Marisa Lago, Chair
City Planning Commission
120 Broadway, 31st Floor
New York, NY 10271

Re: N 180349 ZRY – M1 Hotel Text Amendment by the New York City Department of City Planning

Dear Chair Lago:

I write in support of the Department of City Planning’s (DCP) application for an amendment of the Zoning Resolution (“ZR”) of the City of New York to establish a new Special Permit under the jurisdiction of the City Planning Commission for new hotels in light manufacturing (M1) districts citywide. The proposed text amendment was put forth in order to reduce hotel development in M1 districts and accommodate other commercial uses, protect industrial uses from market forces that encourage hotel development, and facilitate the discussion of more desirable uses in mixed-use M1 districts.

I support these goals and I applaud the time and consideration the City took to study and address the issue of hotel proliferation. I have a few concerns that are outlined below, but I believe communities will benefit from the proposed text amendment. It provides them with a clear framework to determine the appropriate use of their light manufacturing districts.

I have taken into account the Manhattan Borough Board resolution recommending approval with conditions, issued on June 28, 2018; all of the Manhattan Community Board resolutions; and all relevant materials provided by the Department of City Planning pursuant to Section 201 of the New York City Charter as related to the text amendment N 180349 ZRY.

BOROUGH PRESIDENT RECOMMENDATION
Industrial areas have become prime targets for hotel development city-wide. In their current form, hotels have found these areas rich with benefits especially in mixed-use M1 districts. As a result, New York City has seen a proliferation of hotel development in M1 zoning districts. As noted in the Draft Environmental Impact Statement (DEIS), a saturation of hotel development in M1 districts hinders the City’s ability to ensure that there are sufficient opportunities to support industrial, commercial, and residential growth. As a result, it is more difficult to support
good paying jobs, new housing development, and business operations in the city’s remaining industrial areas. This proposal is intended to reduce the number of hotels developed in M1 districts so that the city can better support the demand for commercial space, and protect industrial uses from market forces that encourage hotel development, which is occurring at the expense of more desirable uses in M1 use districts.

These are, for example, better suited for local services, much needed offices, and in some instances, homes. The proposed action would give the city and the community the opportunity to determine whether a hotel makes sense at a specific site, and provide an opportunity for careful consideration of other uses that meet a community’s needs.

The DEIS accurately identifies West 28th Street between Sixth and Seventh Avenues as an example of hotel oversaturation in a mixed-use district. Characterized by mixed commercial uses, it has seen three hotel developments in recent years. This proposal will curb further development, enabling similar neighborhoods to plan and prioritize for local needs.

The City’s proposal is also supported by the fact that hotels in active industrial areas have potential to create conflict between industrial uses and hotel guests and employees, and to harm industrial productivity. Additionally, hotels that stand ten-stories tall disrupt and disfigure the contextual zoning of industrial areas characterized by one and two story buildings.

While acknowledging the benefits of this text amendment, Community Boards have also expressed their dismay toward the City’s own exemption from the special permit. The amendment allows the City to continue as-of-right development of transient hotels for a public purpose in these districts. The City has responded by saying it has a legal obligation to provide shelter to all eligible persons, and the flexibility in zoning that permits temporary housing in all M1 districts can be used to increase capacity to meet the demand. However, this exemption has the potential to create issues of equity if low-income communities are asked to shoulder a disproportionate number of shelters and related facilities than higher-income neighborhoods unlikely to be subject to changes in M1 districts. If the City is unwilling to require a special permit for transient hotels for a public purpose in M1 districts, it must also adopt criteria for ensuring a fair distribution of these facilities, and require a meaningful review process for every such development.

At the Scoping Hearing related to this text amendment on October 26, 2017, I asked that the City study the effects of spill over from M1 districts to adjacent districts in the Borough of Manhattan. I also requested that the City consider the benefits of broadening the scope of the hotel special permit to all of Manhattan below 59th Street. According to the DEIS, DCP conducted an analysis to determine where shifts in hotel development from M1 to commercial mixed-use districts are most likely. They concluded that hotels will shift to the mixed-use areas
once they no longer operate as-of-right. However, hotel development in some of these areas is not expected to significantly alter patterns of development in any one community. I am concerned that these conclusions are based on assumptions that may prove to be false over time. And unfortunately, affected communities will have no mechanism in place to respond. If it is true that the city is looking into expanding hotel special permits in other districts, I urge DCP to move quickly before the problem arises. For the time being, DCP must monitor those areas where hotels will continue to be permitted as-of-right to ensure that they do not become oversaturated or displace other essential uses. This is especially important for areas adjacent to districts where a special permit will be required.

I want the healthy grit of the city’s industrial areas to be preserved, and I commend DCP for working to ensure this. The DEIS contains compelling evidence that hotels will continue to locate in manufacturing districts and threaten such uses. Our manufacturers face many challenges, and competing with hotel chains shouldn’t be one of them.

While I approve of the proposed text amendment, I feel it does not go far enough. I believe the findings required to qualify for this proposed special permit should be strengthened so that the City Planning Commission (CPC) can consider whether a hotel use presents a conflict with existing uses regardless of potential mitigation; whether there is already oversaturation of hotels in a given area; and require that proposed uses be consistent with the character and context of the neighborhood.

My staff and I are grateful for the thoughtful work done by DCP and its understanding of the need for this text amendment. We hope our recommendations will contribute to our shared goal of preserving the industrial character of the city, protecting good paying jobs, and encouraging balanced, community-based growth.

Sincerely,

Gale A. Brewer
Manhattan Borough President