

CITY OF NEW YORK MANHATTAN COMMUNITY BOARD FOUR

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Jesse R. Bodine District Manager

December 12, 2018

Maria Torres-Springer Commissioner Dept. of Housing Preservation and Development 100 Gold Street New York, NY 10007

Re: 601 West 29th Street Inclusionary Housing Plan

Dear Commissioner Torres-Springer,

The Inclusionary Housing Plan Application (the "Application") by the Douglaston Development (the "Applicant") for the development of 601 West 29th Street (the "Project") was discussed at the November 15, 2018 meeting of Manhattan Community Board 4 (MCB4)'s Housing Health and Human Services Committee. By vote of 33 in favor, 0 opposed, 0 abstaining, and 1 present but not eligible to vote, MCB4 voted to recommend <u>approval</u> of the Application <u>with</u> conditions;

Background

Block 675 lies in the northwest corner of Chelsea, bounded by West 29th and 30th Streets and by Eleventh and Twelfth Avenues. Over the years, proposals for Block 675 have evolved from a park with an underground Department of Sanitation facility to being a gateway for an Olympic/Jets stadium to a coveted development site adjacent to the Hudson River, the High Line and the Western Rail Yards.

In 2013, MCB4 prepared a study of Block 675 and the five blocks to the south, recommending to the Department of City Planning (DCP) that these blocks be studied for inclusion in an expanded Special West Chelsea District (SWCD). We specifically recommended that Block 675 be rezoned from M1-6 and M2-3 to C6-4 with building height and bulk regulations similar to those in SWCD Subarea A.

Later in 2013, DCP released the "Study for the Potential Expansion of the Special West Chelsea District." The study recommended that a planning framework to guide zoning decisions should be prepared for Block 675 when future uses were clearer. In May 2017, the City Planning Commission (CPC) approved a Planning Framework for Block 675 that recommended C-6 districts with an "appropriate massing response to a transitioning context." The Framework also recommended "active uses on frontages facing the High Line and transparency at and above the High Line level."

Block 675 Rezoning

Following the approval of the Planning Framework, an application (C 180129 ZSM) for a special permit pursuant to transfer of floor area from Hudson River Park was filed by the Applicant on October 24, 2017 to facilitate the redevelopment of 601 West 29th Street with a mix of uses. As part of the public review process, MCB4 recommended a denial of this application unless certain conditions and recommendations, elaborated in the February 5, 2018 letter¹, were met. Subsequent to this as well as in consideration to input from the New York City Fire Department (FDNY) regarding the potential provision of an EMS facility on the project site, the Applicant filed a modified special permit application (C 180129A ZSM) and a modified zoning text amendment (N 180128A ZRM) on February 14, 2018.

On April 27, 2018 a Final Environmental Impact Statement (FEIS) was completed for the Block 675 East project, and a Notice of Completion was issued. The FEIS analyzed the rezoning of the eastern end of Block 675 and additional land use actions necessary for the development of two new mixed-use buildings in West Chelsea – 601 West 29th Street and 606 West 30th Street. The CPC approved the proposal on May 7, 2018, followed by the resolution being adopted by the Council of the City of New York on June 28, 2018.

With the zoning now in place, the Project, which has been rezoned from the prior M2-3 to C4-6X, has an increased FAR from two to ten and the Applicant will purchase an additional 2 FAR, 123,438 sf of floor area, from the Hudson River Park Trust pursuant to ZR 89-00 *et seq*.

The western end of Block 675 is the site of the proposed Gateway Tunnel project. Preliminary plans call for part of the western portion of the Applicant's proposed development site to be used for staging during tunnel construction. Both the timing and the extent of the tunnel project's staging needs are currently unknown.

As a response to the recommendations made by MCB4 during the ULURP process, as a condition of City Council approval, the Applicant made several project commitments, including matters on Inclusionary Housing. The Applicant's June 18, 2018 letter to the Speaker of the City Council², outline those commitments.

The Project: An Overview

¹ MCB4 February 5, 2018 Letter

² Attachment A: Douglaston Development June 18, 2018 Commitment Letter

The Project site is comprised of a lot and 2 story industrial buildings, between Eleventh and Twelfth Avenues, West 29th to West 30th Streets. The Applicant will develop a newly constructed mixed-use building at 610 West 29th Street. It consists of a tower on Eleventh Avenue with its north side facing the High Line and a wing extending west along West 29th Street. The building is a mix of commercial/retail and residential space that will be 58 stories tall with 931 residential units, of which 234 would be affordable pursuant to the Mandatory Inclusionary Housing Option 1.

