IN THE MATTER OF an application submitted by the Department of Housing Preservation and Development (HPD):

- 1. pursuant to Article 16 of the General Municipal Law of New York State for:
 - a) the designation of property located at 1463, 1465, 1475, and 1473 Fifth Avenue, (Block 1745, Lots 2, 3, 69, and 70), and 3 East 118th Street (Block 1745, Lot 104) as an Urban Development Action Area Project for such area; and
 - b) an Urban Development Action Area Project for such area; and
- 2. pursuant to Section 197-c of the New York City Charter for the disposition of 1463, 1465, 1475, and 1473 Fifth Avenue (Block 1745, Lots 2, 3, 69, and 70) to a developer to be selected by HPD;

to facilitate the development of two, mixed-use buildings, tentatively known as Fifth On The Park, with approximately 41 residential units to be developed under the Department of Housing Preservation and Development's Cornerstone Program, Community District 11, Borough of Manhattan.

Approval of three separate matters is required:

- The designation of 1463, 1465, 1475, and 1473 Fifth Avenue (Block 1745, Lots 2, 3, 69, and 70), and 3 East 118th Street (Block 1745, Lot 104), Borough of Manhattan,
 Community District 11, as an Urban Development Action Area;
- 2. An Urban Development Action Area Project for such property; and
- 3. The disposition of such property to a developer to be determined by HPD.

The application was submitted by the Department of Housing Preservation and Development (HPD) on January 24, 2007.

Approval of this application would facilitate construction of two, eight-story, mixed use buildings tentatively known as Fifth On The Park, with approximately 41 residential units, to be developed under the Department of Housing Preservation and Development's Cornerstone Program, in Community District 11, Borough of Manhattan.

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

The Project Area consists of underutilized vacant property that tends to impair or arrest the sound development of the surrounding community, with or without tangible physical blight. Incentives are needed in order to induce the correction of these substandard, insanitary, and blighting conditions. The project activities would protect and promote health and safety and would promote sound growth and development. The Project Area is therefore eligible to be an Urban Development Action Area and the proposed project is therefore eligible to be an Urban Development Action Area Project pursuant to Article 16 of the General Municipal Law. The Project Area will be sold to a sponsor determined by the Department of Housing Preservation and Development.

BACKGROUND

HPD seeks approval of an Urban Development Action Area designation and project approval, and disposition of city-owned property to facilitate the development of two mixed-use buildings under the Cornerstone Program, located in Community District 11, East Harlem, Manhattan.

The project is proposed for two, noncontiguous sites situated within an R7-2/C1-4 zoning district and is comprised of four city-owned lots (Block 1745, Lots 2, 3, 69 and 70) and one privately-owned lot (Lot 104). The requested actions would facilitate the development of two eight-story mixed use buildings with ground floor retail space, community facility space and provide 41 condominium units. The proposed buildings would collectively include 5,205 square feet community space, along with 18, 597 square feet of community facility space and 1,140 square feet of open space. Each apartment would have its own laundry room and some apartments would have privately accessible balconies, while public open spaces would be shared on the roof of each building, ten trees will be planted on site.

The project sites are separated by a six-story building with ground floor retail space, in the mid block and a five-story building with ground floor retail space on the corner of East 118th Street and Fifth Avenue. The remainder of the block contains several vacant city-owned lots, two on

Madison Avenue and one on East 118th Street. There are also several mid to low-rise residential buildings.

The surrounding area is primarily residential, with new construction occurring north, east, and west of the site. Directly north of the site, along Fifth Avenue, is an as-of-right residential development under construction. Directly south-west of the site, in Central Harlem, are the Orleans, and the Renaissance, and 1400 Fifth Avenue. In East Harlem, east of the site are the Madison Avenue Home Ownership Cluster, and south of the site are the Fifth Avenue Homes and Bonafacio Texiador.

The project site is situated within the Milbank Frawley Circle East Urban Renewal Area, on a portion of site 38A which has a site designation for residential and commercial development. Lots 1, 168 and 71 would remain as the remainder of Site 38A, programming of these lots would occur in the future. The project is consistent with the urban renewal plan.

The project would be developed under the Cornerstone Program. HPD's Cornerstone Program creates units of middle and market rate income. The program also helps develop new and local retail uses and provides space for community facilities. The project would also be developed under the Quality Housing Program.

ENVIRONMENTAL REVIEW

This application (C 070308 HAM) was reviewed pursuant to the New York State Environmental Quality Review Act (SEQRA), and the SEQRA regulations set forth in Volume 6 of the New York Code of Rules and Regulations, Section 617.00 et seq., and the Environmental Quality Review (CEQR) Rules for Procedure of 1991 and Executive Order No. 91 of 1977. The lead agency is the Department of Housing Preservation and Development. The designated CEQR number is 06HPD013M.

After a study of the potential environmental impact of the proposed action, a Negative Declaration was issued on March 16, 2006.

