CITY OF NEW YORK



MANHATTAN COMMUNITY BOARD FOUR

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JEAN-DANIEL NOLAND Chair

ROBERT J. BENFATTO, JR., ESQ. District Manager

October 7, 2008

Commissioner Shaun Donovan
Department of Housing Preservation and Development
100 Gold Street
New York, NY 10038

Re: Lower Income Housing Plan Application by Eighth & 46^{th} LLC (Tribeach Holdings LLC) -307-311 West 46^{th} Street (Block 1037/Lot 26)

Dear Commissioner Donovan:

At the recommendation of its Housing, Health and Human Services Committee, Manhattan Community Board No. 4 <u>recommends approval</u> of the Lower Income Housing Plan Application by Safe Haven Housing Development Fund Co., Inc. and 303 West 46th Street LLC (a subsidiary of Tribeach Holdings LLC) for its project at 307-311 West 46th Street.

While the Boards supports this independent application for affordable family housing, it should be noted that we have concerns about the overall project. The proposed project site, 307-311West 46 Street, is part of a larger development site that encompasses 5 building lots and the transfer of development rights from 3 adjacent lots, and extends almost the full length of the 8th Avenue frontage between 46th-47th Streets. The development plan for the entire site includes four separate buildings, including two independently operated hotels, one residential townhouse, and one residential "cure" building.

Of particular note, 301 West 46th Street has a documented history of severe tenant harassment. In fact, HPD formally denied a certificate of no harassment on May 21, 2007 thereby making it subject to Section 96-110(3), the "cure" provision of the Special Clinton District zoning regulations, which requires that any development on a site with a finding of harassment dedicate i) 28% of the square footage (s.f.) of the building as affordable housing in perpetuity, or, ii) 20% of the s.f. entire development site, whichever is greater.

The Board is dismayed that the larger project design was clearly designed to circumvent Section 96-110(3)ii that requires that 20% of the *entire* development site be restricted for affordable housing. However, the developer has very carefully crafted a project that

separates the zoning lots and limits the effect of the cure to only the existing Lot 30 (which includes both the newly proposed Lots 29 & 30). The resulting project has two independent hotels situated side-by-side, that according to the developer, will be operated by different entities, with separate services and building systems. In its presentation before the HHHS committee, the developer stated that the separation of the building lots to create two separate hotels run independently was specifically designed as a legal mechanism to isolate the finding of harassment to Lot 30, and to not "taint" the remainder of the parcel. While this subdivision may meet the legal threshold to separate the development sites, the design is not the best use of the site. It is clearly a development crafted for legal reasons rather than one which creates a feasible project that benefits the community and the developer.

THE PROJECT @ 307-311 West 46th Street – Lot 26 Inclusionary Housing Project

The proposed project at 307-311 West 46th Street (Lot 26) is a 7 story townhouse, consisting of seven units (1 studio, 1 one-bedroom, 1 two-bedroom and 4 three-bedroom units). With the exception of the two-bedroom unit, the units will be developed under the Inclusionary Housing Program and will be deed restricted to be affordable to those earning less than 80% AMI. All inclusionary units will be made available through a lottery. The market-rate two-bedroom unit was presented as a penthouse to be used for owner-occupancy.

The applicant, 303 West 46th Street LLC, designated Safe Haven HDFC, an affiliate of Catholic Charities as the Administering Agent. Catholic Charities proposes to operate the proposed project as permanent family housing.

Community Board 4 supports this project and in particular welcomes the larger family-sized units for the general low income population, which are desperately needed in our community.

Many thanks for your attention.

Sincerely,

[signed 10/7/08]

Jean-Daniel Noland Sarah Desmond Joe Restuccia Chair Co-Chair Co-Chair

Manhattan Community Housing, Health & Human Housing, Health & Human Board No. 4 Services Committee Services Committee

Cc: Tribeach Holdings LLC
James Harris, EDC
NYC Council Speaker Christine Quinn
Manhattan Borough President Scott Stringer