



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
www.manhattanbp.nyc.gov

Gale A. Brewer, Borough President

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Recommendation on ULURP Application ULURP No. C 140263 ZSM – 155 Mercer Street

PROPOSED ACTION

RVART Owner LLC¹ (“the applicant”) seek a special permit pursuant to Section 74-711 of the Zoning Resolution (“ZR”) to modify use regulations of ZR §§ 42-00 and 42-14D(2)(a) to allow a Use Group 6 (retail and services uses) on the ground floor and cellar of an existing building at 155 Mercer Street, Block 513, Lot 28, (The Project Site), located in an M1-5A zoning district in the SoHo-Cast Iron Historic District, in Community Board 2, Manhattan.

Pursuant to ZR § 74-711, applicants may request a special permit to modify the use regulations of zoning lots that contain landmarks or are within Historic Districts as designated by the Landmarks Preservation Commission (“LPC”). In order for the City Planning Commission (“CPC”) to grant use modifications, the applicant must first meet the following conditions:

- 1) LPC has issued a report stating that the applicant will establish a continuing maintenance program for the preservation of the building and that such modification or restorative work will contribute to a preservation purpose;²
- 2) The application shall include a Certificate of Appropriateness, other permit, or report from LPC stating that such bulk modifications relate harmoniously to the subject landmark building in the Historic District³;
- 3) The maximum number of permitted dwelling units is as set forth in ZR § 15-111.⁴

Further, in order to grant a special permit, the City Planning Commission shall find that:

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

PROJECT DESCRIPTION

The applicant proposes the rehabilitation and restoration of a historic SoHo fire house, previously used as a dance studio, and conversion of the space to a single-tenant retail establishment. The proposed

¹ RVART Owner LLC is subsidiary of Thor Equities which is owned by Joseph J. Sitt

² The LPC voted to issue such a report on May 7, 2013.

³ The LPC issued a Certificate of Appropriateness on August 15, 2013 and no bulk modifications are being proposed in this application.

⁴ No dwelling units are being proposed in this application.

retail establishment is envisioned as a flagship store for a high-end brand, but no tenant has yet been identified. The currently vacant building sits within the SoHo-Cast Iron Historic District in an M1-5A zoning district in Community Board 2. The LPC designated the So-Ho-Cast Iron Historic District in 1973, citing it as the largest collection of intact and partial cast iron facades.

Area Context

The project site is located on Mercer Street, a narrow cobble stone street with one traffic lane and two parking lanes on either side. Over the last thirty years, the area's land use has shifted from light manufacturing to a mix of retail, office space, multi-family residential buildings, joint live-work quarters for artists, and community facilities. The area has evolved into a retail destination with larger national and international retail chains along Broadway and Houston Street and high end retailers on the side streets. 75 percent of the buildings on the block of the project site have existing ground floor retail. In addition, the area supports a significant mix of multi-family buildings and joint live-work quarters for artists (JLWQAs). One block north of the project site is a New York University (NYU) campus super block bounded by West Houston Street to the south, Bleecker Street to the north, Mercer Street to the east, and West Broadway to the west. The area is well served by public transit with subway access to the N and R lines at Prince Street and the B,D, F, M and 6 lines at Houston and Broadway. The M21 bus runs along Houston Street.

Site Description

The Project Site is a three story brick building built in 1854 at 155 Mercer Street (Block 513, Lot 28) in an M1-5A zoning district. M1-5A districts permit a maximum floor area ratio (FAR) of 5.0, with 6.5 for community facilities. Buildings are allowed a front wall height of 85 feet, after which buildings must set back 20 feet. In M1-5A zoning districts, only use groups 7, 9, 11, 16, 17A, 17B, 17C or 17E (generally wholesale, warehousing, and light industrial uses) are permitted below the second story. The Project Site has a lot area of 4,587 square feet and the building contains 15,998 gross square feet.

The building was built as a Fireman Hall by the New York Volunteer Fire Department and in the late 1800's was converted into FDNY headquarters and working station. Originally designed by the firm Field & Correja, the building was one of the first municipal buildings to have a decorative thematic façade, which included designs of hooks, ladders, and axes. Since the FDNY vacated the building in 1974, it has been owned and operated as a dance studio, art studio, mosque, and most recently by the Joyce Theater as a dance studio and office. The building is currently vacant.

Proposed Project

The applicant seeks a special permit pursuant to ZR § 74-711 to modify use regulations to allow Use Groups 6 (retail use) on the ground floor and cellar to permit a singular commercial retail tenant to lease all three floors and cellar. As part of this special permit application the project will incorporate a renovation of the ground floor street scape and the upper floor façade pursuant to LPC's regulations as well as a restrictive declaration between LPC and the applicant to ensure continued maintenance of the building. The approved renovation of the ground floor streetscape will include replacing the existing metal garage door with a single large display window and restoring the two building entrances. The approved plans include the restoration of the front façade and cornices.

In addition, portions of the interior mezzanine and third floor will be removed and an additional egress stair and elevator will be included in the building. These interior alterations will reduce the gross floor

area of the building to 14,589 square feet of gross floor area and 9,998 zoning square feet. The proposed project will not enlarge the building and no new structures will be added

COMMUNITY BOARD'S RECOMMENDATION

At its Full Board meeting on April 24, 2014, Manhattan Community Board 2 voted to recommend the approval of the application by unanimous vote of 38 in favor. The Community Board found the applicant met the preservation requirements of the § 74-711 Special Permit. Community Board 2 did express concerns that the proposed project would be just below the 10,000 zoning square feet maximum permitted. It also expressed concern that this application adds to the changing character of the retail sector of the neighborhood, replacing smaller businesses with larger scale flagship stores. Despite these concerns they found that the proposed project had minimal negative impact on the conforming uses in the surrounding area.

BOROUGH PRESIDENT'S COMMENTS

The conditions and findings have been met for the requested special permit. The applicant has presented a thorough restoration and maintenance plan for the ground floor and façade of the building. The building is not being enlarged and the request of Use Group 6 retail is an appropriate use for the SoHo neighborhood, which to a large extent has already undergone a transition to a mixed-use environment.

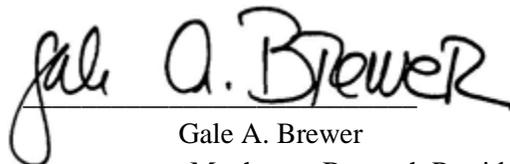
In addition, on March 17, 2014 the City Planning Commission issued a negative declaration report that determined that the proposed project would not have a significant effect on the surrounding environment. Finally the applicant does not propose to include any residential units in the proposed project but instead retain the building as a single commercial retail tenancy.

The Borough President does share Community Board 2's concerns that the proposed project is just under the zoning square footage necessary to be considered a large scale retail establishment and has concerns as to how the necessary loading of merchandise will impact the traffic and pedestrian flow on Mercer Street, which is a narrow side street. In addition, the proposed project lends itself to the trend of the transformation of the SoHo neighborhood into a large scale flagship store locality that has the potential to have a cumulative negative impact on transportation, the character of the neighborhood, quality of life, and the vitality of retail diversity.

These concerns notwithstanding, the applicant met the conditions and findings for the special permit requested pursuant to ZR § 74-711.

BOROUGH PRESIDENT'S RECOMMENDATION

Therefore, the Manhattan Borough President recommends approval of ULURP Application No. 140263 ZSM



Gale A. Brewer
Manhattan Borough President