

Borough President Recommendation

City Planning Commission
22 Reade Street, New York, NY 10007
Fax # (212) 720-3356

INSTRUCTIONS

1. Return this completed form with any attachments to the Calendar Information Office, City Planning Commission, Room 2E at the above address.
2. Send one copy with any attachments to the applicant's representative as indicated on the Notice of Certification.

Docket Description: C 170137 ZSM

IN THE MATTER OF an application submitted by 10 Greene Owner LLC pursuant to Sections 197-c and 201 of the New York City Charter for the grant of a special permit pursuant to Section 74-711 of the Zoning Resolution to modify the requirements of Section 42-14(D)(2)(b) to allow residential use (Use Group 2) on portions of the cellar and on the second through penthouse levels; and the use regulations of Section 42-14D(2)(b) to allow retail uses (Use Group 6) on ground floor and portions of the cellar of an existing 5-story building on property located at 10 Green Street (Block 230, Lot 13), in an M1-5B District, in the SoHo-Cast Iron Historic District, Borough of Manhattan, in Community District 2.

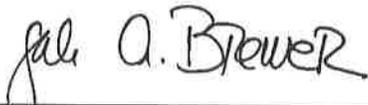
COMMUNITY BOARD NO: 2

BOROUGH: Manhattan

RECOMMENDATION

- APPROVE
- APPROVE WITH MODIFICATIONS/CONDITIONS (see attached)
- DISAPPROVE
- DISAPPROVE WITH MODIFICATIONS/CONDITONS (Listed below)

See Attached



BOROUGH PRESIDENT

March 20, 2017

DATE



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

March 17, 2017

**Recommendation on ULURP Application C 170137 ZSM – 10 Greene Street
By 10 Greene Owner LLC**

10 Greene Owner LLC (“the applicant”) seeks a special permit pursuant to Section 74-711 of the Zoning Resolution (“ZR”) to modify the use regulations to allow retail uses on the ground floor, portions of the cellar and residential uses on portions of the cellar and 2nd through penthouse levels of an existing 5-story building located at 10 Greene Street (Block 230, Lot 13) in an M1-5B district within 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;¹
- 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 District;²
- 3) The maximum number of permitted dwelling units is as set forth in ZR § 15-111.³

Further, in order to grant a special permit, the CPC must 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 seeks a special permit pursuant to ZR § 74-711 to allow residential use (UG2) on the cellar and 2nd through penthouse levels and commercial/retail use (UG6) on portions of the cellar and ground floor of an existing five-story cast-iron loft building. The applicant also

¹ The LPC issued a report to the City Planning Commission, MOU 18-2929, dated March 4, 2016.

² The LPC issued the Certificate of Appropriateness (COFA #18-2925) on March 4, 2016.

³ The proposal is for four residential units. This is below the maximum permitted number of dwelling units, 15, set forth in Section 15-111.

proposes a rooftop addition. The project will consist of 11, 680 square feet of UG2 floor area and 1,991 square feet of UG6 floor area.

The project site's lot area is 2,813 square feet and is located at 10 Greene Street within an M1-5B district which permits light manufacturing, commercial and community facility uses; joint-live work quarters for artists (JLWQA) are permitted as a light manufacturing use. Use Group 7, 9, 11, 16, 17A, 17B, 17C and 17D are permitted below the second story as-of-right. The manufacturing and commercial maximum floor area ratio (FAR) is 5.0 and the community facility FAR is 6.5. Retail use is not permitted as of right.

Background

The existing building was designed by J.B Snook in 1869 for a merchant of silk textiles, Thomas Lewis, in conjunction with 12 Greene Street as a store and loft building. By 1971, Meli Renting Corporation took ownership of the building and used it for manufacturing uses throughout the entire building for the next two decades. Between 1995 and 2006, the upper floors of the building were used as commercial space: office, art gallery/studio and architectural firms. The ground floor appears to have been used for commercial uses throughout this period. The subject building has never had a Certificate of Occupancy ("CofO") and no records were found to indicate occupancy by interim multiple dwelling ("IMD") or rent-stabilized tenants.

