5%	100%	\$76,400	\$95,400

*AMI: Area Median Income. The AMI for the greater New York area for 2017 is \$85,900 for a three-person family; \$95,400 for a four-person family. Each development may have specific income requirements.

The proposed project would have 55 units of permanently affordable housing.

CB4 believes that socioeconomic diversity and integration are essential to keeping our neighborhoods vital and thriving, and has a long-standing policy for mixed income buildings designed to ensure equality between affordable and market rate apartments:

- CB4 recommends that the affordable apartments should be distributed throughout the entire building. We have found that developers have successfully located affordable apartments on 80 percent of the floors, exceeding the 65 percent requirement of MIH program.
- All apartment finishes, flooring, tile, plumbing and light fixtures, kitchen cabinets, countertops and appliances should be the same for affordable and market-rate apartments.
- Building amenities such as courtyards should be equally available to all building residents regardless of income. Amenities with fees for residents’ use such as fitness facilities should be available to Inclusionary Housing tenants at a reduced fee. We prefer a sliding scale amenity fee such as a reduction of 25 percent for middle-income tenants and 50 percent for low-income tenants.

VI. Building Design, Services and Other Concerns

CB4 requests that the proposed project include building design elements that ensure a high quality of life for new residents, those who live and work nearby, and for people who frequent the neighborhood.

Building Design and Services

- Sidewalks adjacent to the proposed project should be kept clean and free of garbage. Building garbage compactors and dumpsters should be kept inside until time for curbside pickup. Commercial tenants in both developments should use the same carting company. Loading docks should also be inside buildings. Interior space for unloading of the many residential deliveries (such as Amazon, USPS packages) should be provided.
- Parking garages should accommodate environmentally-friendly cars such as Zip cars and electric vehicles which help to decrease traffic and emissions.
- Exterior lighting should be modest and not intrusive.
- CD4 is fortunate to have a whole host of artists in Chelsea and Hell's Kitchen. CB4 encourages both applicants to display local art in building lobbies.

Other Concerns

- Street trees should be planted on sidewalks around new buildings wherever possible, with full size trees planted in tree pits with complete landscaping. If Con Ed vaults prevent in-ground planting, the applicants should obtain revocable consents for the use of tree planters.
- The applicant should coordinate construction schedules with the developer of 601-613 West 29th Street and maintain regular communication with them and with CB4 about construction progress and schedule changes.
- CB4 urges the applicant to rent retail spaces to local businesses.
- CB4 requests that the applicant support a Community Jobs Project that would include holding periodic job fairs, posting all job openings on the CB4 jobs website, reaching out to community-based organizations, and working with the Board to hire employees who are CD4 residents.
- CB4 also requests that the applicant pay its workers family-sustaining wages with affordable health care and retirement benefits to help create a strong community and a robust local economy. Training should be provided so workers have an opportunity to advance in their careers. The applicant should prioritize the safety of construction workers, particularly in light of recent deaths and injuries at construction sites.
- CB4 is seriously concerned about the safety of pedestrians and bicyclists crossing to and from Hudson River Park at intersections with vehicles. In the last seven years, there have been twelve fatalities in the park and its access streets. As the population increases near Hudson River Park with the construction of new developments such as the proposed Block 675 project, we fear that more pedestrian and bike accidents may occur unless additional safety

measures are provided at intersections. We urge that the New York State Department of Transportation (which has jurisdiction over these locations) work with city agencies and CB4 to implement critical safety measures. These enhancements certainly should be installed at the sections of Hudson River Park that are improved or constructed.

VII. Mitigation of Environmental Impacts

The applicants for the proposed project and for an adjacent one at 601-613 West 29th Street cooperated on a joint Draft Environmental Impact Statement (DEIS). We appreciate that the DEIS considered the cumulative impacts of these projects rather than separately as has been the norm. The DEIS identified potentially significant adverse impacts for several topics and recommended possible mitigations. Potential mitigation measures are being explored by CB4, the applicants, lead agencies and DCP, and will be refined between the DEIS and the Final Environmental Impact Statement (FEIS).

Publicly Funded Child Care

The DEIS found that both projects together would result in low income families with approximately 29 children under the age of six who would be eligible for publicly funded child care programs. This increased demand cannot be accommodated by facilities in the two-mile study area. The required mitigation would be for 19 childcare seats, the number generated by the project that exceeds the five percent utilization rate.

The DEIS recommends as a mitigation suitable child care space affordable to ACS (Administration for Children's Services) providers on-site or within a reasonable distance or funding for program or physical improvements to support additional capacity at existing facilities.

Hudson Guild, located at West 26th Street between Ninth and Tenth Avenues, is a highly valued member of our community serving a low/moderate income population. They are seeking to expand their Early Childhood Education Program and are looking for suitable space. The demand for services for under-three-year-old children is particularly high and has resulted in a long waiting list. CB4 is exploring with Hudson Guild opportunities in buildings in Chelsea that could provide space for this program. Potential options include:

1. The building at 429 West 18th Street/Fulton Houses, located between Ninth and Tenth Avenues, is currently under construction, scheduled to be completed in 2019. It will have 157 affordable units and approximately 4,000 square feet for a community facility use. Since a childcare center would not need all of this space another community facility could be accommodated as well. A working group comprised of representatives from the developer, CB4, the Fulton Tenants Association and local elected officials will develop recommended uses.
2. There may be churches in Chelsea that have underutilized space such as St. Columba Church on 343 West 25th Street (between Eighth and Ninth Avenues) or Manor Church on 350 West 26th Street (between Eighth and Ninth Avenues).

Open Space

The DEIS analysis showed that the proposed actions would result in a small adverse open space impact due to the increased user population. Although the decrease in the open space ratio due to the

proposed development is small, open space in the residential study area already is below the City's guideline ratios of 2.5 acres (total) and 2.0 acres (active) per 1,000 residents.

The DEIS lists potential mitigation measures for open space impacts, which include, but are not limited to, creating new open space with the study area; funding for improvements, renovation, or maintenance at existing local parks and/or playgrounds; or improving open spaces to increase their utility or capacity to meet open spaces needs in the area.

The New York City Department of Parks and Recreation (DPR) has identified two parks in Chelsea that need renovation:

1. Penn South Park, located on West 26th Street between Eighth and Ninth Avenues, opened in 1961. This heavily used 0.60 acre neighborhood park was reconstructed in 1996. The elementary school age play equipment and basketball courts have deteriorated. DPR recommends reconstruction of the playground, including replacement of the play equipment, new paving, fencing, landscaping, lighting, seating and safety surfacing; and reconstruction of the basketball courts, including new fencing, back stops, paving and surface sealing.
2. Chelsea Park, located on West 28th Street between 9th and 10th Avenues, a large, widely used park, includes basketball courts, baseball diamonds, handball courts, a playground, and a fitness area. The western portion of the park has been reconstructed. DPR recommends the renovation of the eastern portion which includes the basketball courts, the fitness area and the asphalt multi-purpose play area.

Shadows – Portion of High Line in spring and fall

The area on the High Line opposite the Project Area would be impacted with new shadows in the spring and fall. The recommended mitigation would be to monitor and replace sunlight sensitive vegetation with shade tolerant vegetation.

Traffic, Pedestrians and Noise

The DEIS recommends standard measures to mitigate traffic impacts at two intersections; pedestrian flow issues at two crosswalks; temporary noise due to Hudson River Tunnel construction; construction traffic at one intersection; two crosswalks for pedestrians during construction; construction noise on nearby residential buildings and the High Line. Four measures would require New York City Department of Traffic (DOT) approval.

