Borough President Recommendation

City Planning Commission 22 Reade Street, New York, NY 10007 Fax # (212) 720-3356

		1 dx " (L12) 120 0000
INSTRUCTIONS 1. Return this completed form with any attachments to the Calendar Information Office, City Planning Commission, Room 2E at the above address.	2.	Send one copy with any attachments to the applicant's representative as indicated on the Notice of Certification.
Application: C 120380 ZMM		
Docket Description:		
C 120380 ZMM - IN THE MATTER OF an application submitted by The Rect City of New York pursuant to Sections 197-c and 201 of the New York City Char	or, Chu	urch-Wardens and Vestrymen of Trinity Church in the the amendment of the Zoning Map, Section No. 12a:
 changing from an M1-5B District to an M1-6 District property bounded its southerly prolongation, Canal Street, and the Avenue of the America. 	by the s and it	former centerline of the Avenue of the Americas and as southerly centerline prolongation; and
 establishing a Special Hudson Square District bounded by West Houston Street, Avenue of the Americas, Spring Street, Avenue of the Americas Hudson Street, Spring Street, and Greenwich Street; 	n Stree and its	t, a line 100 feet easterly of Varick Street, Vandam southerly centerline prolongation, Canal Street,
Borough of Manhattan, Community District 2, as shown on a diagram dated Augu Declaration E-288.	ust 20,	2012, and subject to the conditions of CEQR
COMMUNITY BOARD NO: 2		BOROUGH: Manhattan
RECOMMENDATION		
APPROVE		
APPROVE WITH MODIFICATIONS/CONDITIONS (List below)		
DISAPPROVE		
DISAPPROVE WITH MODIFICATIONS/CONDITONS (Listed be	low)	
EXPLANATION OF RECOMMENDATION – MODIFICATION/CONDIT	IONS	(Attach additional sheets if necessary)
See Attached		
XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX		11/26/12
BOROUGH PRESIDENT		DATE



SCOTT M. STRINGER BOROUGH PRESIDENT

November, 26 2012

Recommendation on
ULURP Application Nos. C 1203080 ZMM, & N 120381 ZRM –
Special Hudson Square District by
The Rector, Church-Wardens and Vestrymen of Trinity Church in the City of New York

PROPOSED ACTION

The Rector, Church-Wardens and Vestrymen of Trinity Church in the City of New York (the "applicant") seek approval of a **Zoning Map Amendment** (**C 120380 ZMM**) to establish a new Special Hudson Square District located within Community District 2 in Manhattan. The proposed special purpose district is comprised of approximately 18 blocks generally bounded by West Houston Street to the north, Greenwich Street to the west, Canal Street to the south and Avenue of the Americas to the east.

The applicant also filed a related application for a **Zoning Text Amendment** (N 120381 ZRM) to establish zoning regulations for the proposed special purpose district in addition to the underlying M1-6 zoning district that governs the area today. The proposed amendments would generally permit residential and community facility uses, impose bulk and height limits, promote the creation of affordable housing, allow for school development, and limit the development of eating and drinking establishments and hotels. Text amendments are proposed for the following sections of the Zoning Resolution: **ZR §§ 11-12** (Establishment of Districts); **12-10** (Definitions); **73-244** (Special Permits by the Board of Standards and Appeals); and **Article 8**, **Chapter 8** (Special Hudson Square District).

PROJECT DESCRIPTION

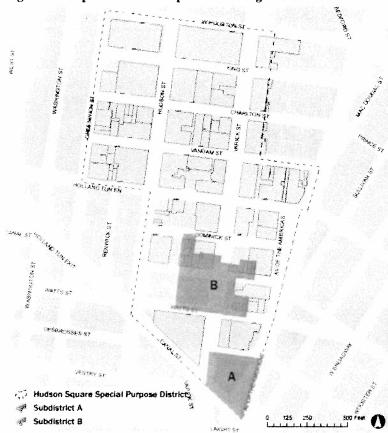
The applicant seeks a zoning map amendment and a related zoning text amendment to establish a special purpose district, the "Special Hudson Square District" ("HSQ") with Subdistricts A and B. Subdistrict A is bounded by Grand Street, Avenue of the Americas, Canal Street, and Varick Street (Block 227). Subdistrict B is bounded by Dominick Street, a line midway between Varick Street and Avenue of the Americas, Watts Street, and the Holland Tunnel (Blocks 477, 491, and 578). The proposed actions would generally permit residential development, regulate bulk and