On March 4, 2016, the Landmarks Preservation Commission approved restorative work, construction of a two-story penthouse addition and installation of new storefront infill at the Greene Street façade. The approved work also includes: installation of new decorative cast iron elements at various locations, repainting the cast iron façade and fire escape white, installing new two-over-two double-hung windows, restoring cast iron vault light steps in kind, new metal shutters and reconstructing the historic sloped skylight at the first floor and replacing brick and pointing mortar in kind. The LPC found that the proposed work would not result in the loss or removal of any significant historic fabric and would return significant elements of the building to its historic appearance.

Area Context

The project site is located in a M1-5B zoning district in the SoHo-Cast Iron Historic District in Community District 2, Manhattan. The SoHo-Cast Iron Historic District was designated by the Landmark's Preservation Commission in 1973 as an effort to preserve the city's cultural and historic heritage of the brick, stone, mixed iron and masonry commercial construction of the post-Civil War period. The SoHo-Cast Iron Historic District consists of 26 blocks containing 500 buildings and is the largest concentration of full and partial cast-iron façades in the world. The district is bounded by West Houston Street, Crosby Street, Howard Street, Broadway, Canal Street and West Broadway. Immediately south of the site is the Tribeca East Historic District which was designated in 1992. This district includes cast-iron and masonry commercial store and loft buildings developed in the mid-19th and early 20th century when dry goods and textile trade thrived in the City.

The blocks along Greene Street generally consist of five to six-story buildings. Most of the buildings on the block have JLWQA on their CofO and function primarily as residential on the upper floors and commercial/office on the ground floor. There are also a number of retail

storefronts on the block corners and beginning midblock of Greene Street, retail is present. North of the site, beginning at Broome Street, is a M1-5A zoning district which also extends to the west along West Broadway. Further southwest of the site is a C6-2A zoning district at Avenue of The Americas.

The project site is served by the Canal Street stops on the N/Q/R/W subway stop located at the intersection of Canal Street and Broadway and the A/C/E subway line located at 6th Avenue and West Broadway. Citibike bicycle stations are located one block north and south of the site.

Proposed Actions

The applicant seeks a special permit pursuant to ZR § 74-711 to allow residential uses on portions of the cellar and second through penthouse levels and allow retail uses on the ground floor and portions of the cellar of an existing five-story building.

As described in the application materials, LPC's Certificate of Appropriateness and Certificate of No Effect reports, the proposed scope of work will ensure the building is maintained in a sound, first-class condition and reinforce the architectural and historic character of the building streetscape and the historic district.

COMMUNITY BOARD RECOMMENDATION

On February 16, 2017, Manhattan Community Board 2 ("CB2") recommended denial of the application by a vote of 23 in favor, 12 in opposition, and 1 abstention. CB2 stated the applicant should adhere to as of right development at the site by providing a JLWQA unit to maintain and support the artistic character of the neighborhood. The Board also expressed that the City Planning Commission ("CPC") should prescribe conditions and safeguards to the 74-711 special permit to allow UG6 on the ground floor only.

BOROUGH PRESIDENT'S COMMENTS

The special permit pursuant to ZR § 74-711 is a tool to modify use or bulk restrictions of the Zoning Resolution in order to make the ownership and preservation of historic buildings less financially burdensome. In order to grant the waivers associated with this special permit as a condition of approval, the applicant must ensure the property will be properly rehabilitated and maintained in perpetuity. The applicant for this special permit has undertaken significant restoration of the building based on recommendations from the Landmarks Preservation Commission and the restoration and maintenance plan will contribute to a preservation purpose. The findings under which this special permit may be granted, is that the modification must have a minimum impact on the conforming uses within the building and within the surrounding community.

