

CITY OF NEW YORK

MANHATTAN COMMUNITY BOARD FOUR

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BURT LAZARIN

Chair

JESSE R. BODINE

District Manager

July 30, 2019

Vicki Been
Deputy Mayor for Housing & Economic Development
Mayor's Office
City Hall
New York, NY 10007

Gregory Russ
Chair & CEO
New York City Housing Authority
250 Broadway
New York, NY 10007

Vito Mustaciuolo
General Manager
New York City Housing Authority
250 Broadway
New York, NY 10007

Re: NYCHA Proposal Alternatives

Dear Deputy Mayor Been, Chair & CEO Russ, and General Manager Mustaciuolo:

The NYCHA 2.0 – Fulton Houses Proposal (“the Proposal”) by NYCHA for the demolition and redevelopment of a portion of the Robert Fulton Houses (Fulton) was discussed at the July 15th, 2019 joint meeting of Manhattan Community Board 4 (MCB4)’s Housing, Health, and Human Services (HHHS) and Chelsea Land Use (CLU) Committees.

MCB4 reiterates its strong opposition to demolition of permanently affordable public housing. MCB4 requests that the New York City Housing Authority (NYCHA), consider alternatives to demolition and the construction of market-rate housing on public land. Any proposal regarding permanently affordable public housing must be a collaborative effort with meaningful community and NYCHA residents' input.

MCB4 proposes using the sale of Transferable Development Rights (TDR) of the unused floor area ratio to generate revenue/ funding for the repairs and capital improvements of NYCHA campuses and eliminate the need for demolition of permanently affordable public housing. The Board's proposed TDR provisions are detailed below as well as the proposed redevelopment of ground floor retail space along Ninth Avenue to create additional ongoing source of revenue.

At its July 24th Full Board meeting, MCB4 voted by 35 in favor, 0 against, 0 abstaining, and 0 present but not eligible to vote on these alternatives.

The Board is aware of NYCHA's proposed timeline of entering the Request for Proposal (RFP) process in Fall 2019. However, given the discussions and concerns of the community, the Board recommends putting this process on a pause, to allow all stakeholders to better evaluate and review these processes and proposals in Fall 2019.

Background

NYCHA

The New York City Housing Authority (NYCHA) houses 400,000 New Yorkers and operates 325 building campuses. Chronically underfunded for decades, NYCHA has seen a growing backlog of repairs and capital improvements on their properties that it cannot afford as a result of aging building stock, infrastructure, and mismanagement. The agency estimates that its cumulative federal underfunding has totaled \$3 billion from 2001-2017.¹ Meanwhile, the cumulative cost of required improvements is estimated at \$25 billion.² In addition to funding challenges, NYCHA's lack of preparation for and responses to extreme weather events such as Hurricane Sandy and frigid winter temperatures that left many residents without essential utilities, have highlighted the agency's chronic issues.

In 2017, the New York City Department of Investigation discovered that NYCHA knowingly made false representations of its compliance with lead paint inspection requirements. Though both local and federal law requires annual lead inspections for housing units,³ NYCHA ceased

¹ [Report to the Committee on Finance, the Subcommittee on Capital Budget and the Committee on Public Housing on the Fiscal 2019 Executive Budget for the New York City Housing Authority, page 1.](#)

² Ibid.

³ In the city, inspections must be executed by all landlords including NYCHA, and federally, U.S. housing authorities must do so in each of their units.

inspections in 2012 despite its declarations of compliance. An 80-page complaint was filed against the City in response.⁴ Bogged down amidst scandals and a lawsuit, then NYCHA Chairwoman Shola Olatoye resigned in 2017, continuing a pattern of resignations from the position.⁵

As part of a settlement to avoid trial, NYCHA and Mayor Bill de Blasio signed a five year consent decree years with the U.S. Attorney's Manhattan Office that required the appointment of an independent Federal Monitor to oversee NYCHA operations and funding. The settlement allowed the City to avoid full Federal receivership of NYCHA and called for the City to allocate \$2.5 billion of capital funding to NYCHA through 2023.⁶

In 2018, the struggling agency received funding boosts on a City, State, and Federal level. In January 2018, Mayor Bill de Blasio pledged \$200 million to repair or upgrade broken heating systems at 20 NYCHA complexes.⁷ In April 2018, Governor Cuomo also allocated \$250 million dollars of emergency State funding to be disseminated by the independent Federal Monitor for expediting NYCHA property construction and repairs.⁸ In addition, as a result of the 2018 Federal Consolidated Appropriations Act, NYCHA received a \$180 million dollar increase in capital (\$144 million) and operating funds (\$36 million).⁹

In June 2019, Gregory Russ, who formerly headed the Minnesota Public Housing Authority, was appointed the new Chair of NYCHA. The appointment has already led to controversy about the Chairman's salary, his weekly travel back to Minnesota, and about his ability to manage a public housing community forty times the size of Minnesota's.¹⁰ Bart Schwartz, a former Federal prosecutor, will become the independent Federal Monitor charged with overseeing NYCHA's funding and operations.¹¹ In terms of funding, the President's Proposed Federal Fiscal Year 2019 requests a reduction of almost 20% in funding for national housing programs which, if passed, would significantly reduce or eliminate funds for many NYCHA programs.

