

December 6, 2013

Mr. Andrew Berman, Executive Director Greenwich Village Society for Historic Preservation 252 East 11th Street New York, NY 10005

Dear Andrew:

I attended the November 13th Town Hall meeting sponsored by the Greenwich Village Society for Historic Preservation, Save Chelsea and the other organizations represented in your November 15th letter and copied below, and the turnout was impressive but not surprising. I know well that a great many people along the Park are very interested in this important topic. There is significant appetite for facts and accurate understanding and I welcome that.

My hope was to address many of the concerns raised at that meeting, but I understood from my previous phone conversation with you that you did not want the Hudson River Park Trust to contribute in any way. Our goal now is to reiterate the commitments and facts we have expressed to GVSHP, representatives of Save Chelsea, and Community Boards 1, 2 and 4, in previous correspondence, phone calls and meetings.

Beyond all else, please know that HRPT is committed to engaging in an open process with all the Community Boards throughout a timeline that will no doubt take approximately two years before a single air right could be transferred.

In your letter, you stated that your goal in asking the questions you laid out is to ensure that any future air rights transfers that may be allowed are not used in a way that would be harmful to our neighborhoods. We wholeheartedly concur. HRPT is one hundred percent clear that in order for this potentially transformative idea for the park to succeed, we will need to work side by side with our neighbors to secure their support. In part, this will mean obtaining satisfactory answers to each and every question you have asked to date.

We would like nothing more than to be able to provide these answers now, both to allay your concerns and to accelerate the process of helping the Park. However, as you know from our previous meetings and correspondence with us, as well as from your own expertise with ULURP, most of these questions will actually require a meticulous process of study before they can be answered, and that process will involve City Planning (at both the staff and Commissioner level), the Community Boards, and our elected officials, as well as HRPT.

HRPT has met on several occasions with staff at City Planning, and while helpful, they have requested that HRPT produce information about existing conditions along the corridor, presented in a graphic format. As you know, HRPT was fortunate to secure the assistance of graduate students from Cornell to assist us with this process. We have told the Community Boards that we will meet with them once this information is available, which will likely be in January of 2014.

The lack of information now of course means that HRPT must still work to secure all these answers, and others, in the future. I hope you'll agree that we have responded substantively to you since you first reached out to us in June when the legislation was passed. This includes the statement we secured from the General Counsel at City Planning to confirm City Planning's position that nothing in the law authorizes transfers without a subsequent, yet to be undertaken, City process that would be subject to approval under ULURP.

Similarly, we have provided previous written confirmation to you that every conversation we have had with City Planning and elected officials about potential future transfers has been limited to Piers 40, Chelsea Piers (Piers 59, 60 and 61), 76, 81, 83 and 98 – i.e., piers where the park is permitted to have commercial uses under the Hudson River Park Act. Elected officials have also confirmed to you directly that this is their understanding. In addition, we have provided our commitment that Pier 57 is off the table from any discussions about air rights transfers because it already exceeds permissible FAR under its prior zoning; we have committed in writing that HRPT will not seek, nor will City Planning entertain, any air rights from the new zoning at Pier 57.

We agree with you that these are not the "iron-clad" commitments you seek. I can only assure you that HRPT will not engage in any negotiations for air rights transfers except as allowed through an existing city or state process. Further guarantees — iron-clad commitments - will require processes beyond those that HRPT controls. Since HRPT, City Planning, and all elected officials are aligned in these points, I hope that we can move beyond these questions and focus collectively on those that remain unanswered.

One such question concerns the maximum amount of air rights that could be available for future sale once a district is created through the city process. At each pier identified above, HRPT will need to work with an architect to study used and unused FAR. It is clear that HRPT will need to present this information to City Planning and the Community Boards before any substantive discussion could occur about how much FAR could potentially be transferred and from which sites.

