

CITY OF NEW YORK
MANHATTAN COMMUNITY BOARD FOUR

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Lowell D. Kern
Chair

Jesse Bodine
District Manager

March 11, 2021

Hon. Andrew Cuomo
Governor of New York State
NYS State Capitol Building
Albany, NY 12224

Re: Governor's Proposal – Repurposing Hotel & Commercial Buildings Due to COVID

Dear Governor Cuomo,

Background

Modifications to the New York State Multiple Dwelling Law, Section 277-a, were proposed as a part of the Governor's 2021 budget. The amendment's intent is to address the number of vacant commercial buildings and hotels in Manhattan, as a result of Covid-19, and to repurpose those buildings for residential use. The proposal permits conversion of hotels and commercial buildings to residential use – for market rate housing, with a minimum of 20% of affordable or supportive housing, by waiving certain provisions of the multiple dwelling law. The proposed revisions also create an option to provide funds in lieu of 20% affordability, to support the creation or preservation of affordable housing, or to prevent homelessness as determined by the Commissioner of the Department of Homes and Community Renewal (HCR) in the City of New York.

While Manhattan Community Board 4 (MCB4) believes the plan for zoning waivers for underused commercial offices and hotels, for conversion to housing with an affordable housing requirement has merit, such a proposal should not be part of the New York State budget. Instead, it should be part of an overall plan with consideration of both City and local plans, including MCB4's Affordable Housing Plan. At its March 3rd Full Board meeting, MCB4 voted by 41 in favor, 0 opposed, 0 abstaining, and 0 present but not eligible to request for the Governor's office to clarify the criteria of the proposal. The Board has reviewed an initial analysis of the proposed amendments and has been working with elected officials to analyze further and better understand the provisions outlined in the amendment. The Board further requests the Governor's Office to clarify the specific effects and implementation of the proposed multiple dwelling law amendments.

Initial Analysis

The initial analysis reduced the provisions of the proposed amendment to everyday common language, to help the Board better understand the intent and effect of the Governor's proposal. This preliminary analysis is subject to further revision after public discussion, and further clarification by the Governor's Office and State Legislature. The findings of the initial analysis are detailed below.

Hotel Conversions

Class B multiple dwellings: a hotel, with fewer than 150 rooms, can be converted to a multiple dwelling if it will:

- Be part of a state affordable housing plan with a minimum of 20% of such housing units created as affordable housing, or
- Operate as a supportive housing facility that is under a contract with any state or city agency to provide housing and supportive services, or
- Provide funds to support the creation or preservation of affordable housing or prevent homelessness as determined by the Commissioner of the Department of Homes and Community Renewal (HCR) and is located in the City of New York. (either between Hudson River, Chambers St, Centre St, Brooklyn Bridge, the East River, and 110th St (Appendix A), or in any borough outside of Manhattan).

Office Conversion to Residential Buildings

Commercial office buildings: office buildings considered Class B or Class C office space between 9th Ave, Park Ave, 14th St and 60th St (Appendix B) can be converted if it will:

- Be part of a state affordable housing plan or agreement with the HCR to provide a minimum of 20% of such housing units created as affordable housing, or
- Operate as a supportive housing facility that is under contract with any state or city agency to provide housing and supportive serves for any population, or
- Provide funds to support the creation or preservation of affordable housing to prevent homelessness as determined by the Commissioner of the HCR.

Applicability

With this change, conversion to multiple dwellings is for:

- Buildings erected prior to Jan 1, 1977, and
- Will not be subject to:
 - Local zoning law or resolution
 - Regulation addressing minimum light and air standards
 - Special District regulations
- The act shall take effect immediately upon passage and expire Dec 31, 2026.
- After the law is repealed, no variance or administrative acts will be needed to obtain a Certificate of Occupancy.

Response

While there is merit in the idea of repurposing hotels and commercial office buildings to

affordable housing, the execution of this proposal must be done carefully. MCB4 states:

- The proposal should not be part of the New York State Budget.
- Instead, the proposal should be taken up as a separate matter, as part of a plan with adequate public review process.
- As part of that public review and input process, any plan must be developed in conjunction with New York City's proposal to use capital funds to acquire hotels for affordable and/or supportive housing, and with consideration of local plans.
- Those proposals should consider MCB4's Affordable Housing Plan (2019 update).
- MCB4 does not support the idea of paying into an affordable housing fund without a robust set of criteria for implementation and regulation. It has been MCB4's experience that affordable housing funds established without implementation or regulations, are rarely effectively spent or allocated to those most affected by such actions. In fact, it has been our experience that when there is a direct nexus between affordable housing and requirements at the location, that housing is well-produced in a timely fashion.
- Actions to be taken through determination by the Commissioner of the Department of Homes and Community Renewal is vague, and MCB4 requests for that language to be clarified.
- MCB4 is working with the elected officials to analyze further the proposal and to provide preliminary recommendations.
- MCB4, local block associations, the Garment District Alliance, and the Hudson Yards/Hell's Kitchen BID is collecting data and developing a map to locate potential hotels and offices that might be affected and will present maps and data to state representatives in response to these proposals.

MCB4 looks forward to gaining clarity on this proposal and discussing the next steps.