The standard mitigation measures such as signal timing changes, widened crosswalks, window-wall attenuation, quieter equipment and noise barriers are reasonable potential mitigation measures. CB4 also recommends that pedestrian safety enhancements be added at West 29th and West 30th Streets where vehicles enter the Hudson River Park. Locations where mitigations are needed such as West 33rd Street and Eleventh Avenue, neck downs should be installed to provide more space for pedestrians. If any of these mitigation measures are not successful, then the applicants will need to work with CB4 to find other solutions. Excellent communication between the developers and CB4 is essential.

VIII. Price of Special Hudson River Park District Development Rights

The proposed project includes the purchase of 29,625 sq. ft. of development rights from the Hudson River Park Trust. The Trust commissioned an independent entity, Appraisers and Planners, Inc. (API), to determine the value of the rights on the development site. Based on API's conclusion, the applicant has entered into a contract with the Trust to pay \$323/sq. ft., \$9.57 million, for the development rights. While the Trust accepted API's appraisal, CB4 and others have questioned whether \$323/sq. ft. is adequate compensation to the Trust.

API followed the following process in determining their valuation of the rights:

The proposed project includes the purchase of 29,625 sq. ft. of development rights from the Hudson River Park Trust. The Trust commissioned an independent entity, Appraisers and Planners, Inc. (API), to determine the value of the rights on the development site. Based on API's conclusion, the applicant has entered into a contract with the Trust to pay \$323/sq. ft., \$9.57 million, for the development rights. While the Trust accepted API's appraisal, others have questioned whether \$323/sq. ft. is adequate compensation to the Trust.

API followed the following process in determining their valuation of the rights:

Comparable Sales. API examined the sales of seven comparable properties. Sale prices ranged from \$408-549/sq. ft. with an average of \$491/sq. ft. API concluded that \$500/sq. ft. was the proper number and thus valued the proposed project at \$88.4 million.

Development Rights Ratio. API examined seven comparable sales of air rights. The ratio of the value of the air rights to the value of the underlying land ranged from 50-87%. They assigned the greatest weight to the two most similar sales and concluded that the appropriate ratio was 65%.

Final Valuation. API concluded that the appropriate value of the 29,625 sq. ft. to be purchased from the Trust was 65% of \$500/sq. ft., or \$323/sq. ft., a total of \$9.57 million.

The applicant is positioning the proposed development as benefiting from being across the street from the High Line and the vibrant Western Rail Yards. To the extent this is true the development rights from the park are more valuable than rights for other developments that do not benefit from this favorable location. We recommend that API should reevaluate their appraisal to reflect this by considering increasing the 65% development rights ratio.

The applicant has entered into a good faith contract with the Trust to buy development rights at a price determined by API, the Trust's independent appraiser. We recommend that DCP seek a review of API's report by someone with more relevant experience than we have. We specifically recommend the review of two fundamental assumptions, that regarding the value of the highest and best use being market rate rentals rather being than closer to condo sales, and the setting of the development rights ratio at 65% when the ratio for comparable sales ranges up to 87%.

We also request that this review take into consideration the price paid to the Trust for the development rights from Pier 40, as well as the price CPC is considering for development rights to complete the build-out of the SWCD.

IX. CB4 Priorities for Hudson River Park Site Improvements

CB4 looks forward to improvements to a number of HRP sites within CD4 which will be funded by monies from the sale of development rights from the Chelsea Piers area (Piers 59, 60 and 61 and the headhouse) to the development site. Currently, the sale is expected to provide \$ 9.57 million, 80 percent of which will be allocated to capital improvements and 20 percent to capital maintenance for the HRP within CD4.

CB4 conducted a robust public discussion to select priorities for HRP sites, aided by the Hudson River Park Trust which provided information, preliminary design ideas, and cost estimates for eight sites in CD4 that need varying levels of improvement. The Board's Waterfront, Parks and Environment Committee led these deliberations and developed a priority list reflecting the committee's unanimous vote. The Board's Chelsea Land Use Committee and the full Board support these priorities. If State funding is committed to one or more sites on the list, then other sites will "rise" in priority.

1. **Pier 97 Recreation Pier.** Located at West 57th Street. Design and construction of pier landscape, playground, open space, utilities and finishes to create a public recreation pier.
2. **Chelsea Waterside Park.** Located at West 23rd Street. Redesign and reconstruction of south side of park, including addition of permanent picnic area, rest room facilities and expansion of dog run with separate areas for big and small dogs.
3. **Pier 97 Upland Area.** Located at West 57th Street. Construction of esplanade and bike path, bulkhead repairs, landscaping and utilities, and a small utility building/bathroom.
4. **Gateway/Hudson River Tunnel Project Area.** This site is closest to Block 675. The Hudson River Tunnel Project path runs across HRP between West 29th and West 30th Streets. Design funding for that area plus the section from West 30th Street to West 34th Street: new esplanade, bike path and landscaping. Short term and long term proposals.
5. **Pier 66a Float Bridge.** Located at West 26th Street. Restoration of historic Baltimore & Ohio Railroad transfer float bridge.
6. **Piers 98 to 99 Upland Area.** Located at between West 58th and West 59th Streets. Construction of over-water pedestrian platform, associated utilities, pavement and railings; and construction of bikeway and walkway connection to Riverside Park South to improve circulation and safety.
7. **Area South of Pier 76.** Located from West 34th Street to the southern edge of Pier 76. Construction of new esplanade, landscaping, and beach providing public access to the Hudson River.
8. **Piers 79 – 84 Upland Area.** Located between West 39th and West 43rd Streets. Redesign and construction of walkway, bikeway and driveway to improve pedestrian and cyclists' safety and traffic flow.

X. Inclusion in the Special West Chelsea District

Beginning in 2003, with the original planning for West Chelsea, CB4 has requested multiple times that Block 675 be included in the SWCD. Since the creation of the SWCD in 2005, it has been expanded

twice to include the Chelsea Market Block (between Ninth and Tenth Avenues, West 15th and 16th Streets – 2012) and the south side of West 15th Street between Ninth and Tenth Avenues (2015), but DCP has consistently declined to recommend the inclusion of Block 675 in the district.

One significant advantage to inclusion in the SWCD is the flexibility to address unique conditions and situations to improve the community. We propose the inclusion of the development site in the SWCD.

XI. Recommendations/Conditions

At the January 16, 2018 meeting of the Board's Chelsea Land Use Committee, and in a subsequent letter, the applicant agreed to some of the recommendations made by the committee; these points are noted in the appropriate sections below. The applicant will submit a final commitment letter to all stakeholders before the application is voted on by the City Council Land Use Committee.

CB4 appreciates the applicant's willing engagement to attempt to resolve numerous issues over an extended period. The application itself reflects several changes made by the applicant in response to our concerns, and the subsequent commitment letter reflects further discussions. CB4 nonetheless recommends denial of the application unless the following recommendations and conditions are met in the final approved application.

