

May 24, 2017 / Calendar No. 13

N 170251 ZRM

**IN THE MATTER OF** an application submitted by 517 West 35th 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 IX, Chapter 3 (Special Hudson Yards District), Borough of Manhattan, Community District 4.

This application for an amendment of the Zoning Resolution was filed by 517 West 35th LLC on January 26, 2017. The proposed text amendment to Section 93-122 would extend the availability of an existing Chairperson's certification to sites of a minimum of 55,000 square feet in Subarea A3 of the Special Hudson Yards District in Manhattan Community District 4.

#### BACKGROUND

The Special Hudson Yards District, bounded by West 30th Street to the south, West 41st Street to the north, Eighth Avenue to the east and Eleventh and Twelfth Avenues to the west, was adopted by the City Planning Commission in 2005 (N 040500A ZRM et al.). In 2009, the western boundary of the Special District was extended to Twelfth Avenue with the addition of the Western Rail Yard (C 090433 ZMM).

A key objective of the Special District was to create opportunities for new Class A office space in proximity to midtown and to activate underutilized land on Manhattan's west side with high density development, coordinated mass transit access and open space. Generally, the Special Hudson Yards District prioritized commercial floor area in two ways: reserving the majority of floor area for commercial use, and requiring that commercial floor area be constructed before any amount of residential floor area is built. The intent was to ensure that residential development did not reduce the potential for the large lot assemblages that would be needed to build out the Class A office space that was projected for Hudson Yards.

Pursuant to Section 93-21(a) of the Zoning Resolution (ZR), a non-residential floor area ratio (FAR) of 10.0 is permitted as-of-right in Subarea A3 of the Special Hudson Yards District.

Through a Chairperson's certification, 8.0 FAR of additional non-residential floor area is permitted pursuant to ZR Section 93-31 (District Improvement Fund Bonus) and an additional 6.0 FAR of either residential or non-residential floor area is permitted pursuant to ZR Section 93-34 (Distribution of Floor Area in the Large-Scale Plan Subdistrict A). This equates to a maximum permitted FAR in Subarea A3 of 24.0 FAR, with up to 6.0 FAR of residential floor area.

However, residential use is not permitted until 18.0 FAR of non-residential floor area is developed on a zoning lot unless a Chairperson's certification is granted pursuant to the current ZR Section 93-122 (Certification for residential use in Subdistricts A, B and E). Under the current text, developers of zoning lots of less than 69,000 square feet may seek this Chairperson's certification to allow a portion of the development to be residential without the construction of the requisite amount of non-residential floor area if a plan is submitted whereby the ratio of the commercial to residential floor area in the development is not less than the ratio of the minimum amount of commercial floor area required of the zoning lot before residential use is allowed to the maximum residential floor area allowed (in Subarea A3, that ratio is three to one). Zoning lots with a minimum of 69,000 square feet may also seek this Chairperson's certification to allow residential floor area to be constructed before the minimum amount of commercial floor area is constructed, provided that 50,000 square feet of lot area is reserved for future commercial development and, when the lot is fully built out, the ratio of commercial floor area to residential floor area is no smaller than the required ratio of commercial to residential floor area. This Chairperson's certification was included to allow development flexibility, but to also promote and safeguard the growth of the office and commercial sectors, consistent with the overarching objectives for Hudson Yards. The 50,000-square-foot reserved footprint for commercial development was considered to be appropriate for viable office floorplates in buildings that would house the types of firms expected to locate in Hudson Yards.

The project area is within Subarea A3 of the Special Hudson Yards District's Large-Scale Plan Subdistrict A, which is mapped over the site and an adjacent block on the western side of Hudson Boulevard and Park. Subdistrict A is currently experiencing rapid high-density commercial and residential development, but transportation and infrastructure uses still remain. Subdistrict A is

mapped as a C6-4 commercial district, which permits a maximum FAR of 10.0, although the special district regulations provide mechanisms to increase the FAR to up to 33.0 in Subarea A2, which is located across West 35th Street from the project area.