¹ Refer to **Figure 1** for boundaries of proposed district.

height, and set limitations on certain uses to protect the commercial character of the Hudson Square neighborhood.

Hudson Square is a predominately commercial and light manufacturing neighborhood. The current proposed rezoning area is composed of approximately 97% of commercial and office uses, and 3% of legal non-conforming residential uses.² The area is also characterized by community facility uses that include museums and trade schools.

Figure 1: Proposed Hudson Square Rezoning Boundaries



The area's history of printing and publishing industries is reflected in its many mid- to large-sized warehouse buildings that are between 6 and 12 stories. Lowscale row houses and tenementstyle buildings, between 3 and 6 stories are scattered within the proposed project site. In recent years, as-of-right hotel developments have started to erode the special physical character of the neighborhood, including the 42-story Trump SoHo Hotel located on Varick Street between Spring and Dominick streets.

Additionally, Hudson Square is characterized by the entrance to the Holland Tunnel, located just south of Broome Street between Varick and Hudson streets. The neighborhood is also well served by public transit, with the 1, A, C

and E subway stops in the immediate area. While Hudson Square is located two blocks east of Hudson River Park, there are only three open space areas within the proposed HSQ: Trump SoHo plaza, SoHo Square and Duarte Square located within proposed Subdistrict A.³

Hudson Square's current zoning is entirely a M1-6 zoning district. M1-6 is a high-density, light manufacturing zoning district that permits high performance industrial uses and a range of commercial and community facility uses. Residential uses, however, are not permitted as of right. This district allows a maximum allowable FAR of 10 for manufacturing, commercial and some community facility uses, and developments utilizing the plaza and arcade bonus are allowed up to a 12 FAR. Additionally, there are no requirements for street wall and building heights in M1-6 districts.

² There is approximately 348,171 SF of residential area or 353 units within the proposed HSQ.

³ The three identified open spaces combined is approximately 1 acre.

Proposed Special Hudson Square District

The applicant proposes to replace the existing M1-6 zoning district with a special purpose district with unique use regulations, minimum and maximum base heights, and maximum building height regulations as defined by the proposed zoning text amendments. The proposed action would also create Subdistricts A and B that would have their own specific height and bulk regulations.

Hudson Square Special Purpose District

The proposed special purpose district aims to:

- permit residential development;
- permit other community facility uses, such as schools;
- impose height limits in the area;
- set contextual development envelopes;
- encourage affordable housing through inclusionary housing bonus;
- preserve commercial uses in the area;
- limit hotel development;
- limit eating and drinking establishments; and
- limit large-scale retail developments with the exception of food markets.

Density - The proposed rezoning would allow a maximum 10 FAR for commercial and community facility uses, and 9 FAR for residential developments. The arcade and plaza development bonus, under M1-6 zoning provisions would be eliminated under the proposed plan. Instead, the proposed HSQ would allow a development bonus of up to 12 FAR with the addition of affordable housing through the city's Inclusionary Housing Program. The proposed rezoning also aims to maintain the area's predominant commercial nature by protecting non-residential buildings that are 70,000 SF or larger ("qualifying buildings"). Any demolition or conversion of qualifying buildings would require a one-to-one replacement of demolished commercial or manufacturing floor area, and certification from the City Planning Commission ("CPC"). Commercial and light manufacturing uses are encouraged through this proposed action; mixed-use residential projects, with a base of 9 FAR, would be allowed to increase the base to a 10 FAR provided non-residential uses are included in the development. However, the maximum FAR would remain at 12 FAR.