Since shortly after taking office, I have repeatedly expressed concerns about the cumulative effects on the character of SoHo and NoHo from the application of this and other special permits to allow change in use. These special permits are repeatedly used to turn loft buildings into luxury condominiums with ground floor retail to "subsidize" the luxury housing or cost of restoration. Manufacturing and even non-manufacturing commercial use has steadily been

pushed out, JLWQA, a conforming residential use that used to provide a type of more affordable live/work space and contribute greatly to neighborhood character, has disappeared. The remaining units may rent upwards of \$10,000 a month. This makes no sense if there is less demand for these spaces; or is the goal a purposeful desire to keep these units vacant so as to justify conversion to market-rate residential.

Recognizing these trends, I requested two things in 2015: (1) a study by the Department of City Planning to study the current zoning framework; and (2) that the threshold to trigger Mandatory Inclusionary Housing be lowered to 10,000 square feet precisely so that these ultra-luxury loft conversions could result in the creation of some affordable housing. Despite commitments on both of these requests from DCP, we continue to be inundated with these land use applications and because neither of these commitments have come to fruition, we are left with very little recourse other than to repeatedly write recommendations expressing our frustration. Our office and the community have valid concerns about how these land use actions will continue to impact the landscape of the SoHo and NoHo neighborhood's without a comprehensive framework moving forward.

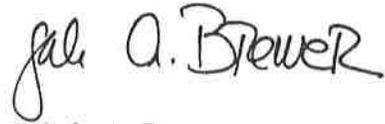
The applicant purchased the subject building in 2014 with the intention of converting to UG2 residential use and UG6 retail use given the overwhelming number of use change applications that have been approved in the SoHo and NoHo neighborhoods favoring these exact uses since the early 2000's. The block of the site consists of many commercial/office buildings with JLWQA uses on the upper floors, of which some are for rent, residential use and a number of non-conforming ground floor commercial retail uses. By early 2016, the subject building became entirely vacant after being used as office space for two architectural firms, two art galleries, two art studios, a personal office for the former owner and an office space for a bed and breakfast owner. The building was constructed for traditional manufacturing uses and has no history of JLWQA use on the upper floors.

Because of the building's history, this special permit does not involve the loss of JLWQA or other types of protected units. However, because of the situation CB2 and I find ourselves in, we understand and agree with their desire to require some use-based acknowledgement of the character that made SoHo what it is and indeed is the character still reflected in the current zoning for the neighborhood. The applicant has responded to CB2's request for a JLWQA unit but its materials demonstrate that such a unit may not, as the applicant claims, be financially or physically feasible. In a meeting between the applicant and my office, the applicant stated its willingness to work with non-profit artist organizations to host pop-up shops in the ground floor space and possible artisanal types of tenants. Indeed, the applicant has gone somewhat further and agreed to reach out to the Department of Cultural Affairs and the Economic Development Corporation's Made in NY program in an effort to locate cultural and creative organizations that might be appropriate for the ground floor and cellar space (see letter attached).

I believe this is something that DCP, the Department of Cultural Affairs and the Economic Development Corporation should be more formally pursuing and actively encouraging in all ground floor use change applications in the SoHo and NoHo neighborhoods.

BOROUGH PRESIDENT'S RECOMMENDATION

**Therefore, the Manhattan Borough President recommends approval of ULURP
Application NO. C 170137 ZSM.**

A handwritten signature in black ink that reads "Gale A. Brewer". The signature is written in a cursive style with a large, looped initial "G".

Gale A. Brewer
Manhattan Borough President

GOLDMANHARRIS LLC

Attorneys at Law

475 Park Avenue South
New York, New York 10016
www.goldmanharris.com

T. 212.935.1622
F. 212.935.2651
charris@goldmanharris.com

Caroline G. Harris

March 17, 2017

Via email info@manhattanbp.nyc.gov

Madam Borough President Gale Brewer
Manhattan Borough President
431 West 125th Street
New York, NY 10037

Re: 10 Greene Street, New York NY
Special Permit Pursuant to Section 74-711
DCP Project No. P2015M0502

Dear Madam Borough President Brewer:

I am writing to advise you that 10 Greene Owner LLC is committed to exploring with the Department of Cultural Affairs and the New York City Economic Development Corporation "Made in New York" project the renting of the ground floor space to an appropriate tenant.

Very truly yours,



cc: Atit Javeri