Sincerely,



Lowell D. Kern
Chair
Manhattan Community Board 4



Jean-Daniel Noland
Chair
Clinton/Hell's Kitchen Land Use Committee

Enclosure

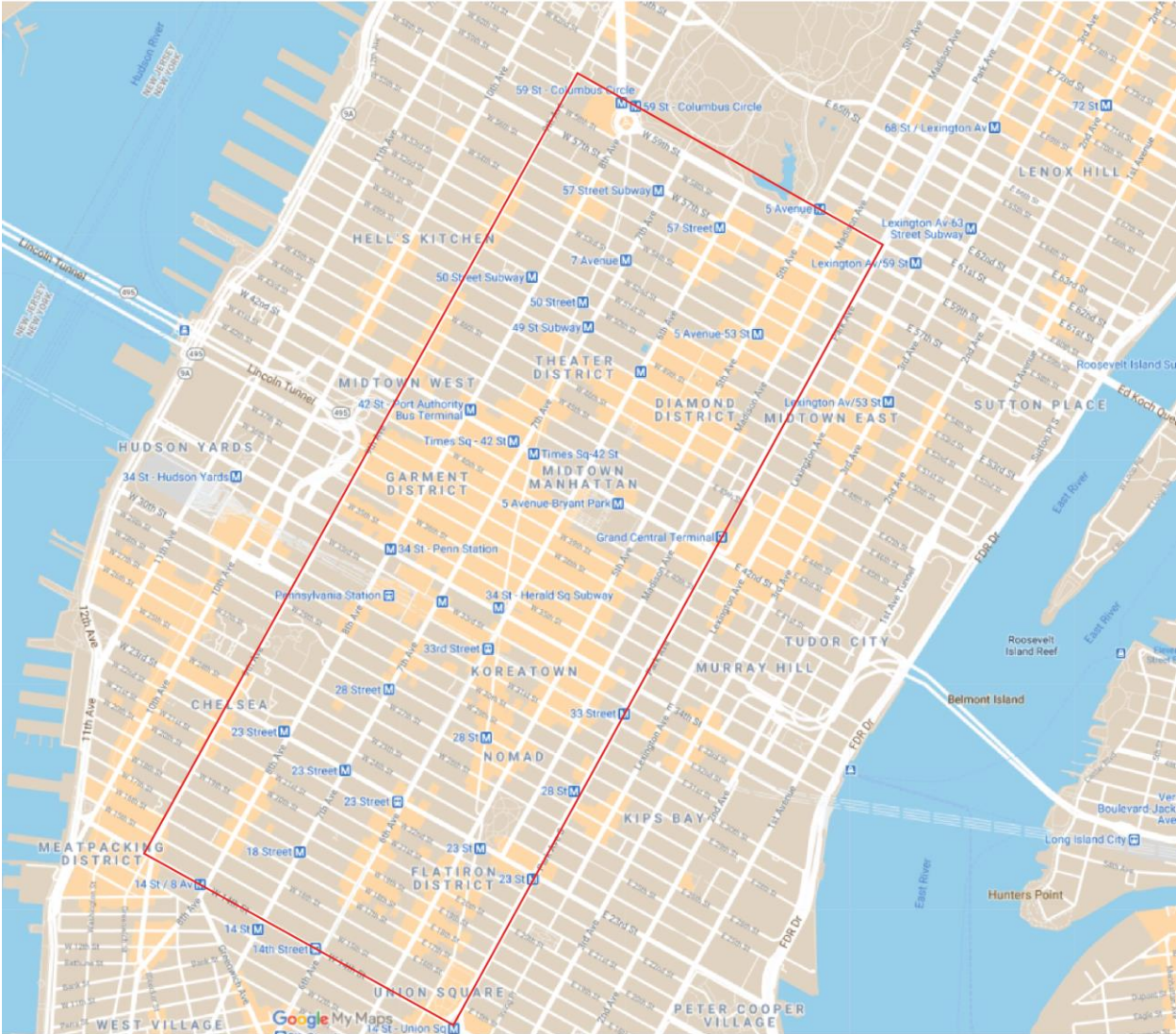
Cc Hon. Brad Hoylman, New York State Senator
Hon. Robert Jackson, New York State Senator
Hon. Linda Rosenthal, NYS Assemblymember
Hon. Richard Gottfried, NYS Assemblymember
Hon. Corey Johnson, NYC Council Speaker
Hon. Gale Brewer, Manhattan Borough President
Hon. Jumaane Williams, Public Advocate
Hon. Scott Stringer, NYC Comptroller
Hon. Bill de Blasio, NYC Mayor
Marisa Lago, Commissioner, NYC Department of City Planning

Appendix A. Proposed Area for Class B Multiple Dwellings Operating as a Hotel with fewer than 150 rooms, to be converted to create or preserve affordable housing or prevent homelessness



Class B Multiple Dwellings
Within Chamber St, Center St, Hudson River and East River

Appendix B. Proposed Central Business District Area with Commercial Office Buildings, with “Class B or Class C properties” to be converted or altered to create or preserve affordable housing or prevent homelessness



Commercial Office Buildings, Class B or C
Within 14th to 60th St., Park Ave to 9th Ave

[Link to Governor’s Proposal](#)