Height - Under the rezoning, buildings on wide streets would be limited to a maximum height of 320 feet, with minimum and maximum base heights of 125 to 150 feet. New buildings constructed on narrow streets would be limited to a maximum height of 185 feet, with minimum and maximum base heights of 60 to 125 feet. Setback distances at the base are also required: 10 feet on wide streets, and 15 feet on narrow streets.

Uses - The rezoning would control the size and amount of some non-residential uses in the area. While ground-floor retail is generally encouraged in the proposed district, retail uses would be

⁴ New developments are allowed an additional 0.25 residential FAR for every 1 non-residential FAR built – up to 1 additional residential FAR is permitted.

limited to 10,000 SF.⁵ Supermarkets and food stores, however, are exempt from this restriction. Other uses would also be regulated under the new rezoning. Eating and drinking establishments with a capacity for 200 or more people for entertainment and dancing would require a special permit approved and issued by the Board of Standards and Appeals. New hotel construction or enlargement projects with 100 or more sleeping units would require a special permit from the CPC. The special permit, however, would exist only until the district's residential development goal of 2,255⁶ dwelling units has been met.⁷ Hotel conversion or enlargement of an existing qualifying building will only be permitted by special permit regardless of whether the residential development goal has been met.

Additionally, manufacturing uses in the district would be subject to modifications, as applied in the Special Mixed Use District, to as-of-right uses, uses with restrictions, and excluded uses in Use Groups 16, 17 and 18 as set forth in ZR § 123-22.

Streetscape Regulations - The applicant also seeks to implement streetscape provisions in the proposed rezoning area. Ground-floor retail uses, soccupying 50 feet or more of the lot's street frontage, would be required to have a depth of at least 30 feet and occupy a minimum of 50% of the zoning lot frontage. The remaining lot frontage may be occupied by any of the permitted uses that include lobbies and entrances to parking spaces (lobbies are limited to a width of 40 feet of frontage). Parking spaces would be permitted to occupy portions of the ground floor provided they are located beyond 30 feet of the street-facing building wall. At least 50% of the surface area of a ground floor street wall must be transparent between two and 12 feet (or the height of the ground floor ceiling if higher). The transparency requirement must be placed a minimum of 4 feet above the curb level; and the width of ground-floor street wall may not be nontransparent for more than 10 feet.

Court and Yard Regulations - The proposed HSQ would follow court provisions set under R10 zoning district regulations (ZR § 23-80), and yard provisions set under C6 zoning district regulations (ZR § 33-22).

Rooftop Regulations - Buildings in the proposed HSQ will follow regulations set forth in ZR § 33-42 permitting obstructions, such as elevator or stair bulkheads, roof water tanks, cooling towers or other mechanical equipment to penetrate the district's height limits. These obstructions are limited to 20% of the building's lot coverage, and a maximum of 40 feet. Additionally, all mechanical equipment (with the exception of water towers) on residential developments, enlargements and conversions would be required to be protected by a screen.

⁵ In particular, Use Groups 6A (other than food stores), 6C, 6E, 10 and 12B uses. The 10,000 SF limit on retail spaces only applies to the ground-floor level, and does not include floor area below or above the ground floor. These uses generally include convenience retail or service establishments, non-commercial clubs, and large retail establishments such as department stores.

⁶ The residential development goal as stated in the proposed zoning text, in § 88-13(e)(1).

⁷ The residential goal is 75% of the projected residential population in the Reasonable Worst Cast Development Scenario 2 (of 2,977).

⁸ This requirement is limited to Use Group 6A, 6C, 7B, 8A, 8B, 9A, 10A, 12A and 12B uses (generally convenience retail or service establishments that serve the local neighborhood, and entertainment establishments).

⁹ The 30 feet depth requirement would not apply to accommodate potential lobbies or circulation spaces.

