

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.

Applications: C 170361 ZMM, N 170362 ZRM, C 170363 HAM, C 170364 PQM, C 170365 ZSM, C 170366 ZSM, C 170367 ZSM, and N 170368 ZCM - Sendero Verde - East 111th Street

Docket Description:

C 170361 ZMM

IN THE MATTER OF an application submitted by NYC Department of Housing Preservation and Development pursuant to Sections 197-c and 201 of the New York City Charter for the amendment of the Zoning Map, Section No. 6b:

1. eliminating from within an existing R7-2 District a C1-4 District bounded by:
 - a. East 112th Street, a line 100 feet easterly of Madison Avenue, East 111th Street, and Madison Avenue; and
 - b. East 112th Street, the westerly boundary line of the New York Central Railroad right-of-way, East 111th Street, and a line 100 feet westerly of Park Avenue;
2. changing from an R7-2 District to an R9 District property bounded by East 112th Street, the westerly boundary line of the New York Central Railroad right-of-way, East 111th Street, and Madison Avenue; and
3. establishing with the proposed R9 District a C2-5 District bounded by
 - a. East 112th Street, a line 100 feet easterly of Madison Avenue, East 111th Street, and Madison Avenue; and
 - b. East 112th Street, the westerly boundary line of the New York Central Railroad right-of-way, East 111th Street, and a line 100 feet westerly of Park Avenue;

In the East Harlem neighborhood, Community District 11, Borough of Manhattan.

(See Continued)

COMMUNITY BOARD NO: 11

BOROUGH: Manhattan

RECOMMENDATION

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

EXPLANATION OF RECOMMENDATION – MODIFICATION/CONDITIONS (Attach additional sheets if necessary)

See Attached


BOROUGH PRESIDENT

August 2, 2017
DATE

N 140182 ZRM

IN THE MATTER OF an application submitted by NYC Department of Housing Preservation and Development pursuant to Section 201 of the New York City Charter, for the grant of a city planning commission certification pursuant to Section 32-345 of the Zoning Resolution to waive the requirement that a minimum of 50 percent of a building wall facing upon a wide street be occupied by commercial use at the ground level within Community District 11, Borough of Manhattan.

C 170363 HAM

IN THE MATTER OF an application submitted by NYC Department of Housing Preservation and Development (HPD)

1) Pursuant to Article 16 of the General Municipal Law of New York State for:

- a) Designation of property located on the block generally bounded by East 111th Street, Park Avenue, East 112th Street and Madison Avenue (Block 1617, Lots 20, 22, 23, 25, 28, 29, 31, 33, 35, 37, 38, 39, 40, 41, 42, 43, 45, 46, 48, 50, 51, 52, 53, 54, 121 and 122), as an Urban Development Action Area; and
- b) An Urban Development Action Area Project for such area; and
- c) Pursuant to Section 197-c of the New York City Charter for the disposition of such property to a developer to be selected by HPD;

to facilitate the development of large scale development consisting of three mixed-use buildings with commercial and community facility uses on the lower levels, a total of approximately 655 affordable dwelling units on the upper levels and community gardens, in the East Harlem neighborhood, Community District 11, Borough of Manhattan.

C 170364 PQM

IN THE MATTER OF an application submitted by the Department of Housing Preservation and Development pursuant to Section 197-c of the New York City Charter, for acquisition of property generally located on the block generally bounded by East 111th Street, Park Avenue, East 112th Street, and Madison Avenue (Block 1617, Lots 22, 35, 121, 122 and parts of Lots 23, 25, 28, 37) for use as passive recreation space and community gardens, in the East Harlem neighborhood, Community District 11, Borough of Manhattan.

C 170365 ZSM

IN THE MATTER OF an application submitted by the Department of Housing Preservation and Development (HPD) pursuant to Section 197-c and 201 of the New York City Charter for the grant of a special permit pursuant to Section 74-743 of the Zoning Resolution to modify the height and setback requirements of Sections 23-64 (Basic Height and Setback Requirements), 23-65 (Tower Regulations), 23-651 (Tower-on-a-base) and the rear yard requirements of Sections 24-33 (Permitted Obstructions in Required Yards or Rear Yard Equivalents) and 24-382 (Require Rear Yard Equivalents), in connection with a proposed mixed use development, within a large scale general development, on property generally bounded by East 112th Street, Park Avenue, East 111th Street and Madison Avenue (Block 1617, Lots 20, 22, 23, 25, 28, 29, 31, 33, 35, 37, 38, 39, 40, 41, 42, 43, 45, 46, 48, 50, 51, 52, 53, 54, 121 and 122) in R9 and R9/C2-5* Districts, in the East Harlem neighborhood, Community District 11, Borough of Manhattan.

C 170366 ZSM

IN THE MATTER OF an application an application submitted by the Department of Housing Preservation and Development (HPD) pursuant to Section 197-c and 201 of the New York City Charter for the grant of a special permit pursuant to Section 74-744(b) of the Zoning Resolution to modify the use location requirements of Section 32-421 (Location of commercial uses) to allow Use Group 6 uses on portions of the third floor of a proposed building (Building A), in connection with a proposed mixed use development, within a large scale general development, on property generally bounded by East 112th Street, Park Avenue, East 111th Street and Madison Avenue (Block 1617, Lots 20, 22, 23, 25, 28, 29, 31, 33, 35, 37, 38, 39, 40, 41, 42, 43, 45, 46, 48, 50, 51, 52, 53, 54, 121 and 122) R9/C2-5* District, in the East Harlem neighborhood, Community District 11, Borough of Manhattan.

C 170367 ZSM

IN THE MATTER OF an application an application submitted by the Department of Housing Preservation and Development (HPD) pursuant to Section 197-c and 201 of the New York City Charter for the grant of a special permit pursuant to Section 74-532 of the Zoning Resolution to waive all required accessory residential off-street parking spaces, in connection with a proposed mixed use development, within a large scale general development, in the Transit Zone, on property generally bounded by East 112th Street, Park Avenue, East 111th Street and Madison Avenue (Block 1617, Lots 20, 22, 23, 25, 28, 29, 31, 33, 35, 37, 38, 39, 40, 41, 42, 43, 45, 46, 48, 50, 51, 52, 53, 54, 121 and 122) in R9 and R9/C2-5* Districts, in the East Harlem neighborhood, Community District 11, Borough of Manhattan.



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Gale A. Brewer, Borough President

August 2, 2017

Recommendation on ULURP Application Nos. C 170361 ZMM, N 170362 ZRM, C 170363 HAM, C170364 PQM, C 170365 ZSM, C 170365 ZSM, C 170366 ZSM, C 170367 ZSM, and N 170368 ZCM - Sendero Verde – East 111th Street by The New York City Department of City Planning

PROPOSED ACTIONS

The New York City Department of Housing Preservation and Development (“HPD” or “the Applicant”) is seeking approval of several actions to facilitate the development of three mixed-use buildings, ranging from 10 to 37 stories (including bulkheads), containing a total of approximately 655 residential units, approximately 32,194 square feet of commercial space, and approximately 142,185 square feet of community facility space (“Proposed Project”) on Block 1617, generally bounded by Park Avenue, East 111th Street, Madison Avenue, and East 112th Street within the East Harlem neighborhood of Manhattan, Community Board 11.