- **Maximum Building Height.** We recommend that the maximum height of the proposed project be limited to 450 feet. This limit incorporates an increase in height, related to development rights purchased from the HRP, from the step down we would normally recommend from the 450 feet in the adjacent Subarea A of the SWCD to the east, a step down from the 550' we recommend for the adjacent project on Eleventh Avenue and is a reasonable step down from the 642' heights of Sites 6A and 6B in the Western Railyards to the north. **(Section IV)**
- **Mandatory Inclusionary Housing.**
 - We strongly recommend that affordable units be distributed throughout at least 80% of the proposed project's floors, that all finishes and fittings be the same in affordable and market-rate units, and that fee-based amenities be discounted for tenants in affordable units. **(Section V)**
 - The applicant has agreed that market rate and affordable units will be built with identical finishes and provided with identical appliances, including washers and dryers. They plan to offer certain amenities, such as a children's play room, without fee, and commit to discounting access fees for residents of the affordable units for other amenities by 33%.
- **Building Services and Other Issues. (Section VI)**
 - We recommend that loading docks, trash compactors and dumpsters be located inside buildings except during trash and recycling pickup. The applicant states that garbage will be compacted and stored internally until scheduled pick-up by the Department of Sanitation, and that they will explore the use of the garage for deliveries.
 - We recommend that the parking garage accommodate environmentally-friendly vehicles such as Zip cars or similar and electric vehicles. The applicant states that they will provide a car sharing service the opportunity to locate vehicles in the garage and will include an electric charging stations for electric vehicles.

- We recommend that to the extent possible full size trees and complete landscaping be planted in sidewalk tree pits, and in tree planters where precluded by ConEd vaults. The applicant states that they will plant street trees consistent with zoning and will apply for revocable consents to use planters in locations where street trees are precluded because ConEd vaults or other infrastructure.
- We recommend that the applicant pay workers living wages with benefits, support a Community Jobs Project and rent retail spaces to local businesses. The applicant states they will work with Building Skills NY and other local organizations to ensure that local residents are given opportunities for employment within the Proposed Development.
- **Mitigation of Adverse Environmental Impacts.** We recommend the following as mitigations for the adverse environmental impacts identified in the DEIS:
 - The provision of space for publicly-funded child care;
 - Reconstruction and renovation of a Chelsea recreation park;
 - And standard measures such as signal timing changes, widened crosswalks, window-wall attenuation, quieter equipment and noise barriers for traffic impacts at two intersections, pedestrian flow issues at two crosswalks and construction congestion and noise on nearby residential buildings. **(Section VII)**
- **Hudson River Park Development Rights Price.** We recommend that someone with more experience than we have review the conclusions of the HRPT’s appraisers, and in particular the highest and best use, the development rights ratio . **(Section VIII)**
- **HRP Project Priorities.** We recommend that capital funds provided to HRP through the sale of development rights be allocated to the following projects listed in their ranked order.
 1. **Pier 97 Recreation Pier.** Located at West 57th Street. Design and construction of pier landscape, playground, open space, utilities and finishes to create a public recreation pier.
 2. **Chelsea Waterside Park.** Located at West 23rd Street. Redesign and reconstruction of south side of park, including addition of permanent picnic area, rest room facilities and expansion of dog run with separate areas for big and small dogs.
 3. **Pier 97 Upland Area.** Located at West 57th Street. Construction of esplanade and bike path, bulkhead repairs, landscaping and utilities, and a small utility building/bathroom.
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 8. **Piers 79 – 84 Upland Area.** Located between West 39th and West 43rd Streets. Redesign and construction of walkway, bikeway and driveway to improve pedestrian and cyclists' safety and traffic flow.
- **Inclusion of the Development Site in the SWCD.** We recommend that the development site be included in the SWCD. (Section X)

We wish to conclude by reiterating our appreciation for the applicant's willingness to work with the Board towards a project that benefits both the applicant and the community, and that will be an important addition to West Chelsea. We look forward to further favorable revisions as the application proceeds through the approval process.

Sincerely,



Burt Lazarin
Chair
Manhattan Community Board 4



John Lee Compton, Co-Chair
Chelsea Land Use Committee



Betty Mackintosh, Co-Chair
Chelsea Land Use Committee

cc: Hon. Corey Johnson, City Council
Hon. Gale A. Brewer, Manhattan Borough President
Hon. Brad Hoylman, New York State Senate
Hon. Richard Gottfried, New York State Assembly
Maria Torres-Springer, Commissioner, HPD
Douglaston Development



CITY OF NEW YORK

MANHATTAN COMMUNITY BOARD FOUR

330 West 42nd Street, 26th floor New York, NY 10036
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www.nyc.gov/mcb4

BURT LAZARIN
Chair

JESSE R. BODINE
District Manager

March 8, 2018

Marisa Lago, Chair
New York City Planning Commission
120 Broadway
31st Floor
New York, NY 10271

re: Amendment to 180150 ZMM; N 180151 ZRM; 180152 ZSM – 606 West 30th Street – Block 675 Lots 38 and 39 – the “A-Text”

Dear Chair Lago:

Manhattan Community Board 4 (CB4) voted on March 7, 2018, by a vote of 35 in favor, 0 opposed, 0 abstaining and 0 present but not eligible to vote, to recommend denial of the proposed amendment applications 180150 ZMM; N 180151 ZRM; 180152 ZSM – 606 West 30th Street – Block 675 Lots 38 and 39, the “A-Text,” unless the conditions in our letter of February 5, 2017 on the original applications, attached, are met.

Background

The original application, certified on November 27, 2017, proposed a mixed-use building on Block 675 Lot 39. CB4 recommended denial of the applications unless certain conditions were met.

During their presentation to CLU the applicant informally indicated that they were attempting to purchase the adjacent parcel, Lot 38 and hoped to include it in amended applications. The applicant has now reached an agreement to purchase Lot 38 and accordingly has submitted amended applications.

Description of the Proposed Development

Block 675 Lot 38 is a 25’ wide parcel, located immediately to the east of Lot 39. It currently is occupied by an auto body shop. The proposed amended development extends the four-story base of the original building eastward along West 30th Street to include Lot 38 without affecting the footprint of the tower portion of the building.

The original proposal for the tower included 28 standard height residential floors (Floors 4 through 31) and six double height residential floors (Floors 31 through 36) in anticipation of additional floor area from the purchase of Lot 38. In the revised proposal these six floors have been replaced by eight standard height residential floors, giving 35 standard height residential floors (Floors 4 through 38), and three residential floors each approximately 50 percent taller than the standard residential floor height (Floors 39 through 41).

Other changes to the proposed development are noted in the table below.

Description	Original Application	Amended Application	Change
Floor Area			
Residential	164,728 sf	193,124 sf	28,396 sf (17%)
Commercial	13,022 sf	14,251 sf	1,229 sf (9%)
Total	177,750 sf	207,375 sf	29,625 sf (17%)
HRPT Transfer			
Floor Area	29,625 sf	34,563 sf	4,938 sf (17%)
Payment	\$9,570,000	\$11,164,813	\$1,594,813 (17%)
Residential Units			
Affordable	55 Units	63 Units	8 Units (15%)
Market Rate	163 Units	189 Units	26 Units (16%)
Total	218 Units	252 Units	34 Units (16%)-
Parking			
Residential Accessory	43 Spaces	50 Spaces	7 Spaces (16%)
Commercial Accessory	4 Spaces	4 Spaces	-
Total	47 Spaces	54 Spaces	7 Spaces (15%)

In addition, because of the additional floor area added by Lot 38, the revised project does not require a Tower Lot Coverage Waiver as the original project did. The height of the revised tower is now stated as 520' whereas the height of the original tower was stated as a maximum of 520'. There are no changes to the previously requested waivers for Base Height, Front Setback and Rear Yard.