UNIFORM LAND USE REVIEW

This application (C 070308 HAM) was certified as complete by the Department of City Planning on February 5, 2007, and was duly referred to Community Board 11 and the Borough President, in accordance with Title 62 of the Rules of the City of New York Section 2-02 (b).

Community Board Public Hearing

Community Board 11 held a public hearing on this application (C 070308 HAM) on March 20, 2007 and on that date, by a vote of 24 in favor with 1 opposed and 0 abstentions, adopted a resolution recommending approval of the application.

Borough President Recommendation

This application was considered by the Borough President, who issued a recommendation approving the application on April 24, 2007 with the following condition:

The Manhattan Borough President therefore recommends conditional approval of ULURP Application No. C 070308 HAM provided that HPD and the developer explore every mean available to increase the number of affordable units, including considering a different ownership structure.

City Planning Commission Public Hearing

On April 11, 2007 (Calendar No. 6), the City Planning Commission scheduled April 25, 2007 for a public hearing on this application (C 070308 HAM). The hearing was duly held on April 11, 2007 (Calendar No. 23). There were three speakers in favor of the application and one in opposition.

The project architect described the materials and design of the proposed project. The director of Land Use for the Manhattan Borough President reiterated the Borough President's recommendation for affordable units. The third speaker in favor represented HPD. The one speaker in opposition mentioned that although he is not a community board 11 resident, in his opinion, the Cornerstone Program is not be adhered to accordingly.

There were no other speakers, and the hearing was closed.

CONSIDERATION

The Commission believes that the application for the proposed Urban Development Action Area designation and project (UDAAP) and the disposition of city-owned property is appropriate.

The application would facilitate the development of Fifth On The Park, comprised of two eightstory mixed use buildings having ground floor retail and community facility space, the proposed
development would include 41 condominium units of which 49% would be affordable.

Amenities would include a laundry room in every apartment, private balconies in some of the
units, the planting of ten trees, shared recreation space and larger than usual unit sizes. The
proposed project would provide much needed affordable home ownership opportunities to
residents of this community.

Disposition would make possible the return of this property to productive use and the elimination of its blighting influence on the neighborhood. It would also enable these city-owned properties to be developed with some affordable units which addresses the needs of Community District 11 and the City of New York. The project also complements ongoing public and private redevelopment efforts on neighboring blocks. The Commission, therefore, believes that the proposed Urban Development Action Area designation and project (UDAAP) and the disposition of city-owned property are appropriate.

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

WHEREAS, the Department of Housing Preservation and Development has recommended the designation of 1463, 1465, 1475, and 1473 Fifth Avenue (Block 1745, Lots 2, 3, 69, and 70), and 3 East 118th Street (Block 1745, Lot 104), as an Urban Development Action Area; and

WHEREAS, the Department of Housing Preservation and Development has also recommended the approval of an Urban Development Action Area Project for such property;

THEREFORE, BE IT FURTHER RESOLVED, that the City Planning Commission, after due consideration of the appropriateness of the actions, certifies its unqualified approval of the following matters pursuant to the Urban Development Action Area Act:

- a) The designation of 1463, 1465, 1475, and 1473 Fifth Avenue(Block 1745, Lots 2, 3, 69, and 70), and 3 East 118th Street (Block 1745, Lot 104), as an Urban Development Action Area:
- b) An Urban Development Action Area Project for such area;

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

- a. The present status of the area tends to impair or arrest the sound development of the municipality;
- b. The financial aid in the form of tax incentives if any, to be provided by the municipality pursuant to Section 696 of the Urban Development Action Area Act is necessary to enable the project to be undertaken; and
- c. The policy is consistent with the policy and purposes stated in Section 691 of Urban Development Action Area Act.

BE IT FURTHER RESOLVED, by the City Planning Commission, pursuant to Section 197-c of the New York City Charter, that based on the environmental determination and the consideration described in this report, the application of the Department of Housing Preservation and Development for the disposition of city-owned property located at 1463, 1465, 1475, and 1473 Fifth Avenue Site 38A within the Milbank Frawley Circle East Urban Renewal Area (Block 1745, Lots 2, 3, 69, and 70), to a sponsor to be selected by the Department of Housing Preservation and Development, is approved (C 070308 HAM).

The above resolution (C 070308 HAM), duly adopted by the City Planning Commission on May 9, 2007 (Calendar No. 23) is filed with the Office of the Speaker, City Council, and the Borough President in accordance with the requirements of Section 197-d of the New York City Charter

AMANDA M. BURDEN, AICP, Chair ANGELA M. BATTAGLIA, IRWIN G. CANTOR, P.E., ANGELA R. CAVALUZZI, R.A.,ALFRED C. CERULLO, III, BETTY Y. CHEN, RICHARD W. EADDY, LISA A. GOMEZ, NATHAN LEVENTHAL, JOHN MEROLO, KAREN A. PHILLIPS, DOLLY WILLIAMS, Commissioners