The development site, 451 Tenth Avenue, comprises Lots 20, 26, 31, 41, and 45 on Block 707. The zoning lot has approximately 56,793 square feet of lot area and has 123.5 feet of frontage on Tenth Avenue, 331.5 feet of frontage on West 35th Street, 319 feet of frontage on West 36th Street, and 197.5 feet of frontage on Hudson Boulevard and Park. It is unimproved except for surface parking lots for up to 148 commercial vehicles.

The applicant plans to develop the site with two buildings: a largely residential, mixed-use building and an office building. The application seeks to amend ZR Section 93-122 to qualify the 56,793– square-foot site for the certification for residential use in Subdistricts A, B and E. With this certification, the mixed-use building would be developed first on the Tenth Avenue-fronting portion of the site. The building would be sited on an area of 17,275 square feet, with 340,758 square feet of residential use, comprising up to 400 market-rate dwelling units, and 73,950 square feet of office and retail uses below the residential floors. The commercial building would be subsequently developed on the Hudson Boulevard portion of the site, on an area of 39,518 square feet, with 948,432 square feet of commercial office and retail uses. In total, the development would comprise 340,758 square feet (6.0 FAR) of residential floor area and 1,022,382 square feet (18.0 FAR) of commercial floor area, for a total of 1,363,140 square feet (24.0 FAR).

The applicant seeks an amendment to Section 93-122 to introduce Section 93-122(c), which currently allows zoning lots of between 55,000 square feet and 69,000 square feet in Subarea A3 of the Special Hudson Yards District to qualify for a Chairperson's certification to construct residential floor area before the requisite amount of non-residential floor area on the zoning lot, provided that 35,000 square feet of lot area is reserved for future commercial development and, when the lot is fully built out, the ratio of commercial floor area to residential floor area is no smaller than the required ratio of commercial to residential floor area. The applicant seeks to make this certification available to sites of a minimum of 55,000 square feet in Subarea A3 of the Special

District to facilitate a mixed-use development at 451 Tenth Avenue.

The applicant believes that the reserved site area of 35,000 square feet is sufficient to construct practical commercial floor plates for firms that are attracted to Hudson Yards. 451 Tenth Avenue is the only site in Subarea A3 that would qualify for such a certification under the proposed amended text.

#### ENVIRONMENTAL REVIEW

The subject application (N 170251 ZRM) was 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 03DCP031M. The lead agency is the City Planning Commission.

On November 8, 2004, a Final Generic Environmental Impact Statement (FGEIS) was completed by the City of New York City Planning Commission (CPC) and the Metropolitan Transportation Authority (MTA), as co-lead agencies for the No. 7 Subway Extension-Hudson Yards Rezoning and Development Program. On November 22, 2004, the City Planning Commission (CPC) approved Application N 040500(A) ZRM and related actions, which together established the Special Hudson Yards District on the Far West Side of Midtown Manhattan. The approved actions consist of Alternative S, which was analyzed in Chapter 26, "Alternatives," of the FGEIS, together with modifications to Alternative S made by the City Planning Commission and City Council and assessed in Technical Memoranda, dated November 17, 2004, January 14, 2005, August 4, 2005, and September 14, 2005. During the ULURP process, text changes were identified that required subsequent actions and these were assessed in a Technical Memorandum dated December 2, 2005. Since that time, additional text changes were also identified and adopted to clarify the text, eliminate inaccurate references in the text and add new provisions, and these were assessed in a Technical Memorandum dated February 8, 2008.

On January 25, 2017, a Technical Memorandum to the FGEIS (TM007) was submitted by the applicant that describes and analyzes the proposed action being requested that would facilitate their development of a primarily residential building and a commercial building on the project site. DCP, acting on behalf of the lead agency, reviewed the Technical Memorandum TM007.

