

January 5, 2023

**Recommendation on The Otis Elevator – 260 Eleventh Avenue – Non-ULURP Application  
No. N230045ZRM  
By Circle 1 LLC**

**PROPOSED ACTIONS**

Circle 1 LLC (the “Applicant”) is seeking a zoning text amendment to facilitate the enlargement of the existing Otis Elevator Building located at 260 Eleventh Avenue and the conversion of the adjacent property located at 549 West 26<sup>th</sup> Street (the “Proposed Development”). The Proposed Development is located at 539 West 26<sup>th</sup> Street (Block 698, Lot 1) in Community District 4 in Manhattan.

The Applicant proposes amendments to the following sections of the Zoning Resolution:

- Section 98-242 to ensure that the proposed new, enlarged zoning lot is able to receive a floor area increase; and
- Section 98-423 to modify the base height requirements for building enlargements.

**BACKGROUND**

**Special West Chelsea District**

In 2005, the Special West Chelsea District was created to facilitate development around the High Line, which runs throughout the special district. The special district includes various provisions that enhance the High Line, including an Improvement Fund and building envelope requirements that preserve light and air for the High Line. The special district also fosters the growth and development of a dynamic mixed-use neighborhood while supporting the arts uses in the area.

**West Chelsea Historic District**

In 2008, the West Chelsea Historic District was designated by the Landmarks Preservation Commission. The district includes 30 industrial structures, dating from 1885 to 1930, each of which were home to some of the country’s most prestigious industrial firms, including the Otis Elevator Company, the Cornell Iron Works, the Reynolds Metal Company and the John Williams Ornamental Bronze and Iron Works. The historic district seeks to protect these structures within 7 blocks between 12<sup>th</sup> and 10<sup>th</sup> Avenues, and 24<sup>th</sup> and 28<sup>th</sup> Streets.

The Otis Elevator Building is a contributing building within the historic district. On June 5, 2019, the Applicant obtained a Certificate of Appropriateness from the Landmarks Preservation Commission for the proposed enlargement.

**THE PROPOSED DEVELOPMENT**

**Area Context**

The Proposed Development site is located within Manhattan Community District 4 in the Chelsea neighborhood of Manhattan. The site is to the south of the Special Hudson Yards District, another mixed-use district that also includes higher density developments (?). The area around the site includes commercial and manufacturing districts that are home to buildings that are mostly below 300 feet. Immediately north and south of the site are commercial structures, and immediately to the east of the site, there are commercial, residential, and manufacturing uses.

The Hudson River Park, the longest riverfront park in the United States, is to the west of the development site. The area includes other open spaces, including Chelsea Park, Chelsea Waterside Park, and the High Line. The Development Site is also within walking distance of several contemporary art galleries.

The area is served well by public transit, with the 7 Train's Hudson Yards station located approximately 7 blocks to the north. Nearby bus routes include the M11 and M12, which run north and south along 11<sup>th</sup> Avenue, and the M23-SBS bus, which provides crosstown service along 23<sup>rd</sup> Street.

### **Site Description**

The Proposed Development site occupies the corner lot on 11<sup>th</sup> Avenue between West 27<sup>th</sup> and West 26<sup>th</sup> Streets and encompasses Lots 1, 6 and 10 on Block 698. The Otis Elevator Building, a commercial office property, is located on Lot 1, which includes a surface parking lot on West 27<sup>th</sup> Street. Lot 6 contains a 6-story industrial building and Lot 10 contains a 1 story performance space. Lot 1 is located within a C6-3 district as well as an M1-5 zoning district, while Lots 6 and 10 are entirely located in an M1-5 district.

The Applicant proposes to build an addition to the Otis Elevator Building by undertaking a zoning lot merger and transferring 69,125 square feet of unused development rights from Lot 10. The building on Lot 6 would be renovated and incorporated as part of the Otis Elevator Building, while the surface parking along West 27<sup>th</sup> Street would be improved with a 9 story structure. Both the building on Lot 6 and the new structure would be incorporated into the existing Otis Elevator Building and its new extension, resulting in a renovated, ten-story building with an overall height of approximately 135 feet. The proposed project would include 342,203 square feet of commercial office and ground-floor retail space with a built FAR of 6.03. Completion of the expansion would be expected by 2025.

### **Reasons for Proposed Actions**

The Proposed Development's base height, or streetwall, would be 111 feet, lower than the 125 feet required by Section 98-423 of the Zoning Resolution. In order to comply with this requirement, the Applicant would have to build an addition to the existing Otis Elevator Building, which would present a conflict with the architectural character of the West Chelsea Historic District. The Applicant therefore seeks an amendment that would eliminate that

streetwall requirement and allow the height of an existing building to remain as the streetwall for zoning lots that seek a building enlargement.

Additionally, Section 98-242 of the Zoning Resolution only allows zoning lots in C6-3 districts that existed prior to 2005, the creation of the Special West Chelsea District to increase their allowable FAR to 7.5 via a City Planning Commission Chairperson certification and a contribution to the High Line Improvement Fund. However, the Proposed Development relies on the creation of a new zoning lot. Thus, the Applicant requests an amendment that would strike the part of the provision that requires the zoning lot to have been created prior to 2005.<sup>1</sup>

The Applicant has represented that the proposed amendments would apply only to their site due to other provisions in the zoning text that specify that the site must be in Subarea C of the Special West Chelsea District, partially within an M1-5 district, and be overbuilt in a C6-3 district and underbuilt in a M1-5 district. There are currently no other sites that meet these criteria.

### **Community Board Resolution**

Manhattan Community Board 4 (“CB4”) held a public hearing regarding the application on November 21, 2022. During this hearing, Board members and the public expressed the need to ensure that the Proposed Development meet sustainability standards. On December 13, 2022, CB4 voted to recommend approval of the application and encouraged the Applicant to plant more trees or install planters as part of the project. Additionally, the Board’s resolution noted commitments made by the Applicant, including obtaining a LEED Gold certification or higher, and that they will post all available jobs on the CB4 website.

### **BOROUGH PRESIDENT’S COMMENTS**

The Proposed Development would be a great addition to West Chelsea. It will increase available office space in the district, and maximize the potential of the adjacent surface parking lot and of the current industrial building, bringing more activity to this part of Manhattan. The proposal tactfully integrates new construction into a historic district, ensuring that the character of the prominent Otis Elevator Building and the West Chelsea Historic District are preserved. Furthermore, it results in an approximately \$2 million contribution to the High Line Fund, building upon one of the goals of the Special West Chelsea District.

### **BOROUGH PRESIDENT’S RECOMMENDATION**

Therefore, the Manhattan Borough President **recommends approval** of ULURP Application No. N230045ZRM.

Sincerely,

---

<sup>1</sup> The Applicant would, subsequent to this application, seek a certification from the 98-242 (section 242) to allow the increased FAR.

Mark Levine  
Manhattan Borough President