IN THE MATTER OF an application submitted by 62 Green Owners Corporation 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 use regulations of Section 42-14D(2)(a) to allow retail uses (Use Group 6) on portions of the ground floor and cellar of an existing 5-story building occupying more than 3,600 square feet of lot area, on property located at 62 Greene Street (Block 485, Lot 3) in an M1-5A District, within the SoHo Cast-Iron Historic District, Borough of Manhattan, Community District 2.

COMMUNITY BOARD NO:  2
BOROUGH: Manhattan

RECOMMENDATION

☐ APPROVE
☒ APPROVE WITH MODIFICATIONS/CONDITIONS (see attached)
☐ DISAPPROVE
☐ DISAPPROVE WITH MODIFICATIONS/CONDITIONS (Listed below)

See Attached

[Signature]
BOROUGH PRESIDENT

May 19, 2017
DATE
May 19, 2017

Recommendation on ULURP Application C 170280 ZSM – 62 Greene Street
By 62 Green Owners Corporation

PROPOSED ACTIONS

62 Greene Owners Corporation¹ (“the applicant”) seeks a special permit pursuant to Section 74-711 of the Zoning Resolution (“ZR”) to modify the use regulations to allow retail use on portions of the ground floor and cellar floors of an existing 5-story building located at 62 Greene Street (Block 485, Lot 3) in an M1-5A 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;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 District;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 commercial/retail (Use Group 6) on portions of the ground floor and cellar of an existing 5-story stylized Classical style store building.

¹ 62 Greene Owners Corporation is comprised of four shareholders, artists and their partners, who occupy the four Class A Multiple Dwelling units at this property.
² The LPC issued a report, MOU (#19-5877) dated December 7, 2016.
³ The LPC issued the Certificate of No Effect (#19-5859) on December 9, 2016.
The project site’s lot area is 4,800 square feet, built with 22,843 square feet of floor area and a floor area ratio (FAR) of 4.76. The applicant proposes a change of use for a total of 6,102 square feet of floor area from light commercial/manufacturing use (Use Group 16) to commercial retail (Use Group 6). This includes 4,073 square feet on the first floor and 2,029 square feet of storage space in the cellar. The applicant proposes no change of uses to the JLWQA storage space in the cellar, boiler room space, and JLWQA lobby. There are no proposed changes to the upper floors including interior alterations nor changes to the dwelling unit count.

The project site is located within an M1-5A district which permits light manufacturing, commercial and community facility uses; joint-live work quarters are permitted as a light manufacturing use. Use Group 3A, 4-14, 16, 17 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.

Background
The existing building was constructed as a store building for John Henderson in 1872. The building was designed by Henry Fernbach, a leading architect of cast-iron façades in the 1870s. The 1920 Certificate of Occupancy ("CofO") lists the ground floor use as a store and the upper floors as a factory use. In 1974, three of the four current artist-shareholders of the building purchased the building and by 1981, the four upper floors of the building became JLWQA, Class “A” Multiple Dwellings and occupied by Certified Artists.

From 1981 to the present, the CofO has listed the ground floor as Use Group 16 warehouse use and office. Since 2008, the ground floor of the building has been occupied by Trespa International’s Design Centre, which functions as the lead showroom for the architectural material company with exhibits and events. By 2012, the company relocated their North American headquarters from California to the building with offices in the cellar. The company will vacate the building by November 30, 2017.¹

On December 7, 2016 the Landmarks Preservation Commission approved restorative work to restore the building to a sound, first class condition, including restoration to the storefront, repair of the street façade, and maintenance to the rear masonry façade.

Area Context
The project site is located in an M1-5A 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.

¹ Within the Discussion of Findings in the application packet, the applicant states the tenant is not renewing its lease and will vacate when the current lease ends in June 2017. However, at a meeting with one of the building shareholder’s on May 9, 2017, it was stated the tenant’s lease was extended to November 30, 2017.
The project site is bounded by Spring Street to the north, Mercer Street to the east and Broome Street to the south. The block consists primarily of three to six-story commercial/office buildings with Jlwqa units, Interim Multiple Dwellings or commercial office and light manufacturing on the upper floors. Most of the buildings along this street also contain retail frontage including several clothing boutiques, furniture showrooms and a fine art gallery. South and east of the site there is an M1-5B zoning district that is bordered by Broome Street to its north, Mercer Street to its east, and Canal Street to its south.