C 120380 ZMM – Special Hudson Square District Page 5 of 15

Dormers would also be allowed to penetrate the maximum base height provided the width of the dormer is not greater than 60% of the length of the highest story entirely below the maximum base height.

Street Wall Locations - All buildings within the proposed HSQ must have street walls built to the street lot line. However, buildings are allowed to set back up to 18 inches from the street line. Recesses before the required setback would be permitted for entrances and vertical wall articulation. Where access to buildings is required, a recess of up to 3 feet in depth from the street line would be permitted. Recesses up to 5 feet in depth and a width between 10 and 40% of the street wall would be required above the second story of buildings along wide streets (above 60 feet of the building); and recesses no deeper than 18 inches and a width less than 30% the building's width would be required above the second story of buildings along narrow streets.

Sign Regulations - Signs in the new district would follow sign regulations found in C6-4 zoning districts pursuant to ZR § 32-60.

Subdistrict A:

The maximum allowable density in Subdistrict A could go up to a 10 FAR for commercial, light manufacturing and community facility uses, and reduced to a 9 FAR if residential uses are included in the project. Similar to other portions of the proposed special purpose district, residential and mixed-use developments are permitted to a 10 FAR, where an additional 0.25 residential FAR is permitted for every 1 non-residential FAR built. Additionally, any floor area built for a public school would not be calculated towards the project's total FAR.

Under the proposed rezoning, new developments within Subdistrict A would be permitted to rise to 430 feet. The lot coverage regulations would require a minimum 30 percent lot coverage for portion of the development *below* 290 feet, and a minimum 20 percent lot coverage for the portion *above* 290 feet.

Streetscape requirements would also apply to developments in Subdistrict A. Permitted ground-floor uses ¹⁰ would be required to occupy the entire width of the zoning lot frontage if the building bounds a public park.

Subdistrict B:

Subdistrict B would allow up to a 5.4 base FAR for residential uses, a 6 FAR for commercial and manufacturing uses, a 6.5 FAR for community facility uses, and up to a maximum 7.2 FAR through the Inclusionary Housing Program.

Subdistrict B would also follow contextual height and setback regulations pursuant to a C6-2A zoning district. Specifically, the maximum building height would be 120 feet, with minimum and maximum base heights between 60 and 85 feet. Setback regulations would be 15 feet on a

¹⁰ Similar to the proposed use regulations for the rest of the special purpose district, only Use Groups 6A, 6C, 7B, 8A, 8B, 9A, 10A, 12A and 12B uses would be permitted on the ground floor, with the exception of schools (Use Group 3) and residential lobbies that would also be allowed in Subdistrict A.

narrow street 10 feet on a wide street.

Anticipated Development under the Reasonable Worst Case Scenario Development

Two Reasonable Worst Case Development Scenarios ("RWCDS") were studied in the Draft Environmental Impact Study ("DEIS"); RWCDS1 would generate approximately 3,323 residential units, and RWCDS2 would create 2,977 new units in addition to dormitory uses. The Final Environmental Impact Study will explore mitigations to adverse impacts identified in the DEIS. The DEIS found significant adverse impacts in the following areas:

- Socioeconomic impacts, 88 businesses (629 jobs) would be directly displaced as a result of the proposed actions. This number does not trigger a significant adverse impact, and the proposed actions would add approximately 438 jobs to the area (under RWCDS).
- Open space in the area would experience significant adverse impacts. Potential developments in the study area would result in a decrease in the total open space ratio, and the percentage of active recreational space. To *partially* mitigate these impacts, the applicant:
 - would develop a new design for Duarte Square Park to better accommodate new residential population in the area;
 - coordinate with SCA and DOE to provide access to the proposed school's play yard on Site 1 (after school, weekends, and summer hours); and
 - explore the potential use of Port Authority property, north of the Holland Tunnel, as potential open space.
- <u>Shadows impacts</u> would be imposed on Trump SoHo Plaza and SoHo Square which are two open space resources in the study area.
- <u>Archaeological and architectural</u> resources would be adