

CITY OF NEW YORK

**MANHATTAN COMMUNITY BOARD FOUR**

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**BURT LAZARIN**  
Chair

**JESSE R. BODINE**  
District Manager

January 14, 2019

Mr. James Patchett  
President and CEO  
New York City Economic Development Corporation  
110 William Street  
New York, NY 10038

**RE: Proposed Lease Transfer for 243 West 20<sup>th</sup> Street from DCAS to EDC, and Lease Assignment to NEW (Nontraditional Employment for Women)**

Dear Mr. Patchett:

On the consensus recommendation from members present at the October 15, 2018 Chelsea Land Use Committee, Manhattan Community Board 4 (CB4) at its meeting on November 7, 2018 voted to recommend approval of the request from the New York City Economic Development Corporation (EDC) to have the lease for the property at 243 West 20<sup>th</sup> Street to be transferred from the Department of Administrative Services (DCAS) to EDC and assigned to the Nontraditional Employment for Women (NEW) through City Charter Section 384(b)(4). This recommendation passed by a vote of 34 in favor, 0 in opposition, 0 abstentions, and 0 voting Present Not Eligible at the CB4 January 2<sup>nd</sup>, 2019 Full Board meeting.

**Overview**

NEW has occupied 243 West 20<sup>th</sup> Street since 1987 providing job training and career placement for women in the skilled construction, utility, and maintenance trades. This property has been leased and administered by DCAS from that time with a lease expiration scheduled for 2022. The Office of Management and Budget (OMB) recently allocated capital funds for NEW to implement necessary renovations to the building. However, OMB cannot release the funds due to the short time remaining on the current lease. Because of current lease restrictions, DCAS must conduct a sealed-bid auction at the end of the lease which may put NEW in jeopardy of non-renewal.

In order to keep this community asset at this location, EDC proposes to have the City transfer the property from DCAS to EDC through a mayoral directive subject to EDC issuing a long-term lease to NEW. This is possible through City Charter Section 384(b)(4). The EDC lease renewal and subsequent assignment of the lease to NEW permits the release of the stalled capital improvement funds from the OMB as well as eligibility for new capital funds.

### **History of Property Use and Lease**

1980: A Uniform Land Use Review Procedure (ULURP) approval for the property with the recommendation to “sell” without restriction.

1980: A restriction was added that the property “be disposed of for non-profit community use with emphasis on providing programs to promote employment within the community,” formalized in a Board of Estimate (BOE) Resolution.

1986: An additional restriction was adopted to authorize the “long-term” lease of the property with the same community use for a term of 10 years with a 5-year renewal option via a highest-bidder auction process, formalized in a BOE Resolution, which also referenced a ULURP amendment.

2018: This ULURP amendment would not allow a lease renewal on the property and would require a new ULURP to be done on the site.

### **Public Benefit Analysis**

The City and EDC must demonstrate that the proposed leasing arrangement would be a public benefit as follows:

1. NEW’s lease would be in the public interest
2. NEW lease aligns with the City/EDC’s mission
3. Assignment is permissible under the Public Authorities Accountability Act (PAAA)
4. NEW would not be in a better position at a different location

Now in its 40<sup>th</sup> year, NEW is a sector-based workforce development program offering free training that has been developed in partnership with construction trades apprenticeship programs. NEW targets women in underserved communities: over 80% of NEW trainees are low-income and 50% receive public assistance; over 80% identify themselves as a minority. NEW is able to provide a pipeline of qualified workers to the industries that build, move, power, green, and maintain New York. In the last ten years alone, NEW has placed women in over 2,500 industry careers. NEW helps women achieve economic independence and a secure future for themselves and their families.

EDC has stated that the continuation of NEW at its current location would align with the City/EDC’s mission of retaining and further developing good jobs by allowing the organization to continue its mission of training and placing women in well-paying jobs within the construction industry and related fields. EDC aims to strengthen neighborhoods and grow good jobs. NEW embraces the commitment to an economic development strategy that supports communities,

helps create quality job opportunities and encourages the growth of a stronger and more vibrant middle class. NEW helps minorities and women grow and overcome challenges making it easier for them to compete for careers in the workplace.

The current NEW space is centrally located for trainees who travel to job sites all over the City. A similar facility would be difficult to acquire, and might force women to travel to a potentially more distant location for these services.

#### **CB4 Analysis and Recommendation**

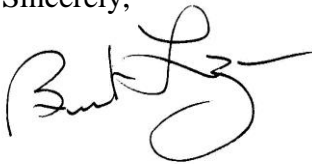
The block association in the area has said that the NEW has been a good neighbor. In a 2011 letter CB4 recommended approval of renovation plans for the building at 243 West 20<sup>th</sup> Street. CB4 members were reassured by EDC that upcoming renovation plans would not alter the historic-looking building façade.

The renewal of the NEW lease at 243 West 20<sup>th</sup> Street directly benefits not only the City, but also Community District 4. According to EDC, in the last 10 years, 152 CB4 residents have enrolled in NEW programs with 108 graduating. NEW has placed 79 residents into careers with an average wage of \$18.79 per hour. These workers include general utility workers, metal lathers, electricians, sheet metal workers, carpenters, IATSE stagehands, MTA track workers, and building mechanics.

The proposed transfer of the lease would facilitate the release of the much needed \$3.2M capital improvement funds from OMB, allowing the expansion of programming and updating the existing building to better serve its clients.

CB4 strongly recommends the approval of the proposed lease transfer and assignment to preserve NEW as an important neighbor at 243 West 20<sup>th</sup> Street.

Sincerely,



Burt Lazarin  
Chair  
Manhattan Community Board 4



Lee Compton  
Co-Chair  
Chelsea Land Use Committee



Betty Mackintosh  
Co-Chair  
Chelsea Land Use Committee

Cc: Robert McFadden, EDC