Inclusionary Housing - Proposed

Affordability Bands

The Project is now mapped within a Mandatory Inclusionary Housing (MIH) designated area and subject to its requirements. That program has multiple affordability options with different requirements regarding income. The applicant has chosen Option #1 which requires 25 percent of the total residential floor area be devoted to affordable housing. The income eligibility bands chosen by the Applicant for Option #1 are as follows:

Family Size	1-person	2-person	3-person	4-person	5-person	6-person
40% AMI ³	\$29,240	\$33,400	\$37,560	\$41,720	\$45,080	\$48,400
60% AMI	\$43,860	\$50,100	\$56,340	\$62,580	\$67,620	\$72,600
100% AMI	\$73,100	\$83,500	\$93,900	\$104,300	\$112,700	\$121,000

Affordability Distribution

The Project will consist of 234 permanently affordable housing units, of which 187 are distributed for low-income units at 40% and 60% AMI. 47 moderate-income units will be at 100% AMI. The breakdown of the Project's affordable units is as below.

Distribution of Units by Income Band

Income Band	% of Units	Unit Count
40% AMI	10%	93
60% AMI	10%	94
100% AMI	5%	47

Total 234

The Board supports the proposed affordability band distribution.

Apartment Distribution—by Floor

The 234 Inclusionary apartments will be located on floors 2 through 5 and floors 7 through 41, which will account for a distribution of 69.64% throughout all of the building's 56 residential

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³ AMI: Area Median Income

floors. MCB4 has always advocated for an equitable distribution of affordable units in Inclusionary Housing developments. This distribution exceeds the 65 percent requirement of the MIH program.

The Board supports the proposed floor distribution.

Apartment Distribution—by Apartment Size

The 234 Inclusionary apartment sizes will be apportioned as shown in the chart below.

Inclusionary Apartment Distribution

Apartment Size	Number of Units
Studio	37
1 Bedroom	159
2 Bedroom	38
Total	234

MCB4 notes the Applicant is required by the New York City Housing Preservation and Development (HPD) to make 5% (47 units) of the apartments available to mobility-disabled applicants and 2% (19 units) of the apartments available to vision or hearing impaired applicants.

The Board supports the proposed apartment size distribution.

Apartment Finishes

The Applicant has agreed that all apartment finishes, flooring, tile, plumbing and light fixtures, kitchen cabinets, countertops, and appliances are to be the same for affordable and market-rate apartments. Washers and dryers will be installed in all apartments.

The Board supports the proposed apartment finishes being the <u>same</u> in all apartments, but will not accept any equivalency in apartment finishes

Building-wide Amenities

- A children's playroom—no fee
- Fitness facilities—sliding scale fees
 - o 50% reduction for tenants at 40% AMI
 - o 40% reduction for tenants at 60% AMI
 - o 25% reduction for tenants at 100% AMI

MCB4 requests further discussion on:

- Expanding the availability amenities at no fee, with special consideration to the proposed music room.
- Offering a scaled fee schedule for one time usage of the fee areas by non-members.

Conclusion

MCB4 is pleased the Applicant has agreed to the conditions previously made by the Board⁴. The Applicant has shown a willingness to discuss the Board's requests in a thoughtful manner. MCB4 therefore believes that we can come to an agreement on the remaining open items as noted above.

This project will be an important addition to West Chelsea and these requests will further MCB4's goal of fostering equitable, quality affordable housing that is economically integrated into our District.

Sincerely,

Burt Lazarin MCB4 Chair

[signed 12/12/18] Barbara Davis, Co-Chair Housing, Health & Human Services Committee

Joe Restuccia, Co-Chair Housing, Health & Human Services Committee

cc: Hon. Corey Johnson, Speaker, City Council

Hon. Helen Rosenthal, City Council

Hon. Jerry Nadler, U.S. Congress

Hon. Brad Hoylman, New York State Senator

Hon. Richard Gottfried, New York State Assembly

⁴ The Applicants' Inclusionary Housing commitments are noted in Attachment B.