Your letter also asks other questions: about use vs. bulk expansion, about the prospect of using air rights in connection with downzoning, and about limitations on air rights sales. This, again, will all be part of the pre-ULURP discussion process. Questions about air rights in exchange for use expansion and downzoning are also legal in nature, and will inevitably need decisions from City Planning and City Hall policy makers. Of course, the Community Boards will also be discussing these and other issues with City Planning and with us, including your question about interpreting "one block inland." In that instance, it is hard to imagine that anyone in the communities would tolerate the scenario you outline in your question.

You ask what other funding sources are being explored for the Park. For two years, newspapers large and small have been covering HRPT's efforts to explore, propose, and find solutions and

compromises that can help the Park's finances. We have stated publicly that we need approximately \$250 million to complete the public portions of the park, not including future park at Pier 40 and Pier 76 and another \$110 million to stabilize Pier 40. When the park is fully built out it will cost approximately \$30 million annually to maintain the park and its infrastructure. In concert with our elected officials and Community Boards, we have discussed use and lease term changes, a Neighborhood Improvement District, the viability of securing additional commitments from the State and City, grants, bonding, fees from certain passenger ships, community benefits agreements from developers, private fundraising – the list goes on and on.

The new amendments to the Act include some but not all of these ideas, and even though the legislation was just signed, we continue to welcome all ideas that can help resolve the Park's serious financial difficulties in order to put it on a sound course for the future. For example, unless there is a very large capital infusion, potentially from air rights sales, we still have no solution for the imminent infrastructure needs at Pier 40, nor a means to complete the park's construction in communities that have waited years for this to happen.

Hudson River Park is optimistic about the opportunity we now have to save and grow the park we love without harming the communities we love. We need smart people who are willing to work with us to help find viable solutions to the problems the park faces. We are hopeful that people like you who have expertise as well as concerns about the outcome will work with us to embrace this effort rather than assume the worst before we have even begun the process. Transfer of Development Rights districts have been implemented all over the city for public benefit and we are asking for your support as we work through the pre-ULURP process publicly and thoughtfully.

Our neighborhoods along the park have been growing and changing considerably in the last 10 years. Currently there are about 10 sites immediately adjacent to the park that are in some stage of redevelopment. Unfortunately, although the park has delivered huge benefits to its adjacent neighborhoods, it has received no "contribution" toward its bottom line.

Before all the sites are redeveloped into larger residential buildings in a piece meal fashion, consideration should be given to whether the park should receive its fair share. Contrary to your most recent published letter, this isn't a question of choosing between having a park and destroying the neighborhood through upzoning. Ultimately, it will be up to the communities to thoughtfully determine if larger buildings in specific locations are a good "trade off" for the public benefit of improving and stabilizing the park, while reducing commercial development on the commercial piers.

Sincerely,

Madelyn Wils President & CEO cc: Lesley Doyel, Save Chelsea

Zack Winestine, Greenwich Village Community Task Force

Bill Borock, Council of Chelsea Block Associations

Lynne Ellsworth, Tribeca Trust

Tony Hoffman, Village Independent Democrats

Gail Fox, Lower Chelsea Alliance

Luke Henry, Village Reform Democratic Club

Susan Lamia, Charles Street Association

Allen Roskoff, Jim Owles Liberal Democratic Club

Dick Blodgett, Charlton Street Block Association

Silvia Beam, VanDam Street Block Association

Gary Tomei, West 13th Street 100 Block Association

Albert Bennett, Morton Street Block Association

Gerald Banu, Perry Street Block Association

Geoffrey Knox, Perry Street Crusaders

Steven Skyles-Mulligan, Chelsea Reform Democratic Club

Hon. Daniel Squadron, New York State Senate

Hon. Brad Hoylman, New York State Senate

Hon. Deborah Glick, New York State Assembly

Hon. Richard Gottfried, New York State Assembly

Hon. Gale Brewer, New York City Council and Manhattan Borough President-elect

Hon. Margaret Chin, New York City Council

Corey Johnson, New York City Councilmember-elect

Amanda Burden, City Planning Commission

Catherine McVeigh Hughes, Community Board # 1, Manhattan

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David Gruber, Community Board # 2, Manhattan

Tobi Bergman, Community Board # 2, Manhattan

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