September 17, 2014

Carl Weisbrod, Chair
City Planning Commission
22 Reade Street
New York, NY 10007

Re: 37 Great Jones Street
ULURP Application No. C 140114 ZSM
by DIB Management, Inc.

Dear Chair Weisbrod:

I write in regard to the application by DIB Management Inc. (“the applicant”) for a special permit pursuant to Section 74-711 of the Zoning Resolution (“ZR”) to modify use regulations in accordance with ZR § 42-14(D)(2)(b) to allow Use Group 6 (retail) uses on portions of the ground floor and cellar and with ZR § 42-00 to allow Use Group 2 (residential) uses on the second through sixth floors, with accessory residential uses on portions of the ground floor and cellar of an existing six-story building located at 37 Great Jones Street.

I submitted a recommendation for approval, dated September 8, 2014, to the Department of City Planning as part of the ULURP process. I was dismayed to learn this Monday from the Department of City Planning that the second floor of the subject property has been rented for a residential use, which is not permitted as of right. If this is the case, my recommendation was based on information that has now been rendered inaccurate by deliberate subsequent action of the applicant prior to the completion of ULURP. Even though the subject application would allow for the use to conform in the future, the public process is not complete. It is also of serious concern that the residential use was not analyzed as part of the EAS as an existing, as in pre-approval, non-conforming use. My approval was granted with the implicit understanding that no owner would so blatantly and completely disregard the public process in which they were currently engaged. We have to uphold the integrity of the ULURP process; someone cannot circumvent ULURP by deciding to assume approval before it is granted.

1 DIB Management, Inc. is managed by Roland Dib, Chairman, and Roger Dib, President.
Therefore, I respectfully request that you and the City Planning Commission consider disapproval of this application. The current facts and behavior of the applicant have affected my ability to rely on their stated commitments and I no longer recommend approval of the application.

Sincerely,

Gale A. Brewer
PROPOSED ACTION

DIB Management Inc.\(^1\) ("the applicant") seeks a special permit pursuant to Section 74-711 of the Zoning Resolution ("ZR") to modify use regulations in accordance with ZR § 42-14(D)(2)(b) to allow Use Group 6 (retail) uses on portions of the ground floor and cellar and with ZR § 42-00 to allow Use Group 2 (residential) uses on the second through sixth floors, with accessory residential uses on portions of the ground floor and cellar of an existing six-story building located at 37 Great Jones Street. The project site (Block 486, Lot 36) is located in an M1-5B zoning district within the NoHo Historic District Extension in Manhattan Community District 2.

ZR § 74-711 allows applicants to request a special permit to modify use and bulk regulations of zoning lots that either contain landmarks or existing buildings within Historic Districts designated by the Landmarks Preservation Commission ("LPC").

In order for the City Planning Commission ("CPC") to issue the special permit under ZR § 74-711, the applicant must satisfy three conditions:

1. The LPC has issued a report stating that the applicant has established a program for continuing maintenance that will result in the preservation of the subject building or buildings on the zoning lot, and that the proposed use or bulk modifications or restorative work required under this continuing maintenance program will contribute to a preservation purpose;
2. The application must include a Certificate of Appropriateness, other permit, or report stating that any bulk modifications will relate harmoniously to the subject landmark building or buildings in the Historic District; and
3. The maximum number of dwelling units permitted on the project site is to comply with requirements set forth in ZR § 15-111.

The CPC must also find that the applicant’s proposed use modifications have minimal adverse effects on the existing conforming uses within the subject building and in the surrounding area, and that bulk modifications have minimal adverse effects on other structures or open space in the vicinity.

PROJECT DESCRIPTION

The applicant seeks a special permit pursuant to ZR § 74-711 to permit Use Group 2 (residential) uses on floors two through six, as well as accessory residential uses on portions of the ground floor and cellar.

---

\(^1\) DIB Management, Inc. is managed by Roland Dib, Chairman, and Roger Dib, President.
Additionally, the applicant seeks to allow Use Group 6 (commercial) uses below the level of the second story on the ground floor and cellar. The building would have four rental apartments and a retail space accessed through existing garage doors on the first floor. The applicant has already found a tenant for the retail space, local clothing manufacturer and retailer Dear Rivington, who has signed a ten year lease with an option to renew for five years.