CB4 Recommendation

CB4 is pleased that the revised project incorporates Lot 38, a better result than anything other than possibly a pocket park, an unlikely outcome under any circumstances, and provides an additional eight units of affordable housing and an additional \$1.6 million for the Hudson River Park. We recommend denial of the A-Text unless the conditions in our

letter of February 5, 2017 on the original applications, including a maximum building height of 450', are met

Sincerely,



Burt Lazarin
Chair
Manhattan Community Board 4



John Lee Compton, Co-Chair
Chelsea Land Use Committee



Betty Mackintosh, Co-Chair
Chelsea Land Use Committee

cc: Hon. Corey Johnson, City Council
Hon. Gale A. Brewer, Manhattan Borough President
Hon. Jerry Nadler, U.S. Congress
Hon. Brad Hoylman, New York State Senate
Hon. Richard Gottfried, New York State Assembly
Maria Torres-Springer, Commissioner, NYC HPD

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.

Docket Description: C 180150 ZMM, N 180151 ZRM, C 180152 ZSM

IN THE MATTER OF an application submitted by West 30th Street LLC pursuant to Sections 197-c and 201 of the New York City Charter for the amendment of the Zoning Map, Section No. 8b:

1. changing from an M2-3 District to a C6-4X District property bounded by West 30th Street, a line 100 feet westerly of Eleventh Avenue, a line midway between West 29th Street and West 30th Street, and a line 525 feet easterly of Twelfth Avenue, and
2. establishing a Special Hudson River Park District bounded by:
 - a. West 30th Street, a line 100 feet westerly of Eleventh Avenue, a line midway between West 29th Street and West 30th Street, and a line 525 feet easterly of Twelfth Avenue; and
 - b. i. a line perpendicular to the U.S. Bulkhead Line distant 71 feet northerly (as measured along the U.S. Bulkhead Line) from the point of intersection of the westerly prolongation of the northerly street line of West 21st Street and the U.S. Bulkhead Line;
 - ii. the U.S. Pierhead Line,
 - iii. a line 1125 feet southerly of the first named course; and
 - iv. a line 78 feet easterly of the U.S. Bulkhead Line;

IN THE MATTER OF an application submitted by the Department of City Planning pursuant to Section 201 of the New York City Charter, for an amendment of the Zoning Resolution of the City of New York, modifying Article VIII, Chapter 9 (Special Hudson River Park District) and modifying Appendix F for the purpose of establishing a Mandatory Inclusionary Housing area.

IN THE MATTER OF an application submitted by West 30th Street LLC pursuant to Sections 197-c and 201 of the New York City Charter for the grant of a special permit pursuant to Section 89-21 of the Zoning Resolution to allow the distribution of 29,625 square feet of floor area from a granting site (B1, Block 662, Lots 11, 16 & 19) to a receiving site (B2, Block 675, Lot 39), to modify the height and setback requirements and tower lot coverage requirements of Section 35-65 (Height and Setback Requirements for Quality Housing Buildings) and Section 23-60 (Height and Setback Regulations), and to modify the rear yard requirements of Section 33-26 (Minimum Required Rear Yards), in connection with a proposed mixed use development on property located at 606-616 West 30th Street (Block 675, Lot 39), in a C6-4X District, within the Special Hudson River Park District (HRP).

COMMUNITY BOARD NO: 4

BOROUGH: Manhattan

RECOMMENDATION

- APPROVE
- APPROVE WITH MODIFICATIONS/CONDITIONS (List below)
- DISAPPROVE
- DISAPPROVE WITH MODIFICATIONS/CONDITONS (Listed below)
- EXPLANATION OF RECOMMENDATION – MODIFICATION/CONDITIONS (Attach additional sheets if necessary)

See Attached

John A. Brewer

March 7, 2018

BOROUGH PRESIDENT

DATE



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

1 Centre Street, 19th floor, New York, NY 10007
(212) 669-8300 p (212) 669-4306 f
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Gale A. Brewer, Borough President

March 7, 2018

Recommendation on

**ULURP Application Nos. C 180150 ZMM, N 180151 ZRM, and C 180152 ZSM;
N 180151 (A) ZRM and C 180152(A) ZSM – 606 West 30th Street**

By West 30th LLC

PROPOSED ACTIONS

West 30th LLC (the “applicant”) is seeking a zoning text amendment, a zoning map amendment, and a special permit pursuant to the Zoning Resolution of the City of New York (“ZR”) Section 89-21 in order to facilitate the development of the property located at 606 West 30th Street in Manhattan (Block 675, Lot 39) (the “Development Site”) with a mix of residential and commercial uses (the “Proposed Project”). The Proposed Project would have approximately 177,750 zoning square feet of mixed residential and commercial floor area, including affordable housing.

Zoning Text Amendment (C 180150 ZRM)

The applicant is seeking a zoning text amendment to create a Map in the Appendix to the Special Hudson River Park District Regulations (ZR Section 89-00) to define Piers 59, 60, and 61 and their associated headhouses, which are located in a portion of Hudson River Park, as a “granting site” and Block 675, Lots 38 and 39 as a “receiving site” and to modify certain provisions of the Special Hudson River Park District (the “SHRPD”). The zoning text amendment would also map a Mandatory Inclusionary Housing (“MIH”) designated area on the Development Site, per Appendix F of the Zoning Resolution.

In evaluating the text amendment, this office must consider whether the modifications and new special permit are appropriate and beneficial to the community in which the eligible sites and proposed project are situated.

Zoning Map Amendment (C 180151 ZMM)

The applicant is seeking a zoning map amendment to rezone Block 675, Lots 38 and 39 (the “C6-4X Rezoning Area”) from an M2-3 manufacturing district to a C6-4X commercial district, which would permit residential and commercial uses at a Floor Area Ratio (“FAR”) of 10.0. The map amendment would also map the Special Hudson River Park District over the C6-4X Rezoning Area and Piers 59, 60, and 61 and their associated headhouses.

Any changes to the zoning map should be evaluated for consistency and accuracy, and given the land use implications, appropriateness for the growth, improvement and development of the neighborhood and borough.

Special Permit Pursuant to ZR Section 89-21 (C 180152 ZSM)

The applicant is seeking a special permit to allow the transfer of 29,625 square feet of floor area from Piers 59, 60, and 61 and their associated headhouses to the Development Site (Block 675, Lot 39), and to permit height and setback, rear yard, and tower lot coverage waivers.

The City Planning Commission ("CPC") may grant the transfer of floor area from the granting site, Hudson River Park, to the receiving site, and any associated bulk modifications, provided that:

1. such transfer of floor area will facilitate the repair, rehabilitation, maintenance and development of Hudson River Park, including its piers, bulkheads and infrastructure; and
2. the transfer of floor area will support the completion of improvements to Hudson River Park as identified in the statement submitted to the Commission by the Hudson River Park Trust ("HRPT") as part of this application; and
3. for the receiving site:
 - a. the proposed configuration and design of buildings , including any associated structures and open areas, will result in a superior site plan, and such buildings and open areas will relate harmoniously with one another and with adjacent buildings and open areas;
 - b. the location and quantity of the proposed mix of uses will complement the site plan;
 - c. the proposed transfer of floor area and any modification to bulk regulations will not unduly increase the bulk of any building on the receiving site or unduly obstruct access of adequate light and air to the detriment of the occupants of users of buildings on the block or nearby blocks, or of people using the public streets and other public spaces;
 - d. such transferred floor area and any proposed modifications to bulk are appropriate in relation to the identified improvements of Hudson River Park; and
 - e. any affordable housing, as defined in Section 23-90 (Inclusionary Housing), that is provided as part of the project will support the objectives of the Inclusionary Housing Program.

The City Planning Commission shall receive a copy of a transfer instrument legally sufficient in both form and content to affect such a transfer of floor area. Notices of the restriction upon further development, enlargement or conversion of the granting site and the receiving site shall be filed by the owners of the respective zoning lots in the Office of the Register of the City of New York (County of New York). Proof of recordation of the notices shall be submitted to the Chairperson of the City Planning Commission, in a form acceptable to the Chairperson.

Both the transfer instrument and the notices of restriction shall specify the total amount of floor area transferred and shall specify, by lot and block numbers, the granting site and receiving site that are a party to such transfer.

On a receiving site, for any development or an enlargement that is subject of a special permit granted by the CPC pursuant to ZR Section 89-21, the Department of Buildings shall not:

1. issue a building permit until the Chairperson of the Commission has certified that the owner of the receiving site and the HRPT have jointly executed documents sufficient to facilitate a payment schedule associated with the transfer of floor area; or
2. issue a temporary certificate of occupancy until the Chairperson of the Commission has certified that the HRPT has submitted a letter to the Chairperson confirming that payment of all required funds has been made by the owner of such receiving site to the HRPT, and that all required funding tools and/or payments are in satisfactory compliance with the executed payment schedule.

The Commission may prescribe additional appropriate conditions and safeguards to improve the quality of the development or enlargement and minimize adverse effects on the character of the surrounding area.

Chairperson Certification

The applicant is also seeking, pursuant to a separate application, a certification by the chairperson of the CPC pursuant to ZR Section 89-21 to allow the issuance of a building permit for the Proposed Development on the basis that the Applicant and the HRPT have jointly executed a purchase and sale agreement for the amount of the required funds associated with the transfer of floor area and that the required funds have either been irrevocably paid to HRPT or will be paid in accordance with a payment schedule and secured by a cash equivalent, such as a letter of credit, in accordance with such purchase and sale agreement.

PROJECT DESCRIPTION

The Development Site is located midblock on the south side of West 30th Street between Eleventh and Twelfth Avenues, and between the neighborhoods of Hudson Yards to the north and West Chelsea to the east. The Development Site consists of Lot 39 of Block 675, which has a lot area of 14,812 square feet, and which is currently improved with a one-story parking structure that is currently licensed to the New York City Department of Sanitation ("DSNY") and used for vehicle maintenance. DSNY will vacate the Development Site by July 2018.

Lot 38 is also part of the C6-4X Rezoning Area. Lot 38 is owned by 604 West 30th Street LLC, an affiliate of the Georgetown Company, and has a lot area of 2,468 square feet. Lot 38 is currently improved with a one-story auto repair shop.

The applicant is seeking a zoning text amendment, a zoning map amendment, and a special permit pursuant to ZR Section 89-21 to allow for transfer of floor area from Hudson River Park in order to facilitate the development of a 36-story mixed use building.

Background of Hudson River Park

Hudson River Park (“Park”) spans four miles in and along the Hudson River waterfront just north of Chambers Street to West 59th Street. The Park serves as a regional public space and a neighborhood park serving the Tribeca, Greenwich Village, Hudson Square, Chelsea, Hell’s Kitchen and Clinton neighborhoods which border the park.

The Park is the result of City and State long-term efforts to transform the formerly industrial Hudson River waterfront into publicly accessible open spaces connected to a pedestrian esplanade and bike path. From that process, the Hudson River Park Act was created in 1998 which identified the park’s boundaries, permitted uses of each pier, the Park’s operating framework and established the Hudson River Park Trust as a public benefit corporation 501(c)(3) with the mandate to design, construct, operate and maintain the Park. As required by the Act, a Multi-Purpose General Project Plan was adopted which together, set forth the regulations that govern the Park’s use and development.

Uses not permitted in the park include residential, manufacturing, hotel, casino, riverboat gambling and office uses (with the exception of Pier 57). Some of the permitted uses include water-dependent transportation, entertainment, retail, restaurant, media studios, commercial recreational uses and amusements, performing arts, and educational facilities. Commercial development is limited to Piers 40, 57, 59, 60, 61, 81, 83, and 98. Pursuant to the Act, passive and active public open space uses are not subject to zoning and land use laws and regulations of the City.

The State and City own the underlying Park property. Through the Department of Parks and Recreation, the City owns the piers and upland areas from West 35th Street to the northern boundary of West 59th Street. Through the Office of Parks, Recreation and Historic Preservation, the State owns the piers and upland areas south of West 35th Street to the northernmost border of the Battery Park City seawall as extended to Route 9A. The Department of Environmental Conservation owns the land under water throughout the Park. Within these boundaries are piers that are excluded from the Park: Pier 76 is currently excluded and is operated by the City Police Department as a tow pound; Pier 78 is privately owned; Piers 88, 90, 92 and 94, are owned and operated by the City.

Transfer of Development Rights of Pier 40

In 2013, New York State adopted an amendment to the Hudson River Park Act allowing the transfer, by sale, of unused development rights generated by the Park to properties one block east of the Park as permitted under local zoning law. The amendment further stipulates that any revenue generated from the sale of unused development rights must first be used to rehabilitate Pier 40’s infrastructure, including pier piles and roof. (Chapter 517 of the Laws of New York, 2013).

In 2016, the CPC approved a text amendment that created a mechanism for the transfer of development rights by special permit from “generating sites” within the Hudson River Park to

“receiving sites” within a newly created Special Hudson River Park District (ZR Section 89-00). An April 2016 appraisal report valued the transfer of 200,000 square feet of development rights from Pier 40 at \$114.9 million dollars, but discounted the value for the provision of affordable housing and the scarcity of receiving sites, for a final appraised value of \$74.7 million, or \$373 per square foot. The developer of 550 Washington Street agreed to pay the Trust \$100 million for the development rights, or \$500 per square foot (C 160310 ZSM).

Area Context

The Development Site is located between the high-rise Hudson Yards neighborhood to the north and the significantly lower-slung West Chelsea neighborhood to the east. The blocks immediately adjacent to the Development Site are zoned M2-3 to the south, C6-4 within the Special Hudson Yards District to the north, C6-4 within the Special West Chelsea District along the avenues and along West 30th Street, and C6-3 on the midblocks south of 30th Street.

The Development Site is mapped within the M2-3 district. M2-3 districts are typical of historically industrial areas located on the waterfront, and Piers 59, 60, and 61 and their associated headhouses are also mapped in M2-3 districts. M2-3 districts allow for moderately heavy industrial uses and limited commercial uses and do not permit residential uses, and have a maximum FAR of 2.0.

The Special Hudson Yards District to the north was designed to encourage high-density, transit-oriented business and residential development over the West Side Yard and the surrounding industrial neighborhood, with maximum FARs up to 33.0. The No. 7 subway line was extended westward to provide public transit, and more than 17 million square feet of mixed-use development is planned. The High Line also runs along the block directly north of the Development Site.

The Special West Chelsea District was established in 2005 to encourage mixed uses in the West Chelsea neighborhood, including residential and arts-related uses. It was also intended to create and provide a transition to the Hudson Yards neighborhood to the north. It is located in an M1-5 zoning district and a C6-3 zoning district. The maximum FAR in the M1-5 zoning district is 5.0, and the maximum FAR in the C6-3 zoning district is 7.5.

In terms of transportation infrastructure, the Development Site is served by Twelfth Avenue (Route 9A), a major north-south arterial highway, and Eleventh Avenue, a major southbound arterial road. The closest subway station is the 34th Street/Hudson Yards station on the No. 7 line. The M12 bus runs southbound on Eleventh Avenue, and northbound on Twelfth Avenue. The M34 crosstown bus runs eastbound and westbound on West 34th Street. The area is also served by multiple CitiBike stations, including at West 27th Street and Eleventh Avenue and at West 28th Street and Tenth Avenue.

Open space resources in the area include the High Line, and Hudson River Park, which offer a bikeway, walkways, lawns, landscaped areas, a skate park, a carousel, a rock garden, restrooms, café, and dining tables in the vicinity of the Development Site. Chelsea Park is located on Tenth Avenue between West 27th Street and West 28th Street, and Chelsea Waterside Park is located

east of Twelfth Avenue between West 22nd and West 24th Streets. Hudson Park is located along Hudson Boulevard East between West 33rd and West 36th Streets.

Community facility uses in the area include P.S. 33 Chelsea Prep on the west side of Ninth Avenue at 26th Street, the Church of the Holy Apostles on the east side of Ninth Avenue at 28th Street, the Church in New York City on West 34th Street between Ninth Avenue and Tenth Avenue, and the Church of Saint Michael next door to it. The Jacob K. Javits Convention Center is located between West 34th and West 40th Streets and Eleventh and Twelfth Avenues. A new school is proposed for the Western Rail Yards site to the north of the Development Site.

The Landmarks Preservation Commission designated the West Chelsea Historic District in 2008, which borders the Development Site to the south. This District serves as “a rare surviving example of New York City’s rapidly disappearing industrial neighborhoods,” and contains examples of simple brick facades, horizontal banding, and corbelled brick cornices typical of industrial architecture from the turn of the twentieth century. It also demonstrates later building techniques that characterized industrial architecture such as steel building frames, terra-cotta tile floors, and reinforced concrete.

Proposed Development

The Proposed Development would include a total of 177,750 zoning square feet of floor area, for a total of 12 FAR, in a 36-story building. The building would have a maximum proposed height of 520 feet excluding the bulkhead, and would contain up to approximately 218 dwelling units. The building would include 47 as-of-right accessory parking spaces and 110 bicycle spaces.

The Proposed Development would have 164,728 square feet of residential floor area (11.12 FAR) and 13,022 square feet of commercial floor area (0.88 FAR), and would provide affordable housing pursuant to MIH. Commercial uses would be located on floors one through four. On the first floor, there will be two retail spaces with a combined floor area of 3,110 square feet. There will also be second and third floor retail spaces, which are anticipated to be occupied by a restaurant. The 4,029 square foot second floor space will be at the level of the High Line and feature floor-to-ceiling windows overlooking West 30th Street to the High Line. The 5,831 square foot third floor space would be surrounded by a wrap-around terrace. These spaces have been designed to complement and interact with the High Line.

Dwelling units would be on floors four through 36, with eight units ranging from studios to two bedrooms on typical floors from four to 30. Upper floors would contain fewer, larger apartments, with four units each from 31 to 34 and duplex units on 35 and 36. Parking would be on the second floor, south of and adjacent to the second floor retail space, and would be accessed by parking lifts.

Pursuant to MIH, approximately 25 percent of the residential floor area would be provided as permanently affordable housing, resulting in approximately 55 affordable housing units. In accordance with Option 1 of MIH, the affordability breakdown will be 10 percent at 40 percent of Area Median Income (AMI), 10 percent at 60 percent of AMI, and 5 percent at 100 percent of AMI.

The proposed Development would extend along the entire street line of the Development Site's West 30th Street frontage. The base would rise to a height of 45 feet, above which the tower would be set back 15 feet from West 30th Street, 8 feet 6 inches from the side lot lines, and 30 feet from the rear lot line.

In order to guide the determination of the value of the transfer of development rights from Hudson River Park, HRPT commissioned an independent appraiser. Based on the appraiser's conclusions, the applicant has entered into a contract with HRPT to pay \$323 per square foot, or \$9.57 million, for the development rights.

Proposed Actions

The applicant is proposing the following land use actions:

Zoning Text Amendment (N 180151 ZRM)

The applicant proposes to create a Map in the Appendix to the Special Hudson River Park District Regulations (ZR Section 89-00) to define Piers 59, 60, and 61 and their associated headhouses as a “granting site” and the Development Site as a “receiving site.” The text amendment would also apply the M2-3 use and bulk regulations but permit an overall maximum FAR of 12.0 in a C6-4X district when the CPC grants a Special Permit pursuant to ZR Section 89-21. Defining the granting site and receiving site allows for a floor area transfer that would further the goals of the Special Hudson River Park District by providing funds to the Park to support much-needed infrastructure improvements.

Zoning Map Amendment (C 180150 ZMM)

The applicant is seeking to rezone the Development Site from an M2-3 manufacturing district to a C6-4X commercial district. The proposed map amendment would also map the Special Hudson River Park District over the granting site and receiving site to allow the transfer of floor area from Hudson River Park.

The proposed C6-4X district is intended to provide a transition between the density permitted by the M2-3 district to the south and the nearby blocks at the southern edge of the Special Hudson Yards District. The C6-4X district permits a wider range of commercial uses than the M2-3 district, as well as residential and community facility uses. It allows a base height of 60 to 85 feet, and building height and setback above the base is governed by a sky exposure plane and the tower regulations.

Special Permit Pursuant to ZR Section 89-21 (C 180152 ZSM)

The applicant is requesting a special permit to allow a transfer of 29,625 square feet of floor area to the Development Site (Block 675, Lot 39), and to modify bulk regulations to allow for the following waivers:

1. A base height waiver to permit a base height of 45 feet; a minimum base height of 60 feet is otherwise required;
2. A front setback waiver to permit a balcony/structure to project 10 feet into an area where a 15-foot setback would otherwise be required;
3. A rear yard waiver to permit the second floor to occupy an area where a 20 foot rear yard would otherwise be required, and a balcony structure to project 10 feet into an area where a 30 foot rear yard would otherwise be required; and
4. A tower lot coverage waiver to permit a maximum proposed envelope of 45.6% tower coverage, which exceeds 45% of the lot area of the zoning lot.

The transfer of 29,625 square feet of floor area from Piers 59, 60, and 61 and their associated headhouses would increase the maximum permitted floor area on the Development Site from approximately 148,125 zoning square feet to approximately 177,750 zoning square feet, or to a total of approximately 12.0 FAR. Piers 59, 60, and 61 and their associated headhouses are zoned to allow for a maximum floor area of approximately 1,118,792 zoning square feet, of which approximately 468,701 zoning square feet would remain unused. Taking into account the concurrent application for 601 West 29th Street, which seeks to transfer 123,437.5 square feet from the Park, there would remain approximately 345,263.5 zoning square feet unused.

In order to effect this transfer, a Transfer Instrument and Notice of Restrictions will be recorded against Piers 59, 60, and 61 and their associated headhouses and the Development Site, permanently reducing the floor area available on Piers 59, 60, and 61 and their associated headhouses and increasing it on the Development Site. The amount of floor area transferred would equal 20 percent of the maximum floor area otherwise permitted on the receiving site, which is the maximum percentage permitted by Section 89-21(b).