The actions include: 1) rezoning of the project area from R7-2/C1-4 to R9/C2-5; 2) a zoning text amendment to designate the Project Area as a Mandatory Inclusionary Housing Area (MIHA); 3) a UDAAP area designation and project approval along with a disposition of City-owned property; 4) an acquisition of a designated area within the project area by the City for community garden use and publically accessible path; 5) a special permit from the City Planning Commission (CPC), pursuant to Zoning Resolution (ZR) §74-743, to modify the bulk regulations within a Large Scale General Development (LSGD) to modify height and setback restrictions and yard requirements applicable to the Proposed Project; 6) a special permit from the CPC, pursuant to ZR §74-744(b), to allow commercial use above the level of the second story in a mixed-use building contrary to the provisions set forth in the ZR §32-42 and §32-435 (c); 7) a special permit from the CPC, pursuant to ZR §74-532, to waive 129 accessory off-street parking spaces required in connection with non-income restricted dwelling units within the Proposed Project and 8) a certification from the CPC pursuant to ZR §32-495 to waive the requirement that a minimum of 50 percent of a building wall facing upon a wide street shall be occupied at the ground level by commercial uses.

Zoning Map Change and Text Amendment

In evaluating these land use actions, the office of the Manhattan Borough President must consider if the proposed language meets the underlying premise of the Zoning Resolution of promoting the general health, safety and welfare of the neighborhood in which this project is being proposed and whether the development would be appropriate to the neighborhood. Any changes to the zoning map should be evaluated for consistency and accuracy, and given the land use implications, appropriateness for the growth, improvement and development of the

neighborhood and borough. In evaluating the text amendment, this office must consider whether the amendment is appropriate and beneficial to the community and consistent with the goals of the Mandatory Inclusionary Housing (“MIH”) program.

Urban Development Action Area and Urban Development Action Area Project

City-owned properties that are no longer in use or are in deteriorated or deteriorating condition are eligible to be designated as UDAA and UDAAP, pursuant to the Urban Development Area Act (Article 16 of the State General Municipal Law). UDAA and UDAAP provide incentives for private entities to correct substandard, unsanitary and/or blighted conditions. According to New York State General Municipal Law § 694(4), to receive a UDAA and/or UDAAP designation the City Planning Commission and the City Council must find that:

- a) the present status of the area tends to impair or arrest the sound growth and development of the municipality;
- b) the financial aid in the form of tax incentives, if any, to be provided by the municipality pursuant to [the tax incentives provisions of the Urban Development Action Area Act]... is necessary to enable the project to be undertaken; and
- c) the area designation is consistent with the policy and purposes [of the Urban Development Action Area Act].

Section 197-c of the New York City Charter mandates that the disposition of all City-owned real property (other than the lease of office space) be subject to the Uniform Land Use Review Procedure (“ULURP”). While no specific findings must be met to make a property eligible for disposition under Section 197-c, Section 1802(6)(j) of the Charter limits HPD to the disposition of residential real property.

Site Selection

HPD requests, pursuant to Section 197-c of the New York City Charter, the acquisition of property generally located on Block 1617 for use as passive recreation space and community gardens.

Special Permit pursuant to §74-743 of the Zoning Resolution (“Large-Scale Special Permit”)

In accordance with the provisions set forth in Chapter 4 of the Zoning Resolution, the City Planning Commission may, after public notice and a hearing, grant a special permit for modifications of the use or bulk regulations of the Zoning Resolution, provided that, for each modification, the conditions that must be addressed prior to granting the special permit are met.

For any LSGD, the Commission may permit special rules and deviations from the parameters of the ZR for distribution of floor area, distance between buildings, the distribution of units, lot coverage and total required open space, all of which are subject to specific limitations outlined in the ZR. In order to grant a special permit, under §74-743 (b)¹ the Commission shall find that:

¹ Under §74-743(b), the findings under Sections 74-743 (b)(3), 74-743(b)(5) – (9) are not applicable for the proposal under consideration. Findings are applicable based on proposal location and the scope of waivers or encroachments requested to facilitate the development or enlargement.

- 1) the distribution of floor area, open space, dwelling units, rooming units and the location of buildings, primary business entrances and show windows will result in a better site plan and a better relationship among buildings and open areas to adjacent streets, surrounding development, adjacent open areas and shorelines than would be possible without such distribution and will thus benefit both the occupants of the large scale general development, the neighborhood and the City as a whole;
- 2) the distribution of floor area and location of buildings will not unduly increase the bulk of buildings in any one block or unduly obstruct access of light and air to the detriment of the occupants or users of buildings in the block or nearby block or of people using the public streets;
- 4) considering the size of the proposed large-scale general development, the streets providing access to such large-scale general development will be adequate to handle traffic resulting therefrom;
- 10) a declaration with regard to ownership requirements in paragraph (b) of the large-scale general development definition in Section 12-10 (DEFINITIONS) has been filed with the Commission; and
- 11) where the Commission permits floor area distribution from a zoning lot containing existing light industrial buildings to be demolished in accordance with the provisions of paragraph (a)(12) of this Section, such floor area distribution shall contribute to better site planning of the waterfront public access area and shall facilitate the development of affordable housing units within a large-scale general development.

In addition, pursuant to §11-42(c) of the Zoning Resolution, for a phased construction program of a multi-building complex, the Commission may, at the time of granting a special permit, require additional information, including but not limited to a proposed time schedule for carrying out the proposed large-scale general development, a phasing plan showing the distribution of bulk and open space and, in the case of a site plan providing for common open space, common open areas or common parking areas, a maintenance plan for such space or areas and surety for continued availability of such space or areas to the people they are intended to serve.

The Commission may also prescribe additional conditions and safeguards to improve the quality of the large-scale general development and to minimize adverse effects on the character of the surrounding area.

Special Permit pursuant to §74-744(b) of the Zoning Resolution (“Stacking Special Permit”)

For any LSGD, the Commission may permit residential and non-residential uses to be arranged within a building without regard for the regulations set forth in §32-42 provided the Commission shall find that:

- 1) the commercial uses are located in a portion of the mixed-use building that has separate access to the outside with no opening of any kind to the #residential# portion of the building at any story;
- 2) the commercial uses are not located directly over any story containing dwelling units; and

- 3) the modifications shall not have any adverse effect on the uses located within the building.

Special Permit pursuant to §74-532 of the Zoning Resolution (“Parking Waiver Special Permit”)
The applicant is also seeking a special permit, pursuant to §74-532 of the ZR, to waive up to 129 accessory off-street parking spaces required in connection with up to 322 units of affordable housing made available to families earning over 80 percent AMI within the proposed development.