Projected Development Site No. 7 in the 2004 FGEIS included Block 707, Lots 20, 26, 31, 39, 41 and 45 in Subarea A3 of the Large-Scale Subdistrict A in the Special Hudson Yards District. Under Alternative S, Projected Development Site 7 was assumed to be built out to the maximum proposed FAR of 24.0, with 18.0 FAR of commercial use and 6.0 FAR of residential use. As noted above, the applicant's project site includes Block 707, Lots 20, 26, 31, 41 and 45. These parcels, along with Lot 39 (Outparcel) comprise what was identified as Projected Development Site 7 in the 2004 FGEIS. The applicant proposes to develop commercial and residential buildings on the project site consistent with the allowable floor area analyzed and approved under Alternative S in the FGEIS, within the timeframe analyzed in the FGEIS (2025). The proposed action would only change the sequencing of the program elements (within the overall 2025 timeframe) to allow for the primarily residential component of their proposed project to be developed without the minimum amount of commercial floor area required before the residential use is permitted. It is also assumed that the Outparcel (Lot 39) would be developed consistent with the allowable floor areas analyzed and approved under Alternative S of the FGEIS.

The project site is subject to (E) designations (E-137) relating to hazardous materials, noise and air quality established as part of the 2004 FGEIS. The proposed action would not affect the requirements of the Hazardous Materials (E) Designation. The proposed action would also not affect the (E) designation relating to Noise. To account for the two separate buildings that would result from the proposed phasing under the proposed action (and therefore separate HVAC systems in each building), the existing Air Quality (E) designation applicable to Block 707, Lots 20, 26, 31, 41 and 45 would need to be updated as provided below.

To ensure that there are no significant adverse impacts from heating and hot water system emissions associated with the applicant's proposed residential building, restrictions would be

required regarding fuel type and stack set back. The text of the (E) designation for air quality Block 707, Lot 31 is as follows:

Any new development on the above-referenced property must ensure that the fossil fuel-fired heating and hot water equipment utilize natural gas exclusively, and that the stack(s) shall be located at the highest rooftop of the building and at least 82 feet away from the lot line facing West 35th Street.

To ensure that there are no significant adverse impacts from heating and hot water system emissions associated with the applicant's proposed commercial building, restrictions would be required regarding fuel type and stack set back. The text of the (E) designations for air quality for Block 707, Lots 20, 26, 41 and 45 is as follows:

Any new development on the above-referenced property must ensure that the fossil fuel-fired heating and hot water equipment utilize natural gas exclusively, and that the stack(s) shall be located at the highest rooftop of the building and at least 130 feet away from the lot line facing West 35th Street.

Any operable windows or air intakes on the above-referenced property must be located on the western façade.

Based on our review, pursuant to the City's Environmental Quality Review process and NYCRR 617, the proposed action would not affect the conclusions of the analyses presented in the 2004 FGEIS. While the primarily residential building would precede the commercial building under the phasing plan permitted under the zoning text amendment, both buildings would be built within the timeframe analyzed in the FGEIS. The existing Hazardous Materials and Noise (E) designations and the updated Air Quality (E) designation for Block 707, Lots 20, 26, 31, 41 and 45 would continue to ensure no significant adverse impacts in those technical areas. Therefore, the proposed action would not result in any significant adverse environmental impacts not already identified in the 2004 FGEIS.

#### **PUBLIC REVIEW**

On January 30, 2017, this application (N 170251 ZRM) was referred for information and review to Community Board 4 and the Borough President in accordance with the procedures for non-ULURP matters.

#### **Community Board Review**

Community Board 4 held a public hearing on this application (N 170251 ZRM) on March 27, 2017, and on that date, by a vote of 33 in favor, none opposed, none abstaining and one present but not eligible, adopted a resolution recommending approval of the proposed action conditioned on the applicant providing permanently affordable residential units, maintaining the street wall along Tenth Avenue, and placing ConEd vaults where they will not interrupt street tree plantings.

### **Borough President Recommendation**

This application (N 170251 ZRM) was considered by the Manhattan Borough President. On April 10, 2017, the Borough President issued a recommendation approving the proposed action conditioned on the applicant following the requests of Community Board 4.

