



CITY OF NEW YORK

MANHATTAN COMMUNITY BOARD FOUR

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Chair

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

September 16, 2013

Amanda M. Burden, Chair
City Planning Commission
22 Reade Street
New York, NY 10007

**Re: ULURP Applications Nos. 140001 ZMM and N 140002 ZAM
Block 716, Lot 17; 429-433 West 18th Street
Fulton Houses Parking Lot Development**

Dear Chair Burden:

At its regularly scheduled Board Meeting on September 4, 2013, Manhattan Community Board 4, following a duly noticed public hearing, voted by roll call 28 for, 3 against, 0 abstaining and 1 present not eligible to recommend denial of applications 1400001 ZMM for a zoning map amendment and N 1400002 ZAM for a zoning authorization to enable the construction of an affordable housing project on a parking lot in the Fulton Houses unless the conditions discussed below on unit distribution, outdoor areas, jobs and other concerns are met.

Background

During their 2003-2004 preparations for the West Chelsea and Hudson Yards rezonings, CB4's land use committees developed two unprecedented positions designed to spur the development of housing affordable to families and individuals threatened by rising market rents, including those earning too much to qualify for traditional low income housing. The committees proposed that in both the West Chelsea and Hudson Yards rezonings 30% of new housing units should be permanently affordable, and that these units should be affordable to people with a range of low, moderate and middle incomes.

When the proposed West Chelsea rezoning reached the City Council, negotiations resulted in a document, West Chelsea - Points of Agreement, increasing the projected percentage of affordable units from the 17% included in the proposal approved by the City Planning Commission to 26%. In order to reach this goal, the Administration committed, subject to HUD and other public approvals, to develop affordable housing on sites in the New York City Housing Authority (NYCHA) Elliott-Chelsea and Fulton Houses, anticipating the creation of 128 and 100 units of permanently affordable housing, respectively. Following an RFP by NYCHA and the Department of Housing Preservation and Development (HPD), Artimus Construction, Inc.

(Artimus) was selected to develop affordable housing buildings on existing parking lots in each NYCHA development. The Elliott-Chelsea project was completed in 2011 with 168 permanently affordable housing units. The Fulton project proved to be more difficult financially and was delayed.

The 2012 Chelsea Market rezoning included a contribution to the West Chelsea Affordable Housing Fund as a condition of utilizing the floor area bonus granted by the rezoning. The Administration committed to using the expected funds for the Fulton project, and after taking into account these funds NYCHA and HPD concluded that the number of affordable units on the Fulton site could be increased to at least 150, enhancing the financial feasibility of the project. In addition, in order to advance the project, the Administration agreed to commit the necessary funds, up to approximately \$4.7 million, if at the time of the anticipated closing in June 2014 the Chelsea Market contribution to the West Chelsea Affordable Housing Fund had not yet been made.

Based on this assurance, Artimus, NHCHA and HPD proceeded with the Fulton project. The current proposal calls for an 18 story building with 158 permanently affordable units, including one superintendent unit. The building of the proposed development requires the requested actions that are the subject of this letter.

Unit Distribution

As noted above, CB4 has long had a policy that new affordable housing units should be affordable to people with a range of low, moderate and middle incomes. In its October 10, 2006 resolution to HPD, the Board stated that the 100 affordable units on the Fulton Houses site should be developed with income bands of 80%, 125% and 165% of Area Median Income (AMI). Three years later, an August 31, 2009 resolution to HPD rejected the then current proposal and requested this distribution:

% AMI	80%	125%	165%
% Units	20%	40%	40%

Again three years later, on October 25, 2012, the Office of the Mayor signed the Chelsea Market Points of Agreement (POA) increasing the number of permanently affordable units on the Fulton Houses site from 100 to 150 and setting this distribution:

% AMI	50%	80%	130%	165%
% Units	20%	20%	20%	40%

The 158 affordable units in the Proposed Development conform to this distribution and the POA.

Project Description

The Proposed Development consists of an 18 story, 172 foot tall building with a footprint of approximately 7,200 sq. ft. on a site located in the middle of the block bounded by West 18th and 19th Streets and by Ninth and Tenth Avenues (Block 716, Lot 17). An existing 230 foot tall

Fulton Houses Building is located immediately to the northeast. The shadow of the Proposed Development falls within the shadow cast by this building.

The Proposed Development will include a 4,300 sq. ft. community facility on the ground floor, and adjacent ground level areas will include a 1,275 sq. ft. space for the community facility, 1,986 sq. ft. of tenant space with a play area, and 115 sq. ft. of open space. Artimus also has proposed improvements for two Fulton outdoor areas:

- To an existing play area, Artimus will provide a children's basketball hoop, benches, a hopscotch area and planters and plantings; and
- To an existing basketball court, Artimus will resurface and repaint the basketball court, and provide new basketball backboards and hoops.

The building site currently is used for parking and for a fenced-in dumpster. Artimus and NYCHA have developed a plan to relocate the dumpster and the parking spaces that currently occupy the site in a manner that does not reduce the number of current parking permits.

The proposed building would provide 158 permanently affordable housing units as detailed in the following tables.

Total 157 units (plus 1 Superintendent)	Number
20% of units at 50% AMI	32
20% of units at 80% AMI	31
20% of units at 130% AMI	31
40% of units at 165% AMI	63
	158

Income at 50% of Area Median Income (*)

Unit Size	Unit Count	Rent	Maximum Income
Studio	10	\$696	\$30,065
One Bedroom	14	\$748	\$34,360
Two Bedroom	8	\$907	\$38,655
	32		

Income at 80% of Area Median Income (*)

Unit Size	Unit Count	Rent	Maximum Income
Studio	16	\$1,146	\$48,104
One Bedroom	11	\$1,230	\$54,976
Two Bedroom	4	\$1,486	\$61,848
	31		

Income at 130% of Area Median Income (*)

Unit Size	Unit Count	Rent	Maximum Income
Studio	9	\$1,900	\$78,169
One Bedroom	14	\$2,038	\$89,336
Two Bedroom	8	\$2,455	\$100,503
	31		

Income at 165% of Area Median Income (*)

Unit Size	Unit Count	Rent	Maximum Income
Studio	14	\$2,427	\$99,215
One Bedroom	30	\$2,602	\$113,388
Two Bedroom	19	\$3,132	\$127,562
	63		

(*) Rents and incomes are based on 2013 HUD AMI guidelines and are subject to change annually.

The units in the building would be marketed with the preferences for a number of specific groups. The current marketing plan includes the following preferences:

Preference	Percentage of Units
Disability, Mobility	5%
Disability, Visual	2%
Municipal Employees	5%
Community District 4	50%
NYCHA Residents	20%
	82%

Requested Actions

- **1400001 ZMM - Zoning Map Amendment.** The zoning on Block 716, between West 18th and 19th Streets and Ninth and Tenth Avenues, is divided evenly between R8A on the western half of the block and R8 on the Eastern half of the block. The requested action would rezone the area between 400' west of the Ninth Avenue block front and 450' west of the Ninth Avenue block front, between West 18th Street and the midpoint of the block between West 18th and 19th Streets, from R8A to R8 .
- **N 1400002 ZAM - Zoning Authorization.** The requested action would waive base height, building height, front and rear setbacks and sky exposure plane requirements as follows:
 - The street wall would be 124 feet instead of the required 85 feet, with a setback of 10 feet at 124 feet instead of 20 feet at 85 feet;

- The building would penetrate the required sky exposure plane ratio of 2.7; and
- The building would rise to 172 feet 4 inches without the required 20 foot rear setback at 125 feet.

CB4 Recommendations

In 2004 CB4 identified this Fulton Houses parking lot as one of several city-owned parcels on which affordable housing could be developed in order to fulfill the Board's requirement that 30% of all new housing units resulting from the West Chelsea rezoning be affordable. To date the West Chelsea rezoning has resulted in 741 affordable units and the preservation of 317 units through the demolition restriction, as summarized in the table below.

Description	Units		
	Completed	Fulton	Total
40% of AMI	6	-	6
50% of AMI	477	32	509
80% of AMI	125	32	157
125% of AMI	20	-	20
130% of AMI	-	31	31
165% of AMI	58	63	121
195% of AMI	55	-	55
Totals	741	158	899
Preserved	-	-	317
Total West Chelsea Affordable Units			1,216

CB4 has supported development of affordable housing on this Fulton Houses site and is pleased that the Chelsea Market contribution to the West Chelsea Affordable Housing Fund will result in nearly 60% more affordable units than originally expected. However, the Board cannot accept the proposed project in its current form and thus recommends denial of the applications unless the following conditions are met.

- **Conditions on Unit Distribution, Preferences, Pets and ADA Accessibility**

- CB4 encourages the development of larger units for families and notes that 25% of the proposed units are two bedroom units, and that these are distributed across all four income bands. The Board is disappointed, however, that there are no three bedroom units in the proposed building. As a condition to a recommendation for approval CB4 requires that the unit distribution be adjusted to provide that 5% the units be three bedroom units and that they be distributed across the four income bands.
- The NYCHA preference will be increased from 20% to 25%.
- The building must be pet-friendly.

- Artimus will provide ADA-compliant units.
- **Conditions on the Community Facility and the Outdoor Areas**
 - Artimus and CB4 will establish a working group comprised of representatives from Artimus, CB4, the Fulton Houses Tenants Association and our local electeds. The working group will be tasked with determining a recommended use for the community facility space and deciding on the design and improvements for the playground and the basketball court. Open space design and improvements must be decided prior to CPC action on the applications and a recommendation on the community facility must be made prior to the start of construction.
 - Based on the increased need caused by the closing of St. Vincent's Hospital, CB4 would prefer a health related use for the community facility and asks Artimus to give such a use priority. Whatever the final determination, Artimus must subsidize the rent of the community facility to make it affordable.
 - The work on the playground and the basket ball court improvements must start no later than when construction starts on the building and must be completed within 90 days. In addition, Artimus must commit to providing ongoing support to maintain them in good condition.
 - Artimus will develop the building to include a green roof.
 - Artimus will work with NYCHA to improve adjacent NYCHA landscaping.
 - In relocating the dumpster, NYCHA and Artimus will meet and work with owners and tenants of adjacent properties, as well as CB4 representatives, during the site selection process to select a site that has the least possible impact on neighboring buildings. They will submit a siting plan to CB4 prior to the CPC hearing on the applications. See Appendix A for preliminary siting plan.
- **Conditions on Jobs**
 - CB4 requests that Artimus support a Community Jobs Project for its Fulton Houses Development and that it work with the Board to implement it, including holding periodic job fairs, posting all job openings on the CB4 jobs website, and working in good faith with the Board to identify and hire employees from tenants living adjacent to the Proposed Development and from within CD4.
 - CB4 also requests that Artimus pay its workers family-sustaining wages, with affordable health care and retirement benefits, in order to help create a strong community, a strong middle class and a growing local economy; and provide appropriate training to its Fulton Houses workers so that they have an opportunity to advance in their careers.

- **Conditions on the Façade**

- Artimus will present a façade design at the September 16 meeting of the Chelsea Land Use committee; Artimus and CB4 will agree on the final façade design before the CPC hearing on the project.

- **General Recommendations**

- CB4 and the community were distressed by the unseemly haste with which this application was certified. Important peripheral issues remained unresolved at certification, leading to rumors and the dissemination of incorrect information that inflamed the community. CB4 prides itself on its community outreach, holding as many public meetings as necessary to ensure that issues are raised and discussed in public and that people have the opportunity to ask questions and express their opinions. The Board believes that DCP, CPC and the applicant should have delayed certification until the outstanding issues were resolved and recommends that more attention be paid to timing and the interests of the community in the future.
- CB4 welcomes the 158 permanently affordable units the modified Proposed Development will create. We note, however, that the city cannot celebrate the creation of new affordable housing units while neglecting existing units. The Board believes that in order to protect and expand affordable housing, building new units must be accompanied by effective upkeep of current units and that appropriate funds for maintenance must be made available.

Non-CPC Actions

In addition to the Zoning Map Amendment and the Zoning Authorization described above, the applicant is requesting two Mayoral Zoning Overrides. The first, to waive street tree planting requirements of ZR 23-03 and 26-41, would require the applicant to provide street trees based on the development site street frontage rather than the zoning lot street frontage. CB4 recommends approval of this waiver on the assurances of the applicant that they will work with NYCHA to enhance adjacent landscaping on the Fulton Houses block in addition to providing the required number of street trees.

The second, to waive the accessory off-site parking requirements of ZR 13-21, 13-443 and 13-455, would permit the location of required accessory parking spaces on zoning lots to which they are not accessory. CB4 recommends approval of this waiver as long as the screening requirements of ZR 13-221 (1) and 25-66, and the curb cut and pedestrian safety requirements of ZR 13-242 are met, noting that there will be no reduction in the number of current NYCHA parking permits (See Appendix A).

CB4 looks forward to the addition of 158 units of affordable housing to CD4 and will work with the applicant to ensure that the Proposed Development fulfills the promise of the West Chelsea rezoning and is responsive to the needs of the community.

Sincerely,



Corey Johnson
Chair



J. Lee Compton
Co-Chair
Chelsea Land Use Committee



Betty Mackintosh
Co-Chair
Chelsea Land Use Committee

cc: Robert Ezrapour, Evan Kashanian – Artimus Construction
RuthAnne Visnauskas, Beatriz de la Torre, Thehbia Walters – HPD
Fred Harris – NYCHA
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