The CPC may, in conjunction with an application for a large-scale residential development or large-scale general development in the Transit Zone seeking a bulk modification, reduce or waive the number of required accessory residential off-street parking spaces, including any spaces previously required for an existing building on the zoning lot, provided the Commission finds that:

- a) where the applicant is seeking a reduction of parking spaces required by §25-23 (Requirements Where Group Parking Facilities Are Provided), such reduction will facilitate the creation or preservation of income-restricted housing units in such large-scale residential development or large-scale general development. Such finding shall be made upon consultation with the Department of Housing Preservation and Development;
- b) the anticipated rates of automobile ownership for residents of such large-scale residential development or large-scale general development are minimal and that such reduction or waiver is warranted;
- c) such reduction of parking spaces will not have undue adverse impacts on the residents, businesses or community facilities in the surrounding area, including the availability of parking spaces for such uses; and
- d) such reduction of parking spaces will result in a better site plan.

In determining the amount of parking spaces to reduce or waive, the CPC may take into account current automobile ownership patterns for an existing building containing residences on the zoning lot, as applicable. The Commission may prescribe additional conditions and safeguards to minimize adverse effects on the surrounding area.

Related to the ULURP approvals, the applicant also seeks a certification from the City Planning Commission to the Commissioner of Buildings pursuant to ZR §32-435 to waive or modify a street wall requirement if the Commission finds that such change will enhance the design quality of the street wall.

PROJECT DESCRIPTION

The Proposed Project includes the construction of three mixed-used buildings, the reconstruction and reassignment of footprint for four existing community gardens and a public path and interior open space. Part of the Development Site will be acquired by the City for use by the community gardens. Additionally the applicant proposes a zoning map amendment and zoning text

amendment for all of Block 1617, which includes the Project Site and two privately owned lots not included in the Proposed Project (Block 1617, Lots 21 and 34). The Project Site is within a larger Development Site for which the applicant is seeking an Urban Development Action Area (UDAA) and Urban Development Action Area Project (UDAAP) area designation for the development site.

Background

According to the NYC Department of Finance's Automated City Register Information System (ACRIS) the block and lots within the proposed development site all entered City stewardship, with a few exceptions, approximately between 1970 and 1980. That period overlapped with a wave of disinvestment and housing abandonment in low-income communities throughout the City. Rising costs and insecure economic cycles were especially punishing to vulnerable communities with older building stock. These conditions resulted in thousands of lots accumulating tax arrears, which sped up abandonment, and ultimately led to municipal ownership.²

Over time many community members advocated for community-centric planning to convert these underutilized and/or vacant spaces into positive contributions to the neighborhood. Strategies ranged from affordable housing to community centers. One specific example was the conversion of these spaces into community gardens and ball fields, as was the case with Block 1617.

The community gardens that have called this site home include Chenchita's Garden, Little Blue House Garden, Mission Garden, Friendly Garden, Villa Santurce, and Villa Santurce Jardinera. These represent some of the oldest community gardens in the City³. Under HPD control, community garden groups were allowed to sign multi-year interim license agreements, which gave them temporary use of the land. The ball field has been in active use by the East Harlem Little League at least since 1997.⁴

East 111th Street Community Visioning Sessions

In conjunction with goals set out by Mayor de Blasio's Housing New York Plan to create and preserve 200,000 affordable units, HPD took steps to begin planning for affordable housing on Block 1617. In February 2016, HPD, City Council Speaker Melissa Mark-Viverito, Manhattan Community Board 11 and the Office of the Manhattan Borough President convened community workshops to gather input on how to design a framework for future planning on this site.

² Breaking the Cycle of Abandonment, *Pioneer Institute - Better Government Competition No. 10* (2000) Retrieved from https://www1.nyc.gov/assets/hpd/downloads/pdf/bgc_winner.pdf

³ *Bill de Blasio adds affordable housing while preserving NYC's gardens*, *Daily News*, December 31, 2015. Retrieved from <http://www.nydailynews.com/news/politics/gonzalez-de-blasio-raze-gardens-affordable-housing-article-1.2482214>

⁴ *Ball Fields For Housing: A Trade-Off Is Contested*, *NY Times*, August 29, 1997. Retrieved from <http://www.nytimes.com/1997/08/29/nyregion/ball-fields-for-housing-a-trade-off-is-contested.html>

HPD collected the input into a “Community Visioning Report.” Below are the summary findings from the report⁵:

Programming

- Housing Types: Families, singles and young couples, seniors, and other supportive housing for those with special needs;
- Community Facility Types: Arts and cultural center, publicly accessible open space, active recreation facility, and other youth and workforce/economic development centers; and

Retail Types: Sit-down restaurant or cafe, affordable supermarket with healthy food options, and pharmacy; commercial uses in general should promote activity and enliven the street.

Affordability

- Rents affordable to a wide mix of household incomes, but prioritizing extremely low and very low income households;
- Strategies for affordability in perpetuity, such as community land trusts and non-profit ownership; and
- Options for homeownership.

Site Layout & Urban Design

- Maximize the number of affordable units, while respecting surrounding context;
- Create multiple buildings of varying scales with greater heights on the avenues;
- Buildings should incorporate setbacks;
- High quality design and green / sustainable features;
- Retail should be located on the avenues;
- Gardens should be located where there is access to adequate sunlight;
- Safety and security strategies should be prioritized on Park Avenue;
- Streetscape improvements, such as trees, benches, bike racks, and lighting, should be incorporated into the development and sidewalks; and
- Publicly-accessible open space (in addition to the four community gardens being incorporated into the new development).

Additional Considerations

- Local hiring initiatives, fair wages, and apprenticeship programs;
- Targeted marketing of new units to local residents and those that have been displaced from the neighborhood; and
- Willingness to work together with the community and gardeners, after developer selection.

A Request for Proposal (RFP) titled *SustainNYC* was released on May 23, 2016 outlining many of the parameters highlighted by meeting participants. The RFP also required responders to achieve

⁵ *East 111th Street Site Community Visioning Summary Report, Office of Neighborhood Strategies, NYC Department of Housing Preservation & Development*. April 25, 2016. Retrieved from <https://www1.nyc.gov/assets/hpd/downloads/pdf/community/e111-report-back.pdf>

other City policy goals such as the application of Passive House design. Language in the RFP asked responders to refer to other documents included as appendices so that they may identify other priorities. Those documents included the EHNP, the Community Visioning Report and a Community Garden Profiles and Priorities report drafted by the gardeners and staff from NYC Greenthumb.

East Harlem

The boundaries of East Harlem coincide with the boundaries of Manhattan Community Board 11. The Community District is generally bordered by East 96th Street to the south, East 132nd Street to the north, Fifth Avenue to the west and the FDR Drive and Randall's Island Park/Wards Island Park to the east. Additionally, CB 11 includes Thomas Jefferson Park, Marcus Garvey Park and Harlem River Park. As of 2016, East Harlem residents totaled approximately 122,434 residents with a median income of \$30,380, down 9 % from 2010.⁶ The area is characterized by multi-family residential and mixed residential/commercial properties (low to midrise multi-family walk-up and elevator).