## **City Planning Commission Public Hearing**

On April 5, 2017, (Calendar No. 4), the City Planning Commission scheduled April 26, 2017, for a public hearing on this application (N 170251 ZRM). The hearing was duly held on April 26, 2017 (Calendar No. 27). There were four speakers in favor of the application and none in opposition.

A representative of the applicant testified in favor of the application, describing the action, the background of the proposed text amendment and the intended development at 451 Tenth Avenue.

Two representatives of Manhattan Community Board 4 spoke in favor of the application, stating that the Board understands the need for and merit of the proposed text amendment, but that the Board would like the applicant to provide permanently affordable residential units at the development.

There were no other speakers and the hearing was closed.

#### CONSIDERATION

The Commission believes that the proposed zoning text amendment (N 170251 ZRM) is appropriate.

The text amendment will allow zoning lots of between 55,000 square feet and 69,000 square feet in Subarea A3 of the Special Hudson Yards District to qualify for the Chairperson's certification normally reserved for larger sites (those over 69,000 square feet) to construct residential floor area in the first phase of the development without being limited by the ratio of the minimum amount of non-residential floor area required on the zoning lot before residential use is allowed to the maximum residential floor area allowed (in Subarea A3, three to one). The proposed text would require that 35,000 square feet of lot area be reserved for future commercial development and, when the lot is fully built out, the ratio of commercial floor area to residential floor area be no smaller than the required ratio of commercial to residential floor area (in Subarea A3, three to one). This enables the developer to proceed with the residential mixed-use building prior to the commercial office building. For phased developments, compliance with existing Special Hudson Yards District bulk requirements that are based on the zoning lot as a whole, such as streetwall requirements that apply to a minimum percentage of the zoning lot frontage, would be required at the point of completion of the phased development on the zoning lot.

The intention of the 69,000-square-foot lot minimum lot size, accompanied by the requirement that a 50,000-square-foot portion is reserved for commercial development, in the original provision of ZR Section 93-122 was to maintain a commercial floor plate that would attract the office tenants desired for Hudson Yards and to ensure that two buildings, including a substantial commercial building, would still be developable on the zoning lot if the residential building proceeded first. The Commission now believes that the 55,000-square-foot minimum lot size, accompanied by the requirement that a 35,000-square-foot portion is reserved for commercial development, will be

sufficient to provide a desirable commercial floorplate for Hudson Yards tenants in the second phase of the development on this site in Subarea A3. Additionally, because the proposed text amendment does not alter permitted uses or introduce new floor area on the affected zoning lot, and will only affect the project area at 451 Tenth Avenue, the Commission believes that the text amendment does not alter the original intentions of the Special Hudson Yards District to prioritize Class A office space and foster mixed-use development.

Regarding the Community Board's request for permanent affordability for housing built on the site, the Commission has heard the applicant's response that the current conditions of their ground lease will not allow for a commitment to permanent affordability, but notes that the applicant has stated an intention to provide affordable units under the conditions of the currently available New York State tax subsidy program.

#### RESOLUTION

**RESOLVED**, that the City Planning Commission finds that the action described herein will have no significant impact on the environment; 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 <u>underlined</u> is new, to be added;
Matter <u>struck out</u> is old, to be deleted;
Matter within # # is defined in Section 12-10;
\* \* \* indicates where unchanged text appears in the Zoning Resolution

#### **ARTICLE IX**

### SPECIAL PURPOSE DISTRICTS

## Chapter 3

## **Special Hudson Yards District**

\* \* \*

# 93-10 USE REGULATIONS

#### 93-122

## Certification for residential use in Subdistricts A, B and E

Within the Large-Scale Plan Subdistrict A, Subareas B1 and B2 of the Farley Corridor Subdistrict B, and the South of Port Authority Subdistrict E, #residential use# shall be permitted only upon certification of the Chairperson of the City Planning Commission that the #zoning lot# on which such #residential use# is located contains the minimum amount of #commercial floor area# required before #residential use# is allowed, as specified in Section 93-21 (Floor Area Regulations in the Large-Scale Plan Subdistrict A) or 93-22 (Floor Area Regulations in Subdistricts B, C, D, E and F), as applicable, and that for #zoning lots# in Subareas A2 through A5 of the Large-Scale Plan Subdistrict A, a certification pursuant to Section 93-34 (Distribution of Floor Area in the Large-Scale Plan Subdistrict A) has been made.

\* \* \*

However, special regulations shall apply to #zoning lots# with phased developments, as follows:

- (a) Except as provided in paragraph (c) of this Section, for For #zoning lots# with less than 69,000 square feet of #lot area#, the Chairperson shall allow for phased development, upon certification that a plan has been submitted whereby the ratio of #commercial floor area# to #residential floor area#, in buildings in each phase, is no smaller than the ratio of the minimum amount of #commercial floor area# required on the #zoning lot# before #residential use# is allowed, to the maximum #residential floor area# permitted on the #zoning lot# as specified in Section 93-21 or 93-22, as applicable, and;
- (b) For #zoning lots# with at least 69,000 square feet of #lot area#, the Chairperson shall allow for one or more #buildings# containing #residences# to be #developed# or #enlarged# without the minimum amount of #commercial floor area# required before #residential use# is allowed, as specified in Section 93-21 or 93-22, as applicable, upon certification that a plan has been submitted whereby one or more regularly-shaped portions of the #zoning lot# with a minimum area of 50,000 square feet are reserved for future development of not more than two million square feet of #commercial floor area# on each such portion, and that, upon full development of such #zoning lot#, the ratio of

#commercial floor area# to #residential floor area# shall be no smaller than the ratio of the minimum amount of #commercial floor area# required on the #zoning lot# before #residential use# is allowed, to the maximum #residential floor area# permitted on the #zoning lot#, as specified in Section 93-21 or 93-22, as applicable-; and

For #zoning lots# with at least 55,000 square feet but less than 69,000 square feet of #lot (c) area# within Subarea A3 of the Large Scale Subdistrict A, the Chairperson shall allow for one or more #buildings# containing #residences# to be #developed# or #enlarged# without the minimum amount of #commercial floor area# required before #residential use# is allowed, as specified in paragraph (a) of Section 93-21, upon certification that a plan has been submitted whereby one or more regularly shaped portions of the #zoning lot# with a minimum area of 35,000 square feet are reserved for future development, and that, upon full development of such #zoning lot#, the ratio of #commercial floor area# to #residential floor area# shall be no smaller than the ratio of the minimum amount of #commercial floor area# required on the #zoning lot# before #residential use# is allowed, to the maximum #residential floor area# permitted on the #zoning lot#, as specified in Section 93-21.

All #developments# or #enlargements# so certified shall be permitted only in accordance with the provisions of this Chapter.

The above resolution (N 170251 ZRM), duly adopted by the City Planning Commission on May 24, 2017 (Calendar No. 13), 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 RAYANN BESSER, IRWIN G. CANTOR, P.E., ALFRED C. CERULLO, III, MICHELLE R. DE LA UZ, RICHARD W. EADDY, CHERYL COHEN EFFRON, HOPE KNIGHT, ANNA HAYES LEVIN, ORLANDO MARIN, LARISA ORTIZ, Commissioners



#### CITY OF NEW YORK

#### MANHATTAN COMMUNITY BOARD FOUR

330 West 42<sup>nd</sup> Street, 26<sup>th</sup> floor New York, NY 10036 tel: 212-736-4536 fax: 212-947-9512 www.nyc.gov/mcb4

District Manager

Jesse Bodine

April 7, 2017

Marisa Lago Chair City Planning Commission 120 Broadway 31<sup>st</sup> Floor New York, New York 10007

Re: 517 West 35<sup>th</sup> Street

Related Companies

**Proposed Residential and Commercial Development** 

# Dear Chair Lago:

At its March 27, 2017 meeting, Manhattan Community Board 4 (MCB4) reviewed a presentation by the Related Companies regarding 517 West 35<sup>th</sup> Street, a residential and commercial use site that will be developed by the Related Companies. The site is located in the Large-Scale Plan Subdistrict A of the Special Hudson Yards District (SHYD) and is subject to the phased development requirements of Section 93-122 of the New York City Zoning Resolution. The total lot area of the site is 56,793 square feet, and the residential portion of the proposed development will yield approximately 400 residential units. By a vote of 33 in favor, 0 opposed, 0 abstaining, and 1 present but not eligible to vote, the Board voted to support a zoning text amendment that will allow residential construction to begin prior to the commercial construction, with conditions.

# **Special Hudson Yards District - Section 93-122 of the New York City Zoning Resolution**

Section 93-122 (b) of the Zoning Resolution allows for certain sites within the SHYD that contain both residential and commercial uses to build the residential portion of their site prior to the commercial portion:

(b) For #zoning lots# with at least 69,000 square feet of #lot

area#1, the Chairperson shall allow for one or more #buildings# containing #residences# to be #developed# or #enlarged# without the minimum amount of #commercial floor area# required before #residential use# is allowed, as specified in Section 93-21 or 93-22, as applicable, upon certification that a plan has been submitted whereby one or more regularly-shaped portions of the #zoning lot# with a minimum area of 50,000 square feet are reserved for future development of not more than two million square feet of #commercial floor area# on each such portion, and that, upon full development of such #zoning lot#, the ratio of #commercial floor area# to #residential floor area# shall be no smaller than the ratio of the minimum amount of #commercial floor area# required on the #zoning lot# before #residential use# is allowed, to the maximum #residential floor area# permitted on the #zoning lot#, as specified in Section 93-21 or 93-22, as applicable.

# **Request from the Related Companies**

At its March 8, 2017 presentation to the Clinton/Hell's Kitchen Land Use Committee, Related requested support for a zoning text amendment that would *decrease the square footage threshold for phased development from 69,000 square feet of lot area to 55,000 square feet of lot area.* The developer proposes that for those sites that contain at least 55,000 but less than 69,000 square feet of lot area, residential development be permitted to commence prior to commercial development on the condition that the Chair of the City Planning Commission certifies that:

- 1. At least 35,000 square feet of the zoning lot will be reserved for future development of the commercial floor area; and
- 2. Upon full development of the site, the ratio of commercial floor area to residential floor area will be no smaller than 3:1

As it applies to the 517 West 35<sup>th</sup> Street site, this proposed amendment would maintain the same total zoning areas for both the proposed residential building, which will have a total of 414,744 ZSF, and the proposed commercial building, which will contain 948,432 ZSF.

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<sup>&</sup>lt;sup>1</sup> Emphasis added.

Furthermore, the Board notes that the proposed residential portion of the site will be built along 10<sup>th</sup> Avenue, consistent with MCB4's goals for strong residential presence along that avenue.

# **Permanently Affordable Housing**

MCB4 supports the text amendment, which would allow residential development to be completed sooner. However, the Board's primary concern is the provision of permanently affordable housing. In the course of discussions with MCB4, Related stated the project will seek 80/20 tax exempt bond financing, which would require that 20% of the units in the residential rental building be affordable. MCB4 supports the proposed text amendment to allow residential development prior to commercial development with a decreased commercial footprint requirement. That support, however, is conditioned upon the developer's provision of permanently affordable housing at 517 West 35<sup>th</sup> Street. During Related presentations to MCB4, Related agreed that as long as the proposed development receives a 421a real estate tax exemption<sup>2</sup>, those affordable units required under that real estate tax exemption would be permanently affordable.

# 10<sup>th</sup> Avenue Streetwall

Related has committed to designing the proposed residential building so that the Tenth Avenue streetwall conforms with that of the adjacent building in the northeast corner of the block.

# **Street Tree Planting/ ConEd Vault Locations**

The developer has also agreed to work with ConEdison to ensure that the placement of street vaults along the Tenth Avenue portion of the proposed development does not hinder the ability to plant trees along that sidewalk.