⁴ [Mayor avoids NYCHA trial in signing consent decree, commits at least \\$1.2B for repairs](#)

⁵ There were two other recent resignations from the role in 2008 and 2013. [He's in Charge of Housing for 11,000 Minnesotans. Can He Handle 400,000 New Yorkers?](#)

⁶ [City Largely Stands Pat on NYCHA Funding in 2020 Budget](#)

⁷ [Mayor de Blasio Invests \\$200 Million to Replace Boilers and Upgrade Heating Systems at 20 NYCHA Developments](#)

⁸ [Governor Cuomo Announces \\$250 Million Investment to Address Health Hazards and Improve Living Conditions at NYCHA](#)

⁹ This act allocated \$52 billion to HUD for national housing programs, a 10% increase from 2017. [Report to the Committee on Finance, the Subcommittee on Capital Budget and the Committee on Public Housing on the Fiscal 2019 Executive Budget for the New York City Housing Authority, page 5.](#)

¹⁰ [He's in Charge of Housing for 11,000 Minnesotans. Can He Handle 400,000 New Yorkers?](#)

¹¹ [De Blasio Cedes Further Control of Nycha but Avoids Federal Takeover](#)

NYCHA Proposals

NYCHA has proposed many plans for addressing their array of pressing problems. In May 2015, the agency released *NextGeneration NYCHA*,¹² a 10-year strategic plan that lays out strategies for generating increased revenue, streamlining repairs and construction, enhancing management, and reducing costs. Years later, in December of 2018, Mayor Bill de Blasio unveiled *NYCHA 2.0*,¹³ a plan that lays out specific approaches to fixing and preserving existing NYCHA housing.

The *NYCHA 2.0* Proposal comprises three separate tools for increased investment:

- **Build to Preserve**
Fund renovations through construction of new mixed-income buildings at NYCHA sites.
- **PACT (Permanent Affordability Commitment Together) to Preserve**
Fund renovations by converting to more stable Section 8 funding.¹⁴
- **Transfer to Preserve**
Generate revenue for NYCHA development renovations through transfer of development rights.

NYCHA in Manhattan Community District 4

Overview

The three NYCHA complexes in Manhattan Community District 4 (MCD4) include Elliott-Chelsea, Harborview Terrace (Harborview), and Fulton.

- **Elliott-Chelsea** consists of 1,128 units across seven buildings, located between West 25th and West 27th Streets, between Ninth and Tenth Avenues.
- **Fulton** consists of 944 units across eleven buildings, located between West 16th Street and West 19th Street, between Ninth and Tenth Avenues.
- **Harborview** consists of 425 units across two buildings, located between West 54th and - West 56th Streets, between Tenth and Eleventh Avenues.

MCB4 has worked for decades seeking City, State, and Federal budget allocations for capital improvements, such as elevator repairs, appliance and window replacements. MCB4 considers such improvements an ongoing priority.

¹² [NextGeneration NYCHA](#)

¹³ [NYCHA 2.0](#)

¹⁴ PACT to Preserve proposes funding renovations by converting properties from public housing (Section 9) to project based vouchers (Section 8) through a public-private partnerships. NYCHA will lease a building to a selected development partner who is responsible for operations, while NYCHA administers Section 8, sets rental prices, conducts inspection, and fills vacancies.

As part of the 2005 Hudson Yards and West Chelsea rezoning commitments, MCB4 proposed the development of underused NYCHA land as an opportunity to build 100% permanently affordable public housing, with a broader range of income bands and a NYCHA preference. The increased permanently affordable housing stock would help doubled-up existing families residing at NYCHA campuses whose incomes exceed the NYCHA income limits, and mitigate the impact of market-rate developments in the rezoned areas.

These rezonings resulted in the Hudson Yards and West Chelsea Points of Agreements¹⁵. In these documents, the administration agreed to develop permanently affordable public housing on NYCHA sites as well as create a West Chelsea Affordable Housing Fund (WCAHF) for permanently affordable housing production in MCD4.

West Chelsea Points of Agreement – 2005

- Commitment to develop 128 permanently affordable units on the Elliott-Chelsea site located on the northwest corner of West 25th Street and Ninth Avenue, targeted to middle and moderate income families.

The actual proposed development achieved 167 units at 401 West 25th Street with the range of income bands in the table below.

Income Band	40%	50%	125%	165%	195%
Number of Units	6	28	20	58	55

- Commitment to develop 100 permanently affordable units on the Fulton site located on West 18th Street between Ninth and Tenth Avenues, targeted to middle and moderate income families.

The actual proposed development achieved 159 units at 425 West 18th Street with the range of income bands in the table below.

Income Band	50%	100%	160%	165%
Number of Units	32	48	32	47

- Commitment to create the WCAHF for permanently affordable housing production in MCD4¹⁶. On September 7, 2017, the City Planning Commission (CPC) issued a determination that more than 90 percent of the floor area in the High Line Transfer Corridor eligible for transfer had been transferred. On February 28, 2018, CPC acted to set the WCAHF development rights price at \$625/sq.ft.

¹⁵ [West Chelsea Points of Agreement – 2005](#)
[Hudson Yards Points of Agreement – 2005](#)

¹⁶ The WCAHF was to be created after 90% of the High Line Transfer Corridor floor area had been used.

The WCAHF has been established by the NYC Department of Housing Preservation and Development as of March 2019.

Hudson Yards Points of Agreement – 2005

- Commitment to develop 155 units of permanently affordable housing on the Harborview site located on West 56th Street west of Eleventh Avenue.
 - In 2005, an RFP was issued for the Harborview Terrace location. NYCHA selected Atlantic Development Group to develop over 200 units of permanently affordable housing on the Harborview campus. With further financial and legal complications, the developer declined to proceed with the project.¹⁷
 - Starting in 2015, a two-year community engagement process by the Harborview Working Group, comprised of local elected officials, NYCHA’s Harborview Tenants Association, and MCB4, resulted in a second RFP.
 - In 2017, a revised RFP was issued for Harborview Terrace to build 200 – 250 units of permanently affordable housing. HPD indicated these units will be 100% affordable.¹⁸ The MCB4 proposal was included as an attachment to the RFP¹⁹.
 - In August 2018, the Mayor’s office proposed instead, a 50-story residential building with 70% market-rate units and 30% affordable units. This proposal was immediately rejected by the community and the Harborview tenants association as noted in the letter dated August 14, 2018²⁰. NYCHA has currently put the plan on pause.