The project site is served by the Spring Street No. 6 subway line located at Broome Street and Lafayette Street just four blocks east and the B/D/F/M subway line is located three blocks north at East Houston Street and Crosby Street. Citibike bicycle stations are also located one block south at Grand Street and Greene Street and one block north of the site at Mercer Street and Spring Street.

**Proposed Actions**

The applicant seeks a special permit pursuant to ZR § 74-711 to modify use regulations to permit retail use (UG 6) on portions of the ground floor and cellar of an existing 5-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. The approved work also includes: replacement of the upper stories’ windows to historic two over two, repair of metalwork on the west façade and fire escape; scraping and repainting the west façade and fire escape to match the historic finishes; replacement of deteriorated and modern sashes; installing sashes with frosted glazing; replacement of metal doors at the window openings adjacent to the fire escape; realignment of doors to be square in their openings; removal of abandoned HVAC equipment; replacement of deteriorated brickwork; scraping and repainting of vault covers and cleaning the facades and sidewalk. The LPC found the proposed restorative work would return the building closer to its historic appearance and would reinforce the architectural and historic character of the building and the SoHo-Cast Iron Historic District.

**COMMUNITY BOARD RECOMMENDATION**

On April 21, 2017, Manhattan Community Board 2 (“CB2”) recommended approval of the application by a vote of 33 in favor, 1 in opposition, and 0 abstentions. CB2 stated their approval of this application is with the condition there is no eating and drinking retail tenant.

**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 proposed significant
restoration work of the building and the Landmarks Preservation Commission has determined that 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. However, this building’s occupancy and use history does not raise many of the concerns to which this office has become so sensitive to in other cases such as the loss of Joint Live Work Quarters for Artists (JLWQA) or other types of protected units. These special permits are typically used to turn loft buildings into luxury condominiums with ground floor retail to subsidize the costs of restoration but the purpose of this application is to help ensure these certified artists and their partners can remain in their units while covering the cost of necessary restorative work. In keeping with the purpose of this special permit, the use change for the first floor and cellar level will actually allow for the preservation of the building structure and use by and for certified artists and their families. Additionally, the physical structure was purposely built for retail use and both the designation report, certificates of occupancy, and history of the building conclude that a form of retail use has been present for most of the building’s existence.

In a meeting between the applicant and my office, one of the shareholders stated that not only has it been difficult to attract a conforming user at the price necessary to sustain the building, but that a potential tenant withdrew after being lured by a developer of a neighboring building a few blocks away who was offering a monetary incentive. The shareholder indicated that the cooperative association, made up of certified artists or their family members, is not in a position to offer financial incentives or build out space for tenants. However, the shareholder stated her desire to have a tenant within context of the existing character along Greene Street and a willingness to work with non-profit artist organizations and reach out to the Department of Cultural Affairs and the Economic Development Corporation’s Made in NY program in an effort to connect with cultural and creative organizations that might be appropriate for the ground floor and cellar space (see attached letter).

I still have concerns about how these land use actions will continue to impact the landscape of the SoHo and NoHo neighborhood’s without a holistic, comprehensive framework moving forward but this application 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 and the restoration of the building’s significant features will ensure that another building in the historic district is maintained in perpetuity.

BOROUGH PRESIDENT’S RECOMMENDATION

Therefore, the Manhattan Borough President recommends approval of ULURP Application No. C 170280 ZSM under the condition that no eating and drinking establishment occupy the ground floor and/or cellar space; and under the condition that the applicant make a serious effort to work with the Department of Cultural Affairs and
the Economic Development Corporation’s Made in NY program to connect with cultural and creative organizations that might be appropriate for the ground floor and cellar space.

Gale A. Brewer
Manhattan Borough President
May 10, 2017

Via email info@manhattanbp.nyc.gov

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

Re: 62 Greene Street, New York, NY
     Special Permit Pursuant to Section 74-711
     DCP Project No. P2015M0282

Dear Madam Borough President Brewer,

I am writing to advise you that 62 Greene Owners Corp. ("Owner") is committed to exploring the New York City Economic Development Corporation’s "Made in NY" program in order to try to rent the ground floor space to an artistic or creative tenant appropriate for the Owner, and will direct its real estate broker to contact EDC for that purpose.

Very truly yours,

[Signature]

cc: B. Gerhards
    J. Caras
    E. Baptiste
    A. Aycock
    E. Searles