## Conclusion

The residential portion of this proposed development will contain approximately 400 residential apartments. With the residential component of this proposed development proceeding prior to the commercial portion, approximately 80 affordable housing units will come online in 2019. Through inclusionary housing, that provision has created 1,075 affordable units through permanent inclusionary housing. By voluntarily making the units in the proposed development permanently affordable, the proposed text amendment will affect the same action Related took at the Caledonia at 450 West 17<sup>th</sup>

<sup>2</sup> MCB4 acknowledges and understands that the 421a tax exemption program for rental buildings is currently expired and being renegotiated with the New York State Legislature and Governor. Both MCB4 and Related are confident that a compromise will be reached in 2017.

Street. This action is consistent with public policy set forth in the Hudson Yards Points of Agreement to create permanently affordable housing. Related voluntarily made its 80/20 affordable units permanently affordable at the Caledonia in its development at 450 West 17<sup>th</sup> Street, located in a subdistrict of the Special West Chelsea District, which did not have zoning text for inclusionary housing. MCB4 requests that Related voluntarily make the residential units in the proposed development affordable.

MCB4 looks forward to working with Related and other developers with this provision of the proposed zoning text amendment to make any 80/20 units developed to be permanently affordable and to ensure earlier residential development on this and other sites within the Special Hudson Yards District.

Sincerely,

Delores Rubin Board Chair Jean Daniel Noland Chair, Clinton/Hell's Kitchen Land Use Committee



# 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 431 West 125th Street, New York, NY 10027 (212) 531-1609 p (212) 531-4615 f www.manhattanbp.nyc.gov

Gale A. Brewer, Borough President

April 10, 2017

Marissa Lago, Chair City Planning Commission 120 Broadway New York, NY

## Dear Chair Lago:

I write in regard to the application by 517 West 35<sup>th</sup> LLC, a subsidiary of the Related Company, for an amendment to Section 93-122 (Certification for residential use in Subdistricts A, B and E) of the Zoning Resolution of the City of New York ("ZR") to modify the requirements of phased development to allow for the construction of residential floor area before the construction of commercial floor area on the zoning lot. If adopted, the applicant will also require additional certifications by the Chairperson of the City Planning Commission (CPC) to facilitate the development of a mixed use building with 340,758 square feet of residential floor area and 73,950 square feet of commercial floor area at property located at 451 Tenth Avenue (Block 707, Lots 20, 26, 31, 41, and 45) with Subarea A3 of Subdistrict A- Large Scale Plan of the Special Hudson Yards District, Community Board 4, Borough of Manhattan.

The Special Hudson Yards District was adopted in 2005 (N 040500(A) ZRM et al) with the purpose of capitalizing on the ability to deck over existing railroad right of ways to create a new, mixed use neighborhood on Manhattan's far West Side. The planning goals encompassed in the adopted text were for a transit-orientated development predicated on the expansion of the 7 subway line and a mix of residential, commercial, open space, cultural and entertainment uses. The district introduced medium to high density residential permitted floor area throughout its boundaries, based on recommendations from Community Board 4. However, the underlying purpose for the zoning changes was the creation of new office buildings, and as such certain subareas and lots of a certain size were required to build commercial floor area first. Per the CPC report, this was to ensure that new residential development did not "reduce the supply of potential land assemblages for office buildings which require larger sites. However, to create a vibrant, 24-hour community, residential and community facility use would be allowed in combination with office development."

I find this text amendment to be appropriate. The conditions under which the rules for the Special Hudson Yards District were adopted have shifted in terms of the commercial office market. Proposals for other Class A office space have had protracted development periods and other proposals have not yet finished construction, resulting in new space coming online at simultaneous periods. The text amendment will only allow for flexibility in choosing the construction of residential or commercial floor area first without affecting the mixed use balance that is integral to Hudson Yards vibrancy; this flexibility is already written into Subdistrict A for lots of at least 69,000 square feet. However, efforts by the Commission should be made to ensure

that the developer follows through on commitments made to the Community Board, that the Board's resolution is responded to in full, and that the resulting proposal adheres to the spirit of the Hudson Yards Points of Agreement in regard to the provision of affordable housing whenever appropriate subsidies are available.

Sincerely,

Gale A. Brewer