2015 MCB4 Affordable Housing Plan

To address the pressing need for affordable housing, Mayor de Blasio in 2014 released “Housing New York: A Five-Borough, Ten-Year Plan” which set forth a framework for the development or preservation of affordable housing units over the next ten years. Within this framework, the communities of the middle Westside of Manhattan, Clinton/Hell’s Kitchen, Hudson Yards and Chelsea, recognized the need for strategies and mechanisms to achieve these policies set forth based on local knowledge, history, and advocacy. MCB4 created a plan for permanently affordable housing development and preservation in MCD4 in 2015. This plan continues to be reviewed and revised on an annual basis.

¹⁷ [Long-Delayed Affordable Housing Heading to Harborview Terrace, City Says](#)

¹⁸ [Long-Delayed Affordable Housing Heading to Harborview Terrace, City Says](#)

¹⁹ [NEXTGENERATION NYCHA 100% Affordable Housing RFP- June 2017](#)

²⁰ See attached.

The MCB4 Affordable Housing Plan²¹ recommended parking lot sites on the Fulton campus for permanently affordable housing at 433 West 19th Street, 428 West 18th Street, and 429 West 16th Street.

NYCHA Capital Needs

Elliott-Chelsea

The NYCHA Physical Needs Assessment estimates that \$176 million is required to address outstanding capital needs at Elliott-Chelsea.

Harborview

The NYCHA Physical Needs Assessment estimates that \$46 million is required to address outstanding capital needs at Harborview. The majority of this need is for Apartment Interiors (44% ~\$20 million) and Building Exterior & Common Spaces (32% ~ \$15 million). The balance is to be used for other improvements.

Fulton

The 2017 NYCHA Physical Needs Assessment estimates that Fulton has a total 5-year capital need of \$168 Million. The majority of this need is for Apartment Interiors (38% ~\$64 million) and Building Exterior & Common Spaces (36% ~ \$60 million). The balance is to be used for other improvements.

Fulton – NYCHA 2.0 Proposal

On a Friday in April of 2019, a NYCHA proposal to build and demolish buildings in the Fulton complex leaked to the press, causing concern among NYCHA residents about their future, including the potential for displacement. The Mayor then tweeted about the development and confirmed the proposal. In late April, Congressman Jerrold Nadler, Manhattan Borough President Gale Brewer, Council Speaker Corey Johnson, State Senator Brad Hoylman, and Assemblymember Richard Gottfried sent a letter to the Interim Chair of NYCHA expressing the need for NYCHA to be transparent in presenting its proposed plan to the public.²² Since then, NYCHA has begun engagement, including meetings with the Fulton Houses Resident Association, door-to-door outreach to all Fulton households, and six workshops during May 20-22, 2019. NYCHA then briefed MCB4 members on June 5, 2019 about the current plan.

Inconsistent iterations of the plan have been presented or communicated by NYCHA to different stakeholders. These varying communications have created concerns about the scope, impact, and timing of the proposed plan, especially among Fulton residents.

²¹ [2015 MCB4 Affordable Housing Plan](#)

²²

<https://www.dropbox.com/s/o0vwi3tif921rhu/Electeds%20Sign%20On%20Letter%20re%20Fulton%20Houses%20NYCHA%202.0.pdf?dl=0>

Proposed Plan

NYCHA proposes a new development on the northwestern portion of the West 17th Street NYCHA campus, currently a newly renovated playground (costing \$770,000 of New York State funding). Once complete, the new building on West 17th Street would take relocated tenants from Fulton Building 1 (401 & 413 West 16th Street) consisting of 36 units and Building 11 (401 & 419 West 19th Street) consisting of 36 units.

The 72 units of permanently affordable public housing would then be demolished and replaced with two market-rate residential buildings (14-story and 28-story). These proposed new developments would create market-rate housing on NYCHA land, anticipated to create over 700 new apartments with 30% MIH affordability. According to NYCHA, the funds raised by leasing these sites would provide a source of revenue to fund capital improvements on the other existing Fulton buildings.

MCB4 Response

MCB4 has expressed opposition to demolition of permanently affordable public housing in its April 26, 2019 letter²³. Using demolition as a solution would generate a new set of issues for the existing NYCHA community such as displacement, immigration status concerns, as well as potential union problems for NYCHA workers who will need to transfer between unions or be displaced. MCB4 requests NYCHA consider alternatives to demolition of permanently affordable public housing and the construction of market-rate housing on public land.

Within the Fulton – NYCHA 2.0 Proposal, NYCHA proposed to utilize only two of its three available tools: 1) Build to Preserve and 2) PACT to Preserve. Though mentioned, NYCHA’s third tool, Transfer to Preserve, was not presented.

MCB4 questions this approach, considering that MCD4 has more TDR Districts than any other community district in the City. This TDR District mechanism has been proved to work; producing market-rate and permanently affordable housing as well as commercial developments. MCD4 currently houses four different TDR-eligible pools:

- **The Eastern Rail Yards TDRs** were sold in part by the MTA to the Hudson Yards Infrastructure Corporation (HYIC), who in turn sells them to developers. The MTA benefited from this mechanism by receiving an upfront payment of \$200 million and receiving subsequent proceeds from the continued sales of these TDRs.
- **The Theatre District TDR** zoning allows landmarked theatres in the Theatre Subdistrict to transfer development rights to preserve their sites, and created a Theatre Subdistrict Fund to support local theatre activities and new productions.

²³ [MCB4 letter dated April 26, 2019 Re: Demolishing Public Housing](#)

- **The High Line Transfer Corridor** has utilized TDRs to preserve light and air around the High Line Park, creating one of NYC’s largest tourist attractions, and benefited High Line property owners²⁴.
- **The Hudson River Park TDR** sales have funded critical infrastructure for the park, as well as redevelopment and maintenance of underutilized areas such as the repair of Pier 40. The sales have also enabled developers to generate substantial market-rate and affordable housing in the district.

