



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

January 17, 2014

Recommendation on
ULURP Application No. 140069 ZSM – 104-110 Greene Street
by Goldman Properties

PROPOSED ACTION

Goldman Properties¹ (“the applicant”) seeks approval for a **special permit pursuant to Section 74-781** of the New York City Zoning Resolution (“ZR”) to modify the use regulations of ZR § 42-14(D)(2)(a) to allow Use Group 6 (retail and service uses) on the ground floor and cellar of an existing building located at 104-110 Greene Street, Block 499, Lots 7, within an M1-5A zoning district in the SoHo neighborhood of Manhattan Community District 2.

In order to grant the special permit, the City Planning Commission (“CPC”) must find that the owner of the space, or a predecessor in title, has made a good faith effort to rent the space to a permitted use at a fair market rate. Such efforts shall include, but not be limited to, advertising in local and citywide press, listing the space with brokers, notifying the New York City Office of Economic Development, and informing local and citywide industry groups. These efforts must have been actively pursued for a period of no less than six months for buildings under 3,600 square feet, and for one year for buildings over 3,600 square feet, prior to the date of the application for a special permit.

PROJECT DESCRIPTION

The applicant seeks approval to allow Use Group 6 uses on the ground floor and cellar of an existing 13-story mixed-use building at 104-110 Greene Street. The CPC approved a special permit pursuant to ZR § 74-782 in 1985 for the creation of 24 joint Live-Work Quarters for Artists (“JLWQA”) on select upper floors of the site (C 830491 ZSM) and again in 1991 pursuant to ZR § 74-781 to convert portions of the first floor and cellar to retail use (C 910001 ZSM). The 1991 special permit excluded portions of the first floor and cellar, now under

¹ Goldman Properties is a family owned real estate development company established in 1968 and is currently managed by Janet Goldman and Jessica Goldman-Srebnick.

consideration, which were occupied by a tenant using the space for a viable conforming use, a photography lab.

The project site is located in the SoHo-Cast Iron Historic District, which was designated in 1973 and contains the world's largest collection of buildings with cast-iron façades. It is located on the east side of Greene Street between Prince and Spring streets. The immediate neighborhood includes residential, commercial, and a few industrial/manufacturing uses. Buildings in the area commonly consist of residential or JLWQA units on the upper floors and a mix of retail stores on the ground floor. The area to the north, south, and west of the site is zoned M1-5A, and east of the site is an M1-5B district. These districts allow a variety of manufacturing and some commercial uses as of right.

The building is located in an M1-5A zoning district, which does not allow Use Group 6 below the second story of any building as of right.² Use Group 6 allows retail and service establishments that serve local shopping needs. The building has a total of 169,711 SF, of which approximately 6,229 SF located on the cellar level and ground floor is proposed to be used for Use group 6. This space was occupied by a conforming use, a photo lab, until 2002 when the tenant discontinued and vacated the space.

Proposed Project

The applicant proposes to convert the first floor and cellar spaces formerly occupied by the photography lab into Use Group 6 spaces. The 3,232 SF cellar space will be taken over by the existing cellar tenant, a furniture store subject to the 1991 special permit. The first floor will be a retail space and core/circulation space totaling 2,997 SF designed for use by an art gallery tenant, though no tenant has been found for the space at this time.

Proposed Actions

A use modification in an M1-5A zoning district to allow Use Group 6 on the floors below the second level is permitted only after the CPC has found that a good faith effort was made to rent such space to a conforming use at a fair market rate. The applicant has provided documentation of advertisements in *The New York Times* and *The Villager* newspaper spanning over a period of a year. In addition, the site was listed on CoStar and mailed to industry groups and companies including but not limited to Federation of Apparel Manufacturers and Revere Dental Instruments and Boars Head. As reported by the applicant, despite these efforts, the applicant was unable to rent the space to a conforming use.

COMMUNITY BOARD RECOMMENDATION

At its Full Board meeting on December 19, 2013 Manhattan Community Board 2 ("CB2") recommended approval of this application by a vote of 36 in favor and none opposed. CB2 determined that the application included credible evidence that the owner had made the required

² 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 as of right below the second story of a building.

one year effort to rent the space for a conforming use. Finally, the Community Board requested that the site not be used for a eating and drinking use and asked that this prohibition be reflected in the terms of the CPC special permit.

BOROUGH PRESIDENT’S COMMENTS

The manufacturing areas within Manhattan’s SoHo neighborhood are undergoing, and to a large extent have already undergone, a transition to a mixed-use environment.

Community Board 2, while generally agreeable to this modification, believes that there is an over-saturation of food and drink establishments in the district and requested the applicant agree to a permanent ban on eating and drinking uses in this space. Food and drink establishments can contribute to the socioeconomic vitality of a district but do have unique quality of life impacts on the character of the neighborhood. Eating and drinking establishments can command high rents and can out-compete other, more neighborhood-oriented uses. For this reason they are not allowed as of right in M1-5A districts so as to encourage appropriate manufacturing uses. Though this special permit will allow uses other than manufacturing, it is important to consider the effect that a particular type of use in this space could have on surrounding uses. In CB2’s public land use meeting the applicant agreed to find an alternative use other than a food and drink establishment, and has confirmed that agreement to the Borough President’s office.

The applicant has shown that they have made a good faith effort to rent the space to a conforming use and that no eligible tenant was found. Generally, as long as all requisite findings are met, it is sound public policy to allow ground-floor uses that would enliven the streetscape or provide for the neighborhood’s local needs. It is important that the Commission monitor these changes and their effects carefully to ensure that as-of-right uses be given priority and specific use groups do not over-saturate the neighborhood’s growing mixed-use environment.

BOROUGH PRESIDENT’S RECOMMENDATION

The application for a use modification to allow Use Group 6 on the ground floor and cellar of an existing 13 story building at 104-110 Greene Street meets the required finding for the requested special permit, namely that the owner of the space has made a good faith effort to rent such space to a conforming use at fair market rate.

Therefore, the Manhattan Borough President recommends conditional approval of ULURP Application No. C 140069 ZSM, to grant a Special Permit pursuant to ZR § 74-781, contingent on the applicant following through on its commitment not to lease the space to a eating or drinking establishment.



Gale A. Brewer
Manhattan Borough President