(A) Applications (N 180151A ZRM, C 180152A ZSM)

On February 13, 2018, the applicant filed (A) applications for the Proposed Project. The initial applications were filed to facilitate a version of the Proposed Project that was to be located only on Lot 39 of Block 675. The applicant expects to acquire Lot 38 of Block 675 (which, as stated above, is currently improved with a one-story auto repair shop), and is filing (A) applications to facilitate development on both Lot 38 and Lot 39.

The (A) applications put forth the following changes to the Proposed Project:

1. Total square footage increases by 28,396.3 square feet, from 177,750 square feet to 207,375 square feet;
2. Floor area transfer from HRPT increases by 4,937.5 square feet, from 29,625 square feet to 34,562.5 square feet;
3. Total residential units increase by 34 units, from 218 units to 252 units;
4. Affordable units increase by 8 units, from approximately 55 units to approximately 63 units;
5. As-of-right parking spaces increase by 7 spaces, from 47 spaces to 54 spaces; and
6. The tower lot coverage waiver under the special permit is eliminated.

The (A) applications do not change the maximum height of the Proposed Project, which remains at 520 feet. All other waiver requests remain the same. The additional floor area transfer from HRPT will result in an increase assessment from \$9.57 million for the development rights to \$11.16 million. The price of \$323 per square foot remains the same.

ANTICIPATED IMPACTS

Pursuant to City Environmental Quality Review (CEQR) and to the rules of the State Environmental Quality Review Act (SEQRA), amongst others, a Draft Environmental Impact Statement (DEIS) was prepared for the Proposed Project, together with another project on the same block, 601 West 29th Street.

On April 14, 2017 a Positive Declaration and Draft Scope of Work (DSOW) were issued. The DSOW identified a number of analysis tasks for the DEIS to consider for further analysis and established an analytical framework for the following analysis categories:

- land use, zoning and public policy,
- socioeconomic conditions,
- community facilities and services,
- open space,
- shadows,
- historic and cultural resources,
- urban design and visual resources,
- natural resources,
- hazardous materials,
- water and sewer infrastructure,
- energy,
- transportation,
- air quality,
- greenhouse gas emissions and climate change,
- noise,
- neighborhood character, and
- construction impacts.

The DSOW was further refined following a public scoping meeting held on May 17, 2017, with written comments accepted until May 30, 2017. The Final Scope of Work (FSOW) was issued on November 20, 2017.

The Draft EIS (DEIS) and Notice of Completion, issued on November 20, 2017, found that significant adverse impacts were identified in the areas of publicly-funded child care, open space, shadows, transportation, and construction.

Existing child care facilities in the 2-mile study area have a total capacity of 213 slots and an enrollment of 178 children (83.6 percent utilization). The Proposed Project, together with 601 West 29th Street, are anticipated to increase the demand for child care facilities by 29 children to 395 children. Compared to a capacity of 213 slots, this would create a deficit of 182 slots. Assuming this demand is accommodated at existing child care facilities, the facilities would operate at 185.4 percent, which represents an increase in the utilization rate of 13.6 percent over the No Action condition.

For open space, it was determined that there would be a significant adverse impact due to the increased user population. Potential mitigation measures are currently being explored by the applicants in consultation with the New York City Department of City Planning and the New York City Department of Parks and Recreation. Potential mitigation measures for open space impacts may include, but are not limited to, creating new open space within the study area; funding for improvements, renovation, or maintenance at existing local parks and/or playgrounds; or improving open spaces to increase their utility or capacity to meet identified open space needs in the area.

For transportation, it was determined that there would be potential significant adverse impacts to traffic and pedestrians. No significant adverse impacts were identified for parking, transit, and vehicular and pedestrian safety.

For construction, it was determined that there would be temporary significant adverse impacts in the areas of transportation and noise. The potential transportation-related impacts during construction would be similar to or less than the significant adverse impacts identified for the future with the full build-out of the projects considered in the DEIS. The construction of the projects also has the potential to result in construction noise levels that exceed the CEQR Technical Manual noise impact criteria for an extended period of time at 534 West 30th Street, residences near Eleventh Avenue and West 29th Street, and portions of the High Line directly across West 30th Street from the construction area.

COMMUNITY BOARD RECOMMENDATION

At its Full Board meeting on February 7, 2018, Manhattan Community Board 4 (“CB4) approved a resolution by a vote of 41 in favor, 0 opposed, and 0 abstaining that recommended **denial** of the applications regarding 606 West 30th Street unless certain conditions are met:

Maximum Building Height – CB4 recommended that the maximum height of the proposed project be limited to 450 feet, which would be consistent with the adjacent Subarea A of the Special West Chelsea District immediately to the east, and a reasonable step down from the 642 feet heights of Hudson Yards Sites 6A and 6B to the north.

Mandatory Inclusionary Housing – CB4 recommended that affordable units be distributed throughout at least 80 percent of the proposed project’s floors, and that there would be identical finishes and fittings between the affordable and market-rate units, and that fee-based amenities be discounted for tenants in affordable units.

Building Services and Other Issues – CB4 recommended that loading docks, trash compactors and dumpsters be located inside buildings except during trash and recycling pickup, that the parking garage accommodate environmentally-friendly vehicles, that full size trees and complete landscaping be planted in sidewalk tree pits and tree planters, that workers be paid living wages with benefits, that the applicant support a Community Jobs Project and if possible rent retail spaces to local businesses, and that the applicant agrees to coordinate logistical issues such as construction deliveries and temporary street closings with the adjacent development site.

Mitigation of Adverse Environmental Impacts – CB4 recommended that adverse environmental impacts identified in the Draft Environmental Impact Statement be mitigated through the provision of space for publicly-funded child care, the reconstruction and renovation of a Chelsea recreation park, and standard measures such as signal timing changes, widened crosswalks, window-wall attenuation, quieter equipment and noise barriers for traffic impacts at two intersections, and ways to address pedestrian flow issues at two crosswalks and the effects of construction congestion and noise on nearby residential buildings.

Hudson River Park Development Rights Price – CB4 recommended that the \$323 per square foot appraisal of the value of the development rights transfers be reviewed by a party with sufficient expertise in the matter.

Hudson River Park Priorities – CB4 recommended that the capital funds from the sale of development rights be allocated to projects in the following order: Pier 97 Recreation Pier, Chelsea Waterside Park, Pier 97 Upland Area, Gateway/Hudson River Tunnel Project Area, Pier 66a Float Bridge, Pier 98 to 99 Upland Area, Area South of Pier 76, and Piers 79-84 Upland Area.

Inclusion of the Development Site in the Special West Chelsea District – CB4 recommended that the development site be included in the Special West Chelsea District.

Despite recommending denial unless these conditions are met, CB4 expressed appreciation for the applicant's willingness to engage with the community over a long period of time to try to resolve the numerous issues associated with this very complex project.

BOROUGH PRESIDENT'S COMMENTS

Block 675 is one of the most complex blocks on the island of Manhattan. It is located directly south of Hudson Yards, where there will be a new mini-city with 18 million square feet of residential and commercial space and towers reaching upwards of 1,200 feet in height. But it is also a part of West Chelsea, and must serve as a transition zone to a deeply-rooted low and mid-rise neighborhood of residences, art galleries, and local shops. Meanwhile, it is one of the few blocks eligible for the transfer of development rights from Hudson River Park to provide much-needed capital and expense funding for the Park. With the Hudson Tunnel Project calling for

tunneling beneath the block, it must also accommodate infrastructural facilities and construction staging in the near future.