East Harlem Neighborhood Plan

The East Harlem Neighborhood Plan ("EHNP" or "Plan") is a community-driven comprehensive roadmap for fostering smart growth in East Harlem. The process was led by City Council Speaker Melissa Mark-Viverito, Manhattan Community Board 11, Community Voices Heard (CVH) and our office in partnership with a 21-member steering committee of local stakeholders. Developing the plan was a two yearlong process with no less than eight large public meetings, approximately 40 policy discussions, numerous calls and meetings with city agencies and on-the-ground person-to-person survey collection. Representatives from mayoral agencies necessary for implementation of the plan, including DCP and HPD, were present at most meetings. This work resulted in a final report with over 260 key objectives and recommendations to ensure a stable and inclusive future for the neighborhood. The Steering Committee continues to meet on implementation of its recommendations.

The Plan acknowledges that this site is an active project within HPD's Manhattan pipeline, but it does not contain specific zoning recommendations for this full block site. According to the Plan's recommendations, all future rezonings should be done to ensure that 50 percent of the new housing on private and public rezoned sites is affordable to a variety of low- and moderate income levels. The Plan also recommends that 100 percent of units on public sites be permanently affordable, and that 20 percent of affordable units be set aside for those earning no more than 30 percent of AMI.

Other goals of the Plan relevant to this project are that affordable housing projects include:

⁶ Furman Center. *Manhattan Community Board 11 Profile. State of New York City's Housing and Neighborhoods 2016*. Retrieved from http://furmancenter.org/files/sotc/SOC_2016_PART2_MN11.pdf

- establishing a community preference for East Harlem residents (Affordable Housing Development, Objective 2.10);
- eliminating minimum parking requirements in rezonings (Zoning & Land use, Objective 2.11);
- preserving and investing in open space and playgrounds (Open Space & Recreation, Objective 1.1);
- expanding the use of underutilized and nontraditional spaces for the arts (Arts & Culture, Objective 1.2);
- creating socially vibrant sidewalks and activating the commercial streetscape (Zoning & Land use, Objective 3.1) and;
- leveraging rezonings to replace aging and inadequate school facilities with new facilities developed at the base of new developments (Zoning & Land use, Objective 3.3)

The Plan calls for permanent affordability when public sites are developed. However, only 40% of the units created in this project (those mandated under MIH and related regulatory agreements) will be permanently affordable.

Area Context

Located along the western border of CB11, the project site is surrounded by residential buildings with varied typologies. The majority of the area is zoned R7-2, R8A with a C1-5 overlay mapped along portions of East 110th Street, and C1-4 mapped along portions of Madison and Park Avenues. R7-2 is a medium-density residential height factor district that allows development between 0.87 to 3.44 FAR and community facility development with an FAR of up to 6.5. The top elevations of a building in non-contextual districts like R7-2 are set by height factor regulations that determine the building's impact on light and air. Developers can also choose to build a project pursuant to the Quality Housing Program. The Program helps protect the architectural integrity of neighborhoods by incentivizing height and street wall standards with more FAR and specific floor area deduction.

To the north and northeast of the project are Taft and Johnson Houses, two New York City Housing Authority development sites that are 14 and 19 stories respectively. To the east, the area is mapped R7-2 with building profiles that include multi-family tenements, mid-rise residential buildings, and single story commercial buildings. To the west the area is mapped C1-9, R8, C4-6, and R7-2 with building profiles that include multi-family tenements, high-rise residential buildings, single story commercial buildings, and academic institutions. To the south the area is mapped R7-2 with building profiles that include multi-family tenements, mid-rise residential buildings, and single story commercial buildings. Most recently, a rezoning was approved in 2016 for Lexington Gardens II (C 160336 ZMM), located three blocks south of the project. The application was a change from R7-2 and C8-4 Districts to an R9 District with the goal of producing approximately 390 new affordable residential units.

A number of educational institutions border the Project Site. It sits in Manhattan Community Education Council 4, which extends from East 96th Street and Second Avenue to East 125th Street and the Harlem River. Although mostly in East Harlem, it also includes Ward's Island and

Randall's Island. Mosiac Preparatory Academy, Success Academy Harlem East, and a District 75 Special Education School are co-located at the former 100-year-old PS 101 build to the east of the Project Site between Park and Lexington Avenue on East 111th Street. Also to the east of the Project Site is the Harbor Science and Arts Charter School located at 132/142 East 111th Street. To the west of the Project Site is P.S. 108 Assemblyman Angelo Del Toro Educational Complex located at 1615 Madison Avenue and The Alain L. Locke Magnet School for Environmental Stewardship and Harlem Link Charter School located at 21 West 111th Street, and P.S. 185 the Early Childhood Discovery and Design Magnet School located at 20 West 112th Street.

The area is home to several renowned spiritual and cultural institutions. The closest house of worship is the historic First Spanish Methodist Church on 163 East 111th Street to the east of the Project Site. To the west of the project site is the Community Christian Church of NYC located on 5 West 110th Street. To the north of the Project site is Mount Zion A.M.E. Church located on 1765 Madison Avenue. Nearby cultural centers, include El Barrio's Artspace PS109 located on East 99th Street between Third and Second Avenues and the Julia de Burgos Latino Cultural Center located on Lexington Avenue between East 105th Street and East 106th Street. Open spaces in close proximity to the project site include Central Park to the west and Marcus Garvey Park to the north.

The area is well served by the MTA. There are several bus routes that service the Project Site. To the southwest are bus stops for the M1, M2, M3 and M4 lines that run between Inwood and the East Village. To the east are bus stops for the M101, M102, and M103 that run between Harlem to City Hall. The M116 bus runs cross-town along 116th Street and the M106 bus runs cross-town along 106th Street. A select bus line, the M15, also serves the project site along Second and First avenues. Subway stations include the 110th Street stop on the #6 Lexington Line located at Lexington Avenue and East 110th Street, and the 110th Street stop on the 2 and 3 Seventh Avenue Express line located at Lenox Avenue and East 110th Street. The Project Site is also near Citi Bike terminals at Madison Avenue and East 106th Street, Madison Avenue and East 110th Street, and Third Avenue and East 109th Street.

Emergency services are provided by the NYPD's 23rd Precinct, located on East 102nd Street between Lexington and Third Avenues, and FDNY Engine 58 and Ladder 26 located on 1367 Fifth Avenue and Engine 91 located on 242 East 111th Street.

Project Area and Project Site

The Project Site is within a larger Development Site for which the applicant is seeking an Urban Development Action Area (UDAA) and Urban Development Action Area Project (UDAAP) area designation that includes Block 1617, Lots 20, 22, 23, 25, 28, 29, 31, 33, 35, 37, 38, 39, 40, 41, 42, 43, 45, 50, 51, 52, 53, 54, 121, and 122. Part of the Development Site will be acquired by the City for use by the community gardens. Additionally, the applicant proposes a zoning map amendment and zoning text amendment for all of Block 1617, which includes the Project Site and two privately owned lots not included in the Proposed Project (Block 1617, Lots 21 and 34). Both the Development Site and the privately owned lots make up the Project Area.

As previously noted, the proposed Project Site is bound by Park Avenue to the East, East 111th Street to the south, Madison Avenue to the west and East 112th Street to the north on Block 1617. The project site has an approximate total lot area of 76,576 square feet. The site includes six community gardens along the west, south and east frontages of the full block and a baseball field in the center. The lot is currently zoned as an R7-2 District with a C1-4 commercial overlay to a depth of 100 feet along Park and Madison Avenue. As stated above, R7-2 is a medium-density residential height factor district that allows development between 0.87 to 3.44 FAR and community facility development with an FAR of up to 6.5. C1- 4 overlays are designed to allow for local retail needs. The Project Area includes only city-owned parcels (Block 1617, Lots 20, 22, 23, 25,28, 29,31, 33, 35, 37, 38, 39, 40, 41, 42, 43, 45, 50, 51, 52, 53, 54, 121, and 122). The remaining two lots on Block 617 are not part of the development site and are privately-owned. Lot 21 has a single four-story mixed-use building and Lot 34 is used for storage and surface parking.

Proposed Project

The Proposed Project includes the construction of three mixed-used buildings, the reconstruction and reassignment of footprint for four existing community gardens and a public path and interior open space. Once completed, the project will front all frontages on Block 1617. A significant factor in making the project work is the creation of a large-scale general development that will merge the zoning lot and memorialize all agreements into a land disposition agreement associated with the transfer of the property. This action will exclude privately –owned lots 21 and 34.

The Proposed Project will contain approximately 718,447 square feet of floor area (9.15 FAR). Of the total floor area for the proposed project, 544,069 (7.10 FAR) will be slated for residential use resulting in approximately 655 residential units. Commercial use will take up approximately 32,194 square feet (0.44 FAR) and approximately 142,185 square feet of community facility space (1.60 FAR) will be included. The three buildings are predominately residential with a mix of unit sizes ranging from studio through three bedroom units. The buildings will range from 10-37 stories or 117 to 432 feet (including bulkheads). Each of the buildings are predominately residential but will include either some commercial or community facility use or both.

What the application refers to as Building A is located at the intersection of Madison Avenue and East 112th Street. This building represents the tallest of the three structures at 37 Stories with an envelope height of approximately 418.5 feet with a three-story base. This building will contain approximately 308,723 square feet of residential use or 365 residential units, approximately 10,311 square feet of community facility use and approximately 32,194 square feet of commercial space, representing the total of the commercial space for this project. The commercial space will include a supermarket.

Fronting East 112th Street and wrapping to the west around Madison Avenue is Building B. This building will be 15 stories with an envelope height of approximately 218.5 feet with a five-story base. This building will contain approximately 163,945 square feet of residential use or 211

residential units and approximately 120,934 square feet of community facility use. Building B will be the home of a proposed DREAM Charter School.

Proposed for the midblock frontage of East 111th Street is Building C. This building will be 10 stories with an envelope height of approximately 151.34 feet with a seven-story base. This building will contain approximately 71,401 square feet of residential use or 79 residential units and approximately 10,941 square feet of community facility use.

Pursuant to the requirements of MIH, the applicant has proposed using Option 1 and Option 3 for this project. Option 1 requires that at least 25 percent of the residential floor area be permanently affordable with varying levels of affordability that average to 60 percent of AMI of (\$48,960 for a household of three⁷) with an additional requirement for a minimum of 10 percent of housing be affordable at 40 percent of AMI (\$31,080 for a household of three). Option 3 requires 20 percent of the total MIH floor area to be affordable at an average of 40 percent of AMI (\$31,080 for a household of three). Another stipulation is that subsidies are allowed only where they are necessary to support more affordable housing.

Out of the approximately 655 residential units in the three buildings, approximately 262 units, or 40 percent of units, will be permanently affordable. The higher percentage of permanently affordable units are due to HPD's requirement that any MIH project receiving public subsidy must increase the amount of permanently affordable units by 15 percent. Assuming that community preference will still be in effect when this building receives its Certificate of Occupancy, at least 50 percent of units are set aside for the residents of Community District 11. All of the affordable units will be subject to the affordable housing lottery with the maximum income capped at 130 percent of AMI.

The remaining 393 units will remain affordable for a term of 60 years. Currently the proposed developer is still in discussions with HPD as to what term sheets will be appropriate for this project but currently the proposed developer will be using HPD's Extremely Low & Low-Income Affordability (ELLA) Program for Buildings B & C and the M2 / Mixed-Middle-Income Program Term Sheets for Building A.

Per conversations with the applicant, the rent structure for units in the three buildings will provide six tiers of affordability. The breakdown is as follows: 20 percent of units or approximately 134 units at 30 percent AMI; five percent of units or approximately 32 units at 40 percent AMI; six percent of units or approximately 42 units at 50 percent AMI; 27 percent of units or approximately 174 units at 60 percent AMI; 17 percent of units or approximately 109 units at 80 percent AMI, and 25 percent or approximately 164 units at 130 percent AMI. The affordable units will be distributed pursuant to the current requirements of MIH.

Figure 1: Approximate Rents for Proposed Affordable Apartments

Affordable at 30% of AMI

⁷ based on the new AMI chart that HPD published on 1/11/17

Incomes	# of units	Proposed Monthly Rents
Studio	39 units	\$327 per month
1 Bedroom	49 units	\$418 per month
2 Bedroom	28 units	\$509 per month
3 Bedroom	18 units	\$582 per month
Total # of units	134 units	

Affordable at 40% of AMI		
Incomes	# of units	Proposed Monthly Rents
Studio	8 units	\$464 per month
1 Bedroom	12 units	\$590 per month
2 Bedroom	7 units	\$714 per month
3 Bedroom	5 units	\$819 per month
Total # of units	32 units	

Affordable at 50% of AMI		
Incomes	# of units	Proposed Monthly Rents
Studio	7 units	\$599 per month
1 Bedroom	21 units	\$758 per month
2 Bedroom	9 units	\$917 per month
3 Bedroom	5 units	\$1,053 per month
Total # of units	42 units	

Affordable at 60% of AMI		
Incomes	# of units	Proposed Monthly Rents
Studio	31 units	\$775 per month
1 Bedroom	63 units	\$970 per month
2 Bedroom	51 units	\$1,162 per month
3 Bedroom	29 units	\$1,344 per month
Total # of units	174 units	

Affordable at 80% of AMI		
Incomes	# of units	Proposed Monthly Rents
Studio	7 units	\$1,050 per month
1 Bedroom	21 units	\$1,320 per month
2 Bedroom	9 units	\$1,590 per month
3 Bedroom	5 units	\$1,831 per month
Total # of units	109 units	

Affordable at 130% of AMI		
Incomes	# of units	Proposed Monthly Rents

Studio	33 units	\$1,727 per month
1 Bedroom	49 units	\$2,168 per month
2 Bedroom	49 units	\$2,609 per month
3 Bedroom	33 units	\$3,008 per month
Total # of units	164 units	

Source: Jonathan Rose Companies | L+M Development Partners | Handel Architects | Steven Winter Associates (2017). Sendero Verde presentation [PowerPoint slides]. Retrieved from <http://www.cb11m.org/current-projects/>

All three buildings will meet Passive House standards. Successful implementation of this sustainability program will include a combination of structural elements installed during construction in addition to educational and support programming once the building starts to accept tenants. At the center of the proposed project will be an interior courtyard approximately 264 feet x 63.42 feet. The courtyard will be a passive recreational space with public entrances along Park Avenue, East 111th Street and the rear entrances of the adjoining community facility spaces.

Finally, per the requirements of the RFP, the applicant and the proposed developer will allocate space for continuing community garden use at the proposed development site. The reconstructed community gardens will be placed on the southern half of the full block site, fronting Madison Avenue, East 111th Street and Park Avenue. A dedicated community room and a bathroom will be available to the four gardens and located in Building A. The City plans to move forward with an acquisition of the garden areas and ultimately put them under the jurisdiction of DPR. A public path that traverses the garden area will be included in the acquisition action. Future maintenance of the path will remain the responsibility of the proposed developer. The maintenance of the path, public accessibility and upkeep requirements of the interior courtyard, hours of operations and other administrative responsibilities will be included in the disposition agreement.

Proposed Actions⁸

In order to facilitate the development of the mixed-use proposal of three buildings containing a total of approximately 655 residential units, approximately 32,194 square feet of commercial space, approximately 142,185 square feet of community facility square feet (“Proposed Project”) and the selection of land for community gardens and passive recreation space on Block 1617, the following land use actions are required:

Zoning Map Amendment:

⁸ The Project Site is within a larger Development Site for which the applicant is seeking an Urban Development Action Area (UDAA) and Urban Development Action Area Project (UDAAP) area designation that includes Block 1617, Lots 20, 22, 23, 25, 28, 29, 31, 33, 35, 37, 38, 39, 40, 41, 42, 43, 45, 50, 51, 52, 53, 54, 121, and 122. Part of the Development Site will be acquired by the City for use by the community gardens. Additionally the applicant proposes a zoning map amendment and zoning text amendment for all of Block 1617, which includes the Project Site and two privately owned lots not included in the Proposed Project (Block 1617, Lots 21 and 34). Both the Development Site and the privately owned lots make up the Project Area.

The applicant seeks a zoning map amendment to rezone the project area (Block 1617) from an R7-2 district with C1-4 overlays along both Park and Madison Avenue to a R9 district with C2-5 commercial overlays to a depth of 100 feet along the frontage of Park Avenue and the frontage of Madison Avenue. The rezoning area includes the Project Site (Lots 20, 22, 23, 25, 28, 29, 31, 33, 35, 37, 38, 39, 40, 41, 42, 43, 45, 50, 51, 52, 53, 54, 121, and 122) and the two privately owned lots (Lots 21 and 34).

Zoning Text Amendment

The applicant seeks to amend Appendix F of the Zoning Resolution to establish a Mandatory Inclusionary Housing Area over the Project Area affecting the city-owned property and privately owned property on Block 1617.

Designation of an Urban Development Action Area and Urban Development Action Area Project, Disposition of city-owned property

The applicant seeks to designate Block 1617, Lots 20, 22, 23, 25, 28, 29, 31, 33, 35, 37, 38, 39, 40, 41, 42, 43, 45, 50, 51, 52, 53, 54, 121, and 122 as a UDAA and UDAAP based on their analysis of the project area consisting of underutilized land and determination that incentives are needed to change what the applicant describes as “substandard, unsanitary, and blighting conditions.” The applicant is making the claim that the proposed project will promote better conditions and sound development. Disposition of the land to a developer will be determined by HPD. The proposed developer team is Jonathan Rose Companies, L+M Development Partners, Handel Architects, and Steven Winter Associates.

Site Selection

The city seeks authorization to acquire Lots 22, 121, 122 and 35 and portions of Lots 23, 25, 28 and 37 for use as a Community Garden. There are existing community garden spaces and a publicly-accessible path within the aforementioned lots. The Department of Parks and Recreation (DPR) will assume jurisdiction with the future owner of the Proposed Project to be responsible for all maintenance.

Special Permit pursuant to §74-743 of the Zoning Resolution

As stated in the application, in order to facilitate the construction of the Proposed Project, the applicant requests a special permit, pursuant to §74-743, to modify the bulk regulations within a LSGD containing height and setback restrictions and yard requirements applicable to the Proposed Project as follows:

- 23-65(a) and (b) to apply tower-on-a-base regulations to the entire development site and all buildings located on the development site, including those portions located beyond 125 feet from the wide street frontage along the short dimension of the block, and beyond 100 Feet from the wide street frontage along the long dimension of the block;
- 23-651(a) To determine the aggregate tower coverage of all buildings on the development site based upon the entire area of the development site, including those areas located beyond 125 feet from the wide street frontage along the short dimension of the block;
- 23-651(a)(1) to (i) calculate tower coverage restrictions to those portions of the proposed buildings on the development site located at any level above the maximum base height of

85 feet, (ii) to calculate tower coverage based upon the aggregate of all buildings located on the development site, and (iii) to allow, upon completion of all the buildings on the development site, the towers of all the buildings on the zoning lot to occupy in the aggregate an area comprising less than 30 percent of the lot area of the zoning lot at upper levels of the tower, and more than 40 percent of the lot area of the zoning lot at lower levels of the tower;

- 23-651 (a)(3) to permit a minimum of 55 percent of the total floor area permitted on the zoning lot to be located below a height of 150 feet above base plane;
- 23-651(a)(4) to allow the tower portion of the building at a height of 85 feet and above to be located at the street line (the portion of Building C located above 85 feet above base plane and located at the street line);
- 23-651(a)(5) to allow tower portions of the proposed development to be located on a narrow street at a distance that is more than 100 feet from the intersections with a wide street (Building C along East 111th Street);
- 23-651(b)(1) and 35-64(a)(1) to:
 - permit the proposed development not to occupy the entire frontage of the zoning lot along a wide street and on a narrow street within 125 feet of its intersection with a wide street (along Madison Avenue, Park Avenue and portions of East 111th Street), and;
 - to allow the base of the street wall of the proposed project along a wide street to not be located entirely on the street line (The base of Building B at the intersection of Park Avenue and East 112th Street);
- 23-651(b)(2) to permit the base of the proposed tower-on-a-base development along Madison Avenue and portions of East 112th Street to setback from the street line between a height of 47 feet and 60 feet above curb level, and allow the base along East 112th Street and East 111th Street to exceed a height of 85 feet above curb level;
- 23-651(4) to allow the open area at ground level between Park Avenue and East 112th Street street lines and the street wall of the proposed project not fronting on a building entrance or exits to not contain landscaping; and
- 24-832 to allow a permitted obstruction within a portion of the rear yard equivalent located in a residential district beyond 100 feet of a wide street that is used for a community facility use other than a school, house of worship, college, university or hospital with related facilities.

Special Permit pursuant to §74-532 of the Zoning Resolution

The applicant is also seeking a special permit, pursuant to §74-532 of the ZR, to waive up to 129 required accessory off-street parking spaces required in connection with up to 322 units of affordable housing made available to families earning over 80 percent AMI within the proposed development. Currently the Proposed Development includes no parking spaces as part of the site plan. Their analysis of car-ownership rates in the area anticipates a demand for 41 parking spaces and believes that existing on-street parking can absorb the need.

Certification from the City Planning Commission pursuant to ZR §32-435

The applicant is also seeking a certification from the CPC to waive the requirement that a

minimum of 50 percent of a building wall facing upon a wide street be occupied at the ground level by commercial uses. This action is not subject to review by the Borough President.

COMMUNITY BOARD RECOMMENDATIONS

At its Full Board meeting on June 27, 2017, Manhattan Community Board 11 (CB 11) passed a favorable resolution with conditions in support of the application. The final vote for the resolution was 29 in favor, 5 opposed, and 3 abstentions. Before the full board vote, the applicant appeared before several committees between December 2016 and June 2017 and the Board held two public hearings, on May 16, 2017 and June 20, 2017, where they heard testimony from the public.

In their written comments submitted to the Department of City Planning, CB 11 voiced support for the applicant's efforts to create affordable housing but expressed several concerns related to programming on the project site and depth of affordability. The Board questioned the need for the number of apartments set at 130 percent of AMI and wanted to see that redistributed to lower tiers. They also opposed the current unit distribution scheme, where all of the apartments set at 130 percent of AMI are consolidated into a single building. The Board challenged the applicants and proposed developer team's commitment to local hiring and pointed to their own robust set of standards as a minimum benchmark the applicant and developer should seek to achieve. CB 11 members also expressed a desire to see a local nonprofit developer recruited to be an equity partner on the project. The Board also asked several questions related to topics such as ADA compliance, maintenance and management of the proposed development with specific attention to the public open space.

As a result of these conversations, CB11's approval is contingent on the following commitments:

- All housing on the project should be 100 percent permanently affordable;
- Local hiring commitment for the project should include a guaranteed minimum of 10%, with a CB11 target of 35 percent pre-construction, 35 percent during construction and 100 percent post-construction, with all community partners be subject to same hiring requirements;
- The percentage of total units currently set at 130 percent of AMI is reduced from 25 percent to 20 percent. The remaining 5 percent shall be a set at under 60 percent of AMI;
- All buildings should contain each of the income tiers;
- The final agreement should state that the open space will remain accessible to the public into perpetuity;
- A management plan for the premises should be provided prior to the vote of the Office of the Manhattan Borough President and the Council Member;
- The hours and availability of amenities shall be set forth clearly, and there shall be signage on the premise clearly conveying to the public that the public space may be used by the public;

- CB11 should have final approval on the selection of any community partners selected for the premises and such partners shall be from the East Harlem Community;
- There should be compliance with ADA requirements throughout the entire project;
- There should be additional safety training beyond OSHA training and an on-site security monitor during construction and pre-apprenticeship and apprenticeship training;
- The development team and anchor tenants should come before the community board quarterly as the project progresses and after the project, as well as coming before the Manhattan Borough President, NYC Council, DCP;

BOROUGH PRESIDENT PUBLIC HEARING

On July 13, 2017, the Manhattan Borough President conducted a public hearing on both this application and a related application by the Department of City Planning (DCP) to rezone 96 blocks of East Harlem (Nos. C 170358 ZMM et al), an area that also includes the proposed development site. Approximately 135 people attended and 25 people presented testimony. Additional testimony from 13 people and organizations were submitted prior to and after the public hearing.

From both the written and oral testimony collected, only one speaker spoke to the subject application directly. This speaker offered an alternative scenario that would result in less housing, commercial and community facility use, consolidate the community gardens into one entity but also preserve the baseball field located in the middle of the full block. However, the other speakers' comments which were directed toward the larger rezoning did address issues raised by this application, including the possibility that calculations related to environmental and quality of life impacts by development were underestimated in the EIS, that proposed development lacked representation from local nonprofit developers and that there was need for more units at lower levels of affordability.

BOROUGH PRESIDENT'S COMMENTS

Since taking office, making affordable housing accessible to working people and vulnerable communities has been one of my top priorities. Along with other elected officials and community partners, this Office has introduced legislation that strengthens enforcement against code violations and seeks to stem the turnover of previously income-restricted units. On the ground, we have worked with legal aid attorneys and organizers to knock on doors, investigate the conditions of overleveraged building portfolios and help make tenants aware of their rights while empowering them to advocate together for better standards as tenant associations.

Alongside these efforts, we have tried to maximize our role in the land use process to create opportunities for affordable housing that counter the loss of income-restricted apartments, a phenomenon that is having a destabilizing impact and undermines the diverse communities that make up our city. Communities that once reflected a cross section of different backgrounds, cultures and occupations, are under threat because of the increasing cost of living and rising

rents, which contribute to displacing long-time residents and small businesses. Deregulation of residential units, due to porous state laws and expiring regulatory agreements, have stripped hundreds of thousands of tenants of their basic protections and placed them at the mercy of market forces.

We have been told that there are limitations on what we could demand of the private sector to create the kind of housing the majority of New Yorkers can really afford. With that in mind, we have only our city-owned sites as places we can guarantee that government shape the conditions and requirements so we are sure the housing that is built is more affordable and permanent than options provided by the private sector. Public site development is our best hope for building the housing we need for middle and moderate-income families as well as our most vulnerable communities.

Block 1617 or the East 111th Street site is already a location with profound importance and part of the fabric of East Harlem. As home to several of the City's oldest and most popular community gardens, it has attracted the attention of locals and other horticulture enthusiasts as an example of how community-driven green spaces can thrive. In addition, East Harlem Little League, that used and maintained the ball field, remains a source of pride for a community that values outlets that help young people explore their potential. Based on our conversations, I understand that HPD has always planned to develop affordable housing for this site, and given the depth of the housing crisis, especially in CB11, I believe affordable housing is an appropriate use. However, an acceptable proposal would have to address those housing needs and continue the site's role as a convening space for residents throughout the district. A proposal, such as this one, that incorporates those objectives would be a fitting next use for this city-owned parcel.

The applicant and the proposed developer have outlined a compelling proposal for the future of Block 1617. The concept plan as presented appears to be a genuine attempt at achieving elements of the EHNP. The proposed developer has sought to provide a range of neighborhood assets and presented creative strategies for managing the relationship between the community gardens and open space to the layout of the other site elements. The proposal also furthers the use of Passive House Design, a set of design principles used to attain a quantifiable and rigorous level of energy efficiency, which I have worked to make the standard for new development in Manhattan. Finally, the most important piece of this plan that we need to examine is the commitment to affordable housing, the centerpiece of this application.

Open Space

The application maintains significant space for the community gardens. However, according to our conversation with the gardeners, the proposed design and site assignments for the community gardens are smaller than what they currently use. I understand that the parameters in the RFP for the gardens was based on the original license agreements and that the proposed developers are trying to provide more than the minimum areas, but I believe we can do better. I would like to see a more thorough plan for how these gardens would thrive under the site arrangement proposed by the developer. Additionally, because the gardens are such a community asset, links between the gardens and the community facility partners to enhance the benefits available to the

community should be explored. The question of how the gardens and community facilities could work together came up after the proposed developer was announced, but has not been adequately explored.

We need to formalize the specifics concerning the maintenance and operation of the interior courtyard space. Issues such as how the space will be maintained, who will decide and be responsible for sharing information related to the hours of operation, access and the permitted activities must be spelled out. Though we have received verbal assurances from the applicant that the conveyance of this land will be accompanied with a disposition agreement outlining this information, it is worrying to have some of these important questions still unanswered as I consider the appropriateness of the application.

Affordable Housing

Public sites are our best opportunity to create housing for those making at or under 30 percent of AMI. The lowest income tiers for housing under the MIH program are largely out of reach for these working New Yorkers. While the application provides that 20 percent of the affordable housing provided will be available to persons with incomes no greater than 30 percent of AMI, I urge the applicant to consider if there is more that can be done. 37 percent of residents of East Harlem earn less than 30 percent of AMI and we know that private developments rarely have more than 20 percent of affordable housing set aside at this income level. Therefore if we are to reach the goal of the EHNP of making 20 percent of the affordable housing at the level of 30 percent of AMI or lower, we must make up for “lost ground” in public projects such as this.

While I applaud the proposed developer’s commitment to making all the residential units income-restricted at the onset, 60% of those units are not permanent. The restriction of those units is based on a regulatory agreement with a fixed timeline. Recently my office was told that a nonprofit partner was going to be included on the development team. While encouraging, we have yet to get more specifics about what their role will be and what level of equity they will have in the project. Additionally we understand that the nonprofit developer is based in the Bronx. CB11’s recommendation had called for a mission-driven organization that is based in East Harlem and to be included in the choosing of that entity – both of which did not happen. In discussions with the proposed development team, they have explained that the available finance mechanisms limit what their commitment to long-term permanence can be. As the City moves to shrink its portfolio of unused or underutilized land, it must do so with the intention of preserving the value of that same land to the residents of the city in perpetuity. Where requirements for permanent affordability of all units in a project built on formerly city-owned land are not possible, the City must explore mechanisms to achieve “practical permanence” as a tool for future development of projects where the City has contributed land. MIH requirements are an effective way to assure permanent affordability in private projects, but developments that use City land must be held to a higher standard. All dispositions of city-owned land have the option of attaching a restrictive covenant to the deed that establishes additional requirements to the property owner.

The City must take the concept of “practical permanence” beyond balloon payments and establish a public process that occurs at or near the expiration of the public financing and regulatory agreement to ensure true and permanent oversight of our city assets. This would go far toward justifying the permanent disposition of city land. If this is not an option for for-profit developers when city-owned land is involved, then we should consider prioritizing mission-driven nonprofit developers and/or community land trusts to act as the steward to help achieve the permanence we seek. These are not new concerns nor are they ideas I raise here for the first time, and I urge progress on developing such mechanisms.

Density and Neighborhood Character

The increase in density from R7-2 to R9 is appropriate at this location since two wide streets bound the site, and the scale of the project will allow for a greater number of permanently affordable units through MIH. Based on the East Harlem Neighborhood Plan and previous Community Board 11 land use decisions, upzonings paired with site planning that strives to minimize the impact of additional density have been supported where proposals maximize the amount of permanently affordable housing. In contrast with the East Harlem Rezoning proposal (C- 170358 ZMM), a separate application running concurrently in ULURP where I have serious concerns that the additional density outweighs the benefits of the additional affordable housing, the Sendero Verde project provides a level of detail and specific site planning that make me confident that this project can be a substantial benefit to the community.

This application also smartly uses the design tools via bulk, height and setback modifications available when using a LSGD to relate the building mass and placement of open and garden space to the surrounding area in an appropriate manner. The site plan calls for the tallest of the three buildings (Building A) to be adjacent to the frontage that is most appropriate for the density (two wide streets) and in proximity to similar tower-in-the-park developments located to the north of the lot. Buildings B and C, significantly shorter, are aligned with the mid-rise developments found along the remaining frontages. Several modifications among the proposed actions would mitigate light and air issues for the open space, the gardens and the surrounding area in comparison to several as-of-right scenarios.

In addition, the argument for waiving required accessory parking to support maximizing the amount of affordable units or contributing to driving down the AMI tiers for a percentage of units was thoughtful and in line with the policy of this office.

After careful review, I believe the modifications and permits requested by the applicant are appropriate and would contribute to a better site plan and relationship between the buildings, and the wider neighborhood.

BOROUGH PRESIDENT’S RECOMMENDATION

Therefore, the Manhattan Borough President recommends approval of Application Nos. C 170361 ZMM, N 170362 ZRM, C 170363 HAM, C170364 PQM, C 170365 ZSM, C 170365 ZSM, C 170366 ZSM, C 170367 ZSM, and N 170368 ZCM on the following conditions:

1. That the applicant and the proposed developer work with our office, Community Board 11, the local Council Member, and the City to reach deeper levels of affordability below 30 percent AMI on the income-restricted units and increase the percentage of units at 30 percent AMI and below;
2. That the proposed developer include a locally-based mission-driven nonprofit developer and/or community land trust as an equity partner with sufficient leverage to ensure that the extension of the non-permanent units as income-restricted units is made a priority;
3. That the applicant commits to and provides a timeline for completing a study of how to enact “practical permanence” by using restrictive covenants on the deed to compel owners to extend the duration of affordability and regulatory requirements;
4. That the proposed developer develop a tower design that demonstrates an integrated and well-designed façade, taking into account factors such as street wall articulation and amounts of fenestration, that will result in a prominent and distinctive building which complements the character of the surrounding area; and
5. That the applicant and the proposed developer commit to providing regular updates to the Board and demonstrate ways they have incorporated both the Board’s and my recommendations prior to the CPC vote.



Gale A. Brewer
Manhattan Borough President