The project site is an approximately 2,365 square foot lot located on the south side of Great Jones Street between Lafayette Street and Bowery. The currently vacant six-story building is proposed to be repurposed. The structure is a utilitarian style garage and warehouse building with a brick façade that was constructed in 1918. Originally constructed as a five-story building, a sixth floor rooftop addition design was approved by LPC in 2013. The rooftop addition, which serves as the upper level of a duplex unit, was recently constructed pursuant to Department of Buildings-approved plans. The renovations were constructed pursuant to permits for conforming Use Group 9 (studio) on the cellar, first and second stories, and Use Group 17D (joint live-work quarters for artists) on the third through sixth floors. At the time of permitting, however, the applicant had made clear its intention to apply for the § 74-711 special permit. At the same time that the Certificates of Appropriateness were issued by LPC for the building renovations, LPC issued a report in support of this special permit application. As a part of this special permit application, the applicant is required to enter into a restoration and maintenance program for the subject building. The LPC found that the applicant has agreed to undertake façade work to restore the subject building and bring it to a sound, first-class condition.

The project site is located within an M1-5B zoning district, with R8B and C6-1 and C6-2 districts in the immediate vicinity. Permitted uses within M1-5B districts include light manufacturing, most commercial uses, and some community facility uses. The M1-5B zoning district has special restrictions for as-of-right uses below the second story including a restriction on Use Group 6 (local retail). Finally, quasi-residential uses in M1-5B zoning districts are permitted but restricted to joint living-working quarters for artists (“JLWQA”). The subject block is primarily developed with two- to eleven-story buildings used as lofts and JLWQA. These buildings contain a mix of residential, commercial, and arts-related industrial uses.

COMMUNITY BOARD’S RECOMMENDATION

At its Full Board meeting on July 24, 2014, Manhattan Community Board 2 (“CB2”) approved a resolution recommending approval, with conditions, of the application. In its resolution the Board recommended approval of the residential and commercial uses on the site. While the Board is typically wary of the conversion of artist residences to unrestricted residential units, CB2 noted in its resolution that because the space has never been occupied as Use Group 17D, its conversion in this case is appropriate. Consistent with the majority of use change applications in the area, the Board did request that the CPC and the City Council seek a restriction on future eating and drinking uses in building. The Board conditioned its recommendation of approval on the applicant presenting more detailed façade plans to the LPC and on the applicant not leasing residential space to non-artist uses until this application has been approved.

BOROUGH PRESIDENT’S COMMENTS

The special permit pursuant to ZR § 74-711 is a powerful tool that can be employed to modify use or bulk restrictions set out in the Zoning Resolution in order to make the ownership and maintenance of historic buildings less financially burdensome. In order to secure the waivers associated with this special permit, an applicant must ensure that the property will not only be properly rehabilitated, but also maintained in perpetuity.

2 Certificates of Appropriateness numbers 13-9071 and 13-9081 were issued January 30, 2013.
The applicant for 37 Great Jones Street is seeking to waive use requirements to allow for residential and retail occupancy of a currently vacant historic structure in the NoHo Historic District Expansion. The LPC has found that the applicant’s proposed restoration and maintenance plan will contribute to a preservation purpose that is worthy of allowing the applicant to request the use waiver from CPC. Further, the applicant has already undertaken significant restoration of the building based on recommendations from the LPC.

The use modifications proposed by the applicant are consistent with the uses in the Historic District surrounding the subject building. As a result, no significant adverse zoning impacts would result in the Historic District from the approval of the special permit. Furthermore, because the building is currently vacant there will be no adverse impact on existing occupants as a result of the requested use modifications.

While, generally, the applicant meets findings for the special permit pursuant to ZR § 74-711, the community board has raised concerns over a potential future conversion of the ground floor space to an eating or drinking use and have asked for restrictions to be put into place preventing this possibility. The applicant has already found a tenant for this space, however, that is consistent with the desires of the Community Board. The proposed clothing manufacturer and retailer is a locally-owned and operated small business that has signed a ten year lease with the applicant. The Borough President believes that this ten year lease and the applicant’s stated desire to find similar tenants in the future is sufficient.

BOROUGH PRESIDENT’S RECOMMENDATION

The applicant meets the conditions and findings for a special permit for a use modification pursuant to ZR § 74-711. The proposed uses are appropriate and will not adversely impact existing surrounding uses.

Therefore, the Manhattan Borough President recommends approval of ULURP application No. C 140114 ZSM.

Gale A. Brewer
Manhattan Borough President