All of this, together with the usual challenges associated with high-rise luxury housing development in an increasingly unaffordable city, makes 606 West 30th Street an especially difficult project. Alongside the concurrent development next door at 601 West 29th Street, it must fulfill various requirements from a multitude of stakeholders while playing a role in shaping the character of the area for years to come.

We want to express great appreciation for the applicant's willingness to engage with the community and elected officials over a long period of time to work out all the relevant issues. We look forward to continuing work with all involved to improve the project as it moves through the public review process.

Maximum Building Height

It is the nature of Manhattan that distinct, even radically-different neighborhoods must coexist next to one another. There is consensus that Block 675 should serve as a transition zone between Hudson Yards and the rest of the much lower-slung West Chelsea. However, the definition of a transition zone is tricky, as the buildings on Block 675 will not only stand by themselves but also set a precedent for future development in the area.

Besides the concurrent application for the development of 601 West 29th Street, there is one more project anticipated for Block 675, on the westernmost part of the block that is currently owned by the Georgetown Company. Meanwhile, the block directly south between West 28th Street and West 29th Street contains property owned by Consolidated Edison, and while there are no current plans to develop the site, it will always be a possibility in the future. Thus, the height of the Proposed Project will play a role in determining the context and character of surrounding developments.

We believe that the maximum height of 520 feet is reasonable. CB4 recommended that the Proposed Project be guided by the 450 foot height of the adjacent Special West Chelsea District Subarea A. Given the addition of 2 FAR from the Park to the 10 FAR allowed in the C6-4X district, we believe it is acceptable to have a corresponding increase in the maximum height of the building as well. The 520 foot height of the Proposed Project is lower than the 550 foot height that CB4 recommended for 601 West 29th Street next door, and would also represent a step down from the 642 foot heights of the proposed residential buildings on the north side of West 30th Street at Hudson Yards Sites 6A and 6B.

Affordable Housing

Pursuant to MIH, approximately 25 percent of the residential floor area would be provided as permanently affordable housing, making approximately 55 affordable housing units. In accordance with Option 1 of MIH, the affordability breakdown will be 10 percent at 40 percent of AMI, 10 percent at 60 percent of AMI, and 5 percent at 100 percent of AMI. With the (A) applications, the number of units will increase to approximately 63 units.

CB4 recommended that affordable units be distributed throughout at least 80 percent of the proposed project's floors, and that there be identical finishes and fittings between the affordable and market-rate units, and that fee-based amenities be discounted for tenants in affordable units. The applicant has committed to provide identical finishes and appliances for the market rate and affordable units. They plan to offer certain amenities, such as a children's play room, without fee, and have committed to discounting access fees for other amenities for the residents of the affordable units by 33 percent.

In addition to MIH, the Proposed Development will also use the Affordable New York tax abatement program, formerly known as 421-a. Units built to satisfy the requirements of MIH are also being used to count towards the affordable housing requirements of the Affordable New York program.

The Borough President has consistently opposed this practice of overlapping subsidies, or "double dipping." The original 421-a tax benefit was created to incentivize new construction. The program started in 1971 during a time when many people felt New York City needed to spur real estate development activities to reduce blight. But times have changed, and New York City no longer faces a lack of development. Units built to satisfy the affordable housing requirements of MIH should not be available to be counted toward satisfying the requirements to obtain a tax subsidy under another program.

The Borough President supports CB4's recommendation that affordable units be distributed throughout at least 80 percent of the Proposed Project's floors, above and beyond MIH's requirement of 65 percent. Similarly, as the Proposed Development counts the same affordable units for both MIH and the Affordable New York tax abatement program, we urge the applicant to explore all feasible options to provide affordable units beyond the 25 percent requirement under Option 1 of MIH.

The applicant has communicated to our office that they would consider the economic feasibility of exceeding the 25 percent requirement. As they finalize the designs for the Proposed Project, they will also consider favorably designs that provide greater distribution of affordable units throughout the building. The applicant has also filed (A) applications that reflect their expectation of acquiring Lot 38 of Block 675 and developing on both Lot 38 and Lot 39. We are in favor of the (A) applications, as we believe that the intervening Lot 39 should be incorporated into the Development Site, and it would also yield more units of affordable housing without increasing height or calling for additional waivers.

Hudson River Park Transfer

In order to guide the transfer of development rights from Hudson River Park, HRPT commissioned API to appraise the value of the development rights to be transferred. Based on their conclusions, the applicant has entered into a contract with HRPT to pay \$323 per square foot, or \$37 million, for the development rights.

The proper valuation of development rights has been a problem for our office again and again.

The Greater East Midtown Rezoning included complicated and protracted negotiations over the minimum valuation of development rights and the public contribution rate. Two reputable, experienced firms came up with significantly different appraisals based on the market. It was abundantly clear to all involved that a change in the price per square foot valuation could represent the difference of millions of dollars in private transactions and for the public benefit.

More recently, the West Chelsea Affordable Housing Fund Rule proposed a \$500 per square foot price for sales. Our office, alongside many in the community, felt that this valuation was inadequate, and did not account for recent trends. Thanks to the continuing work of DCP and CPC, the proposed price has since been adjusted to \$625 per square foot.

Even in the case of Pier 40, there was ultimately a disconnection between the appraised value of the transfer of development rights and the actual price paid for them. While the appraisal ended with a valuation of \$74.7 million, or \$373 per square foot, the developer of 550 Washington Street agreed to pay HRPT \$100 million for the 200,000 square feet of development rights, or \$500 per square foot.

The sales from the transfer of development rights fulfill a vital function and provide HRPT with much-needed capital and maintenance funding. An inadequate valuation would mean the loss of millions of dollars for the Trust and very tangible open space benefits for the public. We greatly respect the work of API in determining the valuation; however, given our history with development rights appraisals, it is difficult for us to treat that valuation number as authoritative. Instead, it might be better to think of the appraisal as a general guide, and given the long list of community priorities related to the Park that have been enumerated by CB4, we can come back to the proper price for the development rights after first clarifying the outstanding needs of HRPT.

BOROUGH PRESIDENT'S RECOMMENDATION

Therefore, the Manhattan Borough President recommends **approval** of ULURP Application Nos. C 180150 ZMM, N 180151A ZRM, and C 180152A ZSM provided that the following conditions are met:

- That the applicant follow through on its commitments to Manhattan Community Board 4, which including the provision of equivalent finishings and appliances and free amenities and reduced amenity fees for other commonly accessible areas;
- That the applicant follow through on its commitments to the Borough President to consider the provision of additional affordable units to ameliorate the issue of double-dipping with the state tax abatement and permanent floor area bonus and to increase the distribution of affordable units as the floor plate design and unit allocation progresses;
- That the City diligently work to identify and begin the process of procuring child care space and to identify capital improvements for open space mitigation before the close of the ULURP process;
- That DCP reexamine the value of the development rights; and

- That the City follow through on its prior commitment to the Borough President from March 2015 to study the inclusionary housing program and the issue of double-dipping, especially in the context of individual special permits where the Commission may exercise further discretion.

A handwritten signature in black ink that reads "Gale A. Brewer". The signature is written in a cursive, flowing style.

Gale A. Brewer
Manhattan Borough President