In addition, the Special West Chelsea District (SWCD) provides for the purchase of additional developments rights through the WCAHF. **Using existing mechanisms in the SWCD, there is no reason that NYCHA should not benefit similarly to other sites from a carefully crafted TDR district.** The Board believes, while it is important to consider the two tools that NYCHA has proposed to implement, all agencies must fully explore all the tools and mechanisms at hand to ensure a comprehensive approach to the ongoing challenge of maintaining permanently affordable public NYCHA housing in New York City. Therefore, it is important to build on existing mechanisms and provide a NYCHA TDR alternative.

MCB4 Proposal

SWCD Expansion and NYCHA TDR District

In order to avoid NYCHA’s proposed demolition of structurally sound and permanently affordable public housing, MCB4 proposes the expansion of the existing SWCD. The MCB4 proposal consists of incorporating the Elliott-Chelsea and Fulton complexes into the SWCD, via a zoning text and map amendment, to create a NYCHA TDR District²⁵. These amendments would allow underbuilt sites within the SWCD to acquire additional FAR through three available options;

- the existing High Line TDR,
- the WCAHF, or
- the newly proposed NYCHA TDR²⁶.

MCB4 has conducted a preliminary study that evaluates this proposed NYCHA TDR District. The study looked upon underbuilt sites within the district as potential receiving sites. Eleven sites were identified, which could cumulatively absorb approximately 510,000 square feet of development rights. This NYCHA TDR could be used as an alternative to the existing High Line TDR and the WCAHF.

²⁴ By mapping the High Line as a public park, property owners above or adjacent to the park could not develop their properties on site. The High Line Transfer Corridor was created to permit those property owners to benefit from the change in zoning that accompanied the Park’s development.

²⁵ See attached.

²⁶ In certain subdistricts, an Inclusionary Housing option is available on top of the TDR options.

The application of a TDR District would not require upzoning of the district and would continue the protection of the carefully crafted zoning envelopes, including height and setback regulations, of the SWCD and would adhere to the existing bulk regulations within the district. A TDR district also eliminates the need for individually negotiated real estate transactions between NYCHA and a buyer, eliminating time and transaction costs. Through a zoning regulated mechanism, predictability is created for both NYCHA as the seller and individual developers as the purchasers. Support for a TDR mechanism was also noted by the Citizen's Budget Commission earlier this year²⁷.

NYCHA TDR Pricing

MCB4 recommends having a set price for the NYCHA TDR, as was done for the WCAHF, which creates predictability for both the seller and purchasers of these TDRs. The price should be regulated and be subject to an annual review in regards to market value. MCB4 proposes the pricing of the NYCHA TDR also be structured to allow pricing tiers that differentiate between the proposed usages of the development rights (commercial, residential-condominiums, and residential-rentals).

The WCAHF was set at \$625/sq.ft, which is lower than the MCB4 recommended price as noted in the November 29, 2017 letter.²⁸ MCB4 recommends that a study of TDR transactions be made by NYCHA and the NYC Department of City Planning to determine the appropriate per square footage price for future transactions, with the condition that the lowest price tier will not be less than the prevailing WCAHF price.

NYCHA Replacement Reserves

MCB4 proposes revenue derived from the NYCHA TDR District should first and foremost benefit the NYCHA campus that is sending the TDR. Only after, should that revenue be considered for other NYCHA campuses within MCD4.

The NYCHA proposals have solely been focused on providing funding for the current capital needs of each campus. A long term approach to manage the funding received through various mechanisms must be provided to anticipate future capital costs as well. MCB4 proposes that NYCHA create a replacement reserve from any new revenue source for future maintenance costs. MCB4 recommends allocating 10% of funds generated to a future replacement reserve.

NYCHA Harborview

MCB4 proposes this alternative be considered for all three NYCHA campuses within MCD4. Only at the Harborview site will a change in zoning result in higher density for five surrounding

²⁷ [Six Guidelines for NYCHA's New Federal Monitor](#)

²⁸ [MCB4 letter dated November 29, 2017 Re: Proposed Rule for the Price of Floor Area Sales Benefiting the West Chelsea](#)

blocks. However, this proposed change in zoning will be consistent with zoning on the existing surrounding blocks (an R9 zoning equivalent)²⁹.

MCB4 Requests and Concerns

- **Further investigate and review the current NYCHA capital needs of each campus.**

A more careful review of the NYCHA Physical Needs Assessments as presented must be completed. The current NYCHA physical needs assessments have been based on a sampling of apartments, which might inaccurately represent the actual needs of the whole campus. Some items included in the needs assessment were also disputed by the NYCHA residents as having already been replaced. MCB4 members and NYCHA residents also questioned the cost per unit that NYCHA has presented for interior improvements as being far too costly.

- **Investigate the utilization of an onsite retail component as an additional source of revenue**

The Fulton campus is currently the only site along the west side of Ninth Avenue, between West 16th to West 19th Streets, that does not have a ground floor retail space. Creating leasable ground floor retail spaces will provide additional income to support general operating expenses and capital improvements within the campus. MCB4 understands that this proposal would require the relocation of certain mechanical equipment from the ground floor of the NYCHA campus. NYCHA should structure the RFP for retail space to ensure that revenue is being shared with NYCHA after capital costs for the relocation of mechanical equipment are recovered.

- **Evaluate NYCHA community engagement and the efficacy of the communication approaches**

Although NYCHA has noted its number of community meetings and workshops, regulated by legal requirements, many residents, including tenant association leaders, have still stated that they are unsure and confused of the plans being presented to them and the effect it has on their future. The level of community engagement and the efficacy of communication tools and approaches need to be evaluated.

