



CITY OF NEW YORK

MANHATTAN COMMUNITY BOARD FOUR

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CHRISTINE BERTHET
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January 15, 2015

The Honorable Pat Donahoe
Postmaster General
United States Postal Service
475 L'Enfant Plaza SW
Washington, D.C. 20260-0010

Re: Sale of Air Rights above Old Chelsea Station Post Office at 217 West 18th Street

Dear Mr. Donahoe:

Manhattan Community Board 4 (CB4) recently was informed that the United States Post Office (USPS) intends distributing a request for proposal ("RFP") in January 2015 (extended to February 2015) to sell the air rights over the Old Chelsea Post Office at 217 West 18th Street, New York, NY. CB 4 has been extremely disturbed by USPS's the lack of community outreach about this proposal which would result in a significant development. An in-depth discussion and meaningful input from the local community, elected officials and CB4 are essential.

Background and Community Input

In 2013 the Postal Service declared its intention to close the station and sell the property. This proposal threatened to demolish a significant historic building that is on the State and National Register of Historic Places and curtail the postal services for the local community. The proposal was vehemently opposed by both the community and elected officials and the proposal was withdrawn. Furthermore, CB4 advocated to the New York City Landmarks Preservation Commission (LPC) for the site to receive a New York City Landmark designation (see enclosed letter). The LPC did not make that designation.

CB4 first learned of USPS's new proposal to sell the site's air rights when a notice was posted at the Old Chelsea Station in late November 2014. The notice provided only a 15-day comment period for the general public to respond and did not provide any significant information regarding the details of the RFP process. CB4 is aware that the UPPS has asserted that community groups were notified by mail of these development plans in August 2014 but CB4 was not included in that mailing and furthermore, CB4 heard from several of the community groups that they did not receive any such notification.

CB4 understands that a letter dated November 26, 2014 was sent to Gov. Andrew Cuomo, Mayor Bill de Blasio, Manhattan Borough President Gale A. Brewer and CB4. That letter provides CB4 with a 60-day period to offer comments. That period would end January 25, 2014. In addition, it

was only after CB4 and Congressman Jerrold Nadler's office made requests of USPS that USPS provided information that was essential for CB4 to properly comment on the proposal.

Description of Proposal

The USPS intends to sell unused development rights over the Old Chelsea Station to raise money and plans to convert the property to condominium ownership with a "Residential Unit," a "USPS Unit," and common elements (lobby, gym, mechanicals, etc.). The post office is to continue to operate. The existing building is to have a preservation covenant. The selected developer could construct for a new eight-story residential tower, set back from the front of the post office to preserve the "visual aesthetics of the existing façade". The proposed 7,409 SF residence would rise 83 feet above the existing post office roof. Conceptual renderings suggest a modern slab building. The site is in a C6-2A zoning district which permits residential uses. Buildings near the Old Chelsea Station are primarily residential, many with ground floor retail. Most heights range from three to seven stories; several are nine to 15 stories.

CB4 Concerns and Recommendations

To provide local residents and organizations an opportunity to voice concerns and pose questions about the proposal, CB4 held a public discussion at its January 7th full Board meeting. CB4 is pleased that USPS sent a representative, Mr. Gregory Lackey, Realty Asset Manager, to that CB 4 meeting. Mr. Lackey gave a description of the USPS proposal, addressed some CB4 concerns, and heard testimony from the public. We also appreciate that USPS is extending the public comment period to February 2, 2015. Written testimony from that meeting is enclosed.

Requests to USPS about Process

- Review by CB4, elected officials and community of a draft version of RFP before it is issued with sufficient time to analyze and comment on it.
- Inclusion in the RFP of ongoing community participation and oversight in project development, including meetings with the future developer so community can have input in the style and materials of the exterior of the new residence.
- Explanation of USPS response to the December 5, 2014 letter of the Historic Council of Historic Preservation which states: "It is the opinion of the ACHP that the USPS finding of no adverse effect is based on an insufficient assessment of adverse effects for the referenced undertaking and is not supported by the covenant as presently written."

Questions and Concerns about Proposal

- The USPS announcement states that the post office and the residence will share "common elements" (lobby, gym, mechanicals, etc.). How much space in the existing building will be shared or used for the proposed residence? Will this sharing of space effect the operation of the post office?
- The description of the proposal should include a zoning analysis and discussion of the impacts on nearby buildings. That description should be shared with CB4, the community and elected officials.
- The RFP should require that the design of the new residential portion respects and relates to the existing historic building. The current rendering may be conceptual but it certainly does not show any sensitivity to the Old Chelsea Station as "a handsome, well-proportioned Colonial Revival style building" (from Statement of Significance for the

National Register). CB4 and the local community should have input in the style and materials of the exterior of the new residence.

- The RFP should require (not just recommend) that the residential tower be set back from the front of the existing post office building. A recent USPS Government Relations document states: “USPS preliminary design criteria call for the tower to be set back from the front of the building to preserve the visual aesthetics of the existing façade.” Preliminary drawings show that set back. However Mr. Lackey more recently indicated to CB4 that the setback was a recommendation, not a requirement.
- The proposed residence should include 30 percent affordable apartments in accordance with CB4 policy for new residential development (for all types: rental, cooperative and condominium housing).
- Clarify the statement by Mr. Lackey that it is up to the chosen developer where the purchased air rights could be used, implying that the developer could transfer the air rights to another location, or possibly buy air rights from other properties and transfer them to the Old Chelsea Station site. Explain if USPS explored the possibility of transfer of air rights to adjacent property, and if not possible, describe why. Is there a specified geographic area where development rights can “land” or are they restricted to the area above the existing post office building?
- Clarify whether or not the post office will remain open during construction of the residential portion above and the shared space on ground floor.

New York State Assembly Member Richard Gottfried asserts in his December 11, 2014 letter to the USPS that “it has become commonplace for local and elected officials and community groups to find themselves blindsided by USPS development plans.” We sincerely hope that in this instance we can start a cooperative process that proves Assemblyman Gottfried wrong. A transparent process will benefit both the USPS and the community. Mr. Lackey said that USPS would respond to community and CB4 concerns. We look forward to that response in the near future.

Sincerely,



Christine Berthet
Chair



J. Lee Compton
Co-Chair
Chelsea Land Use Committee



Betty Mackintosh
Co-Chair
Chelsea Land Use Committee

Enclosure

CC: U.S. Congressman Jerrold Nadler
NYS Senator Brad Holyman
NYS Assemblymember Richard Gottfried
Manhattan Borough President Gale A. Brewer
NYC Councilmember Corey Johnson
USPS Federal Preservation Officer Daniel Delahaye
USPS Real Estate Specialist Joseph J. Mulvey
USPS Northeast Area Realty Asset Manager Gregory C. Lackey