- **Create a collaborative and community based plan for NYCHA developments within MCD4 which engages all stakeholders, similar to the Harborview Working Group**

²⁹ See attachment.

Conclusion

MCB4 reiterates its strong opposition to the demolition of permanently affordable public housing. MCB4 requests that NYCHA consider alternatives to demolition and the construction of market-rate housing on public land, more specifically TDR mechanisms. Any proposal regarding permanently public affordable housing should be based on a collaborative effort with meaningful community input.

MCB4 proposes using the sale of TDR to provide funding for the repairs and capital improvements of NYCHA campuses and eliminate the need for demolition of permanently affordable public housing.

The Board is aware of NYCHA's proposed timeline of entering the RFP process in Fall 2019. However, given the discussions and concerns of the community, the Board recommends putting this process on a pause, to allow all stakeholders to better evaluate and review these processes and proposals in Fall 2019.

Sincerely,



Burt Lazarin
MCB4 Chair

[Signed 7/30/19]

Maria Ortiz, Co-Chair
Housing, Health & Human Services Committee



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



Betty Mackintosh, Co-Chair
Chelsea Land Use Committee



Lee Compton, Co-Chair
Chelsea Land Use Committee

Enclosure

Cc: Hon. Jerry Nadler, U.S. Congress
Hon. Brad Hoylman, New York State Senator
Hon. Richard Gottfried, New York State Assembly
Hon. Bill de Blasio, Mayor
Hon. Corey Johnson, City Council Speaker

Hon. Helen Rosenthal, City Council
Hon. Gale Brewer, Manhattan Borough President
Marisa Lago, Chair, City Planning Commission
Louise Carroll, Commissioner, Department of Housing Preservation and Development
Raju Mann, Director of Land Use, NYC Council
Edith Hsu-Chen, Manhattan Director, Department of City Planning



August 14, 2018

Honorable Bill de Blasio
Mayor
City of New York
City Hall
New York, NY 10007

Dear Mayor de Blasio:

We are deeply dismayed to learn of the administration's intent to incorporate market-rate units into the Harborview project, a promised 100% permanently affordable, 16-story residential building to be constructed on a parking lot at NYCHA's Harborview Terrace located at West 56th Street west of 11th Avenue. As you are fully aware, the project was part of the Hudson Yards Points of Agreement (HYPOA) and the culmination of a two-year community engagement process led by the Harborview Working Group, local elected officials, NYCHA's Harborview Tenants Association, and Manhattan Community Board 4. At no point since the 2005 HYPOA was the project going to be anything but entirely and permanently affordable.

To now have members of your staff suggest multiple scenarios, however hypothetical, of incorporating market-rate units into the project would completely undermine more than 13 years of community planning. The purpose of the Harborview project is to offset the thousands of units of market-rate housing generated by the Hudson Yards development; it was never intended to raise capital revenue for NYCHA. Adding market-rate units to Harborview would destroy the project's very purpose of mitigating massive construction of market units in the neighborhood.

We urge you to move forward with the Harborview project as is and continue with the RFP process of selecting a developer. We also call for the following:

- **Get started with the land use review process.** This is a project more than a decade in the making. Even though the RFP process is ongoing and we do not have set plans for the development, we know that the project will have to go through the city's land use review process. We ask that you begin this process now in order to expedite this longstanding community priority.
- **Conduct a comprehensive capital needs assessment at Harborview Terrace.** The administration estimates that \$40 million is required to address outstanding capital needs at Harborview Terrace. Without a comprehensive assessment, it is unclear whether this figure is an accurate representation of needs at the development. Also, any such assessment must be developed in conjunction with Maria Guzmán, the Tenant Association President. Elected officials are supportive of Harborview Terrace: State Senator Brad Hoylman and Assemblymember Linda B. Rosenthal have funded

completed projects at the development, and Manhattan Borough President Gale Brewer has allocated funds toward Harborview's Senior Center operated by Project FIND.

- **Rehab and leverage Harborview Terrace's community center.** NYCHA should prioritize the rehabilitation of Harborview Terrace's community center so that the space can be used by tenants working with a nonprofit organization to potentially bring in rental income for the development.

Finally, as part of the negotiation on 625 West 57th Street, the Durst Organization has committed \$1 million toward the creation of affordable housing at Harborview. These funds were sent to the Department of Housing Preservation and Development and should be accounted for as we move along the RFP process.

We look forward to working with you to expedite Harborview as a project that will offer 100% of permanently affordable units to the community.

Sincerely,



Jerrold Nadler
Congressman, 10th Congressional District



Brad Hoylman
NYS Senator, 27th District



Linda B. Rosenthal
NYS Assemblymember, 67th District



Gale A. Brewer
Manhattan Borough President



Helen Rosenthal
NYC Council Member, 6th District



Burt Lazarin
Chair, Manhattan Community Board 4



Maria Guzmán
President, Harborview Terrace Residents Association

Draft MCB4 Proposed Additional Subarea

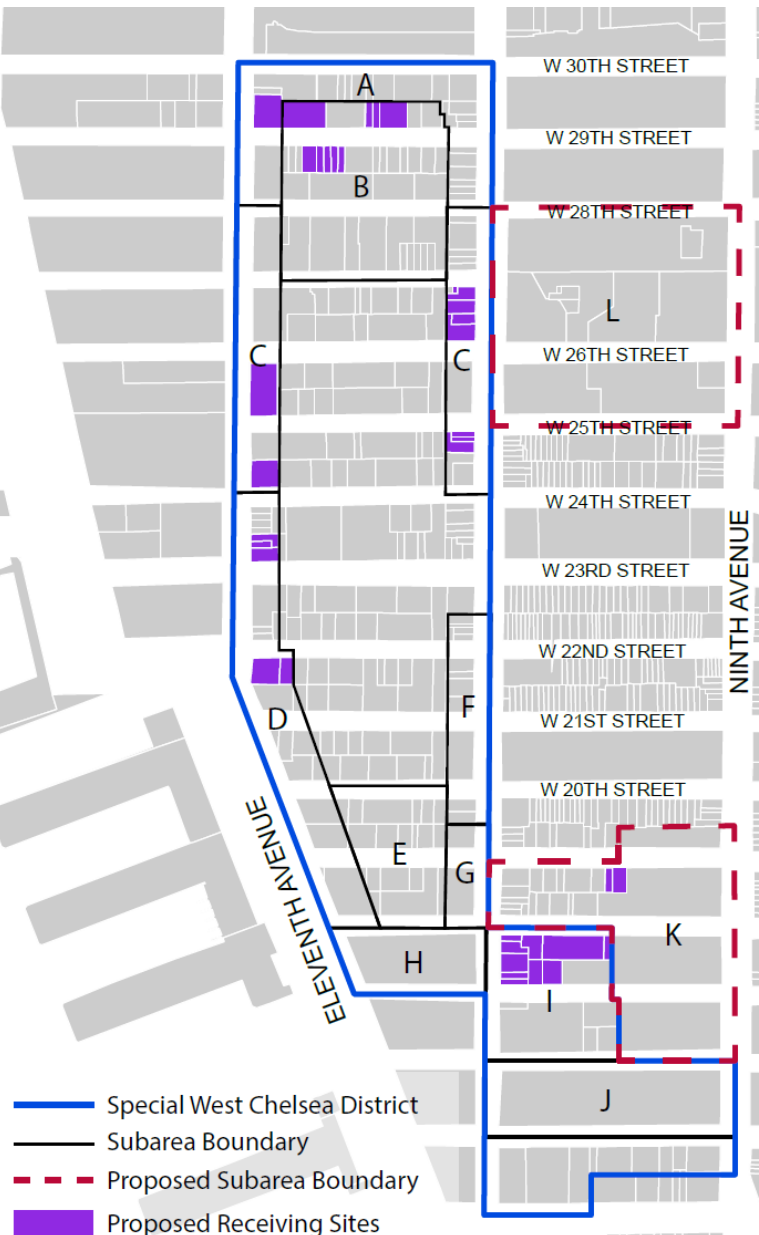


Elliott-Chelsea

Fulton

Draft MCB4 Proposed Receiving Sites

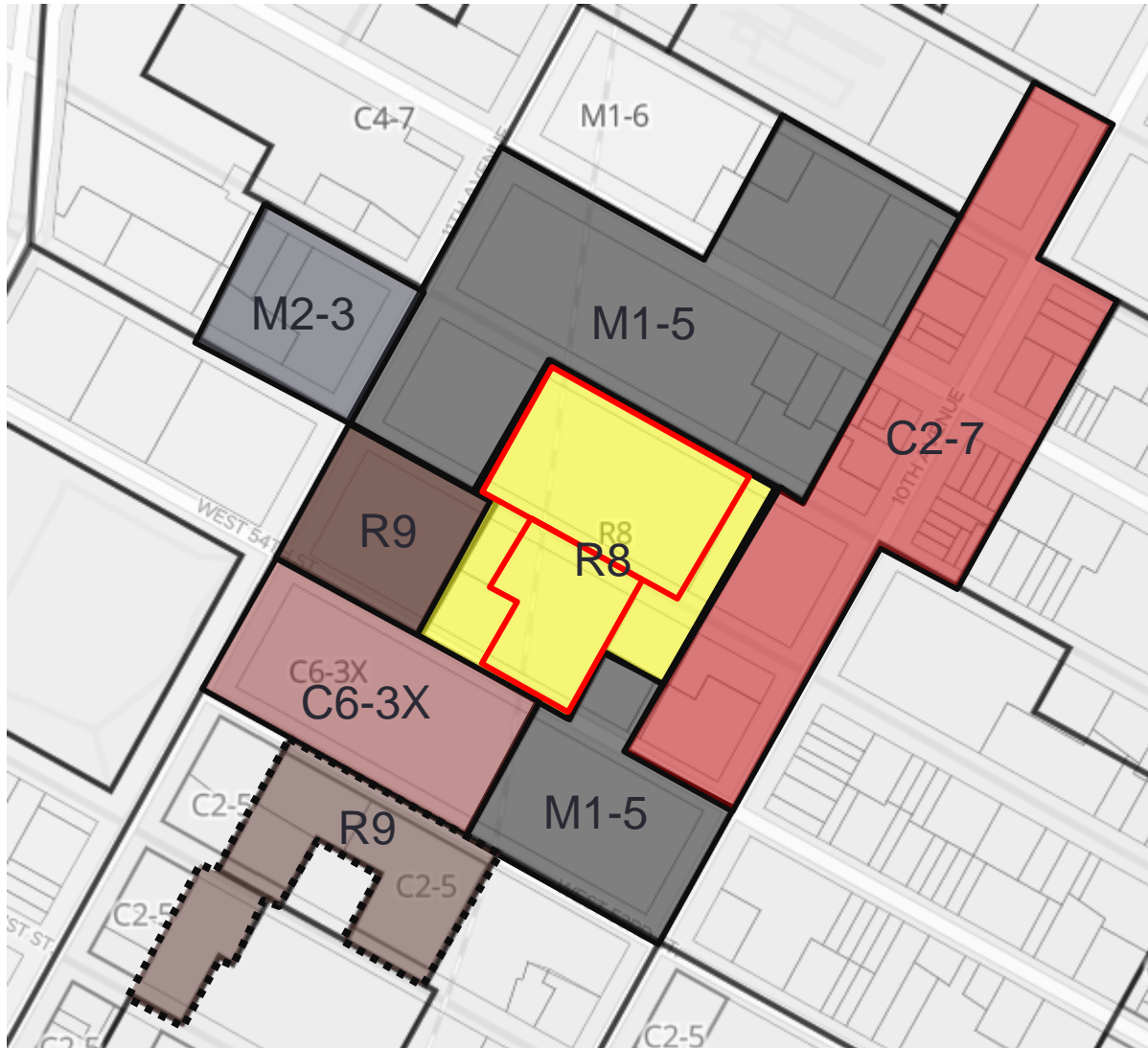
- Underutilized sites within the Special West Chelsea District Subareas and the proposed subareas
- Sites are eligible to receive Highline TDR FAR



Block	Lot	SWCD Subdistrict	Lot Area	Zoning	Base FAR	Highline TDR	Maximum Bonus FAR	Buildable with Base FAR	Additional Highline TDR	Buildable with Maximum Bonus FAR
701	1	A	11,950	C6-4	6.50	2.65	12.00	77,675	31,668	143,400
		B	16,000	C6-3	5.00	2.50	7.50	80,000	40,000	120,000
	Various	B	14,812	C6-3	5.00	2.50	7.50	74,060	37,030	111,090
700	Various	B	14,792	C6-3	5.00	2.50	7.50	73,960	36,980	110,940
698	Various	C	19,984	C6-3	5.00	2.50	7.50	99,920	49,960	149,880
697	1	C	19,750	C6-3	5.00	2.50	7.50	98,750	49,375	148,125
696	1	C	9,875	C6-3	5.00	2.50	7.50	49,375	24,688	74,063
	35	C	4,950	C6-3	5.00	2.50	7.50	24,750	12,375	37,125
695	1, 3	D	9,874	C6-3	5.00	2.50	7.50	49,370	24,685	74,055
693	59	D	5,150	C6-3	5.00	2.50	7.50	25,750	12,875	38,625
	64	D	9,850	C6-3	5.00	2.50	7.50	49,250	24,625	73,875
715	Various	I	58,319	C6-3	5.00	2.50	7.50	291,595	145,798	437,393
716	52, 54	K	6,900	R8A	6.02	2.50	7.50	41,538	17,250	51,750
TOTAL								1,035,993	507,308	1,570,320

Partial Lot (Other portion outside of subdistrict)

Existing Zoning of Harborview Terrace and Surrounding Blocks

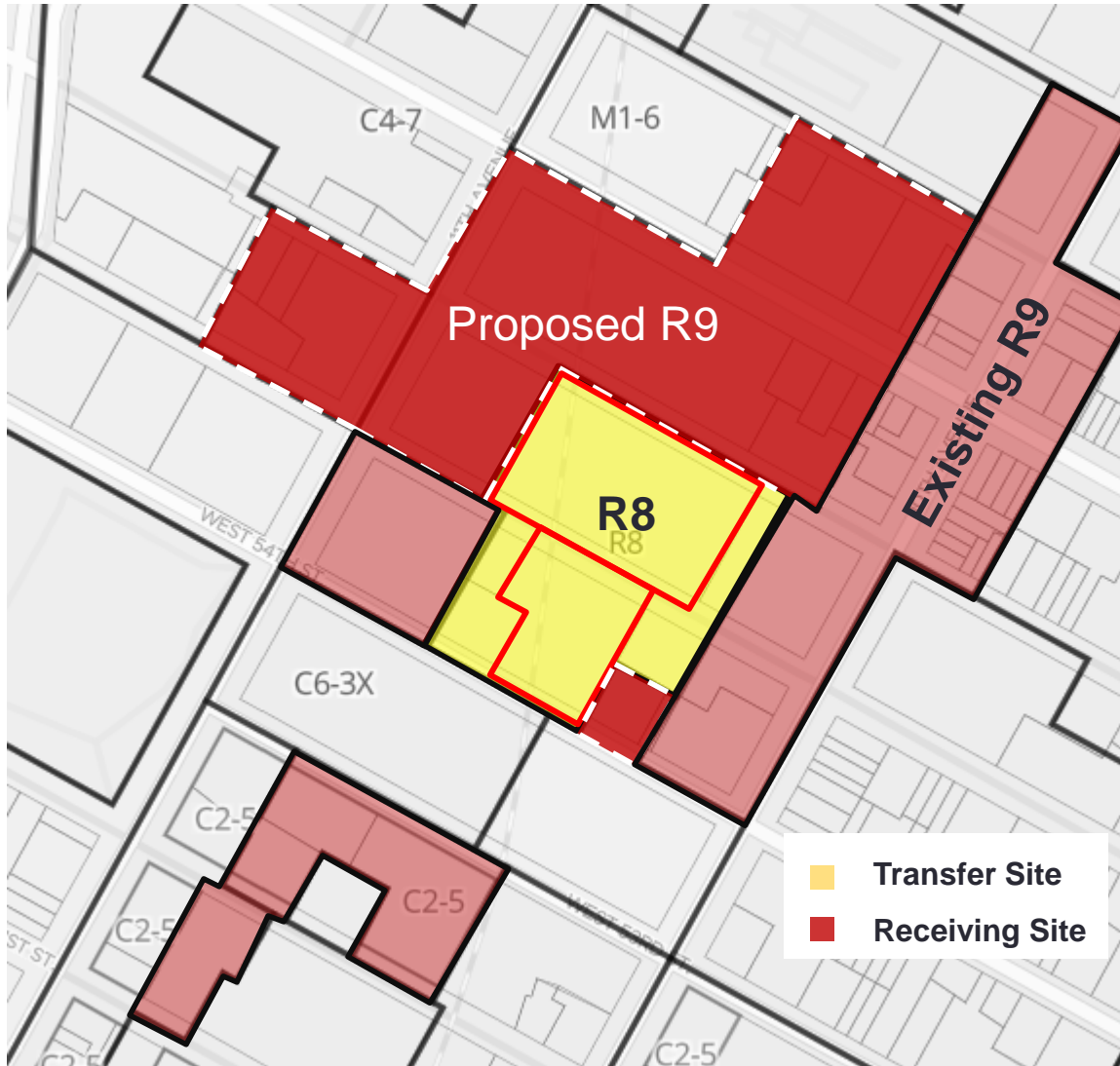


- Zoning Boundaries
- Area(s) Rezoned
- Harborview Terrace

Zoning	Max FAR
R8	6.02/7.20*
R9	7.52
Clinton R9	8.00*
M1-5	5.00
M2-3	2.00
C2-7	C: 2, R: 7.52/8.00*
C6-3X	C: 6, R: 9.00/9.70*

* Inclusionary

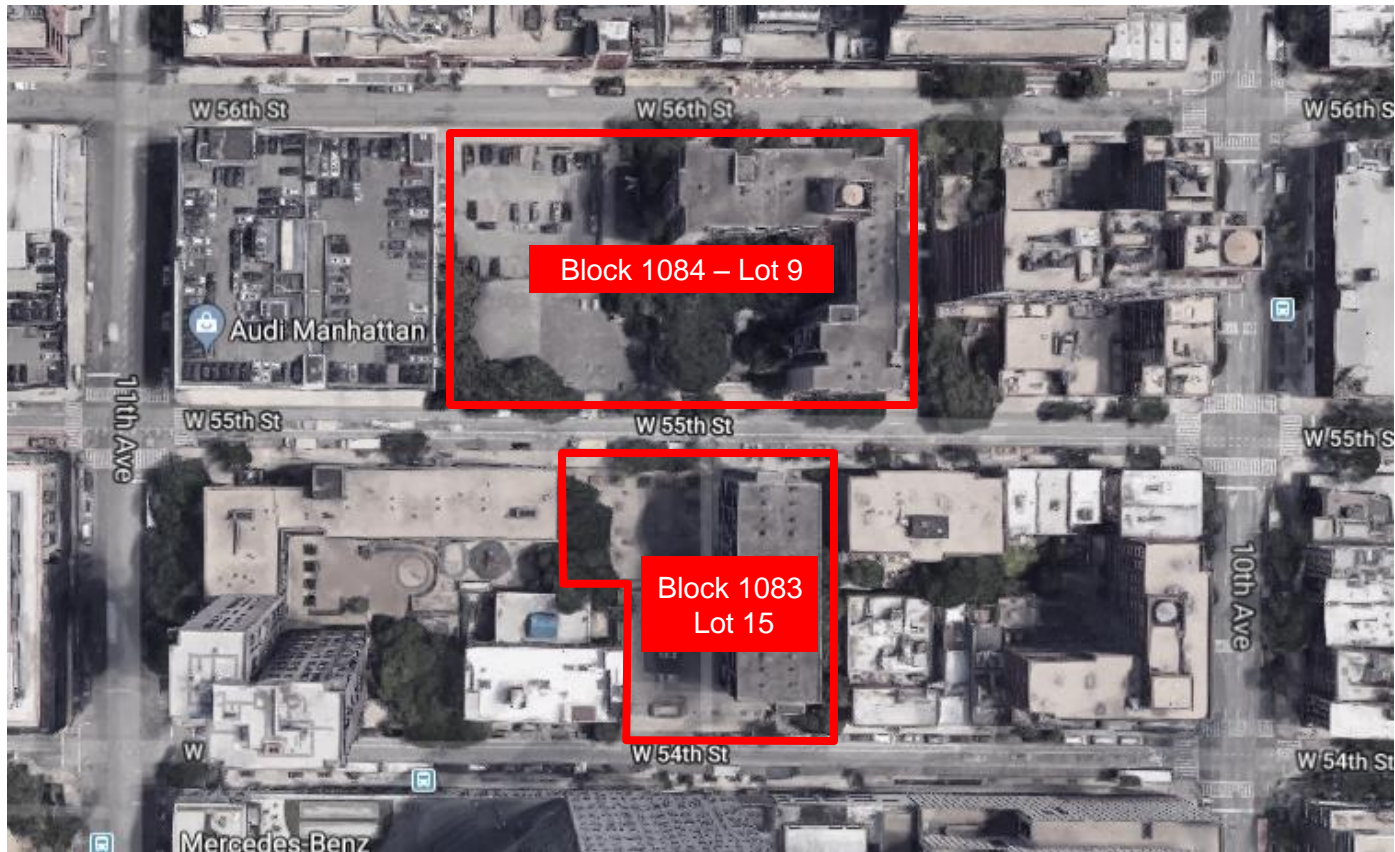
Draft MCB4 Proposed TDR District



- Receiving site would be rezoned to R9, to receive transferable development rights from Harborview Terrace site
- R9 of Special Clinton District would allow additional bonus FAR for Inclusionary Housing

Draft MCB4 Harborview Terrace Site Zoning Analysis

Block	Lot	Zoning	Lot Area	Maximum FAR	Maximum Developable Area	Existing Gross Floor Area	Unused Development Rights
1084	9	R8	80,332	6.02	483,599	233,348	250,251
1083	15	R8	40,175	6.02	241,854	151,769	90,085
Total Unused Development Rights							340,336



Draft MCB4 Harborview Terrace Development Rights

Unused Development Rights	340,336
Proposed Harborview Development (NYCHA RFP)*	192,000
Transferable Development Rights	148,336

Price (psf)	Revenue
\$ 325	\$ 48,209,200
\$ 350	\$ 51,917,600
\$ 400	\$ 59,334,400

* [NextGeneration NYCHA 100% Affordable Housing Development Sites RFP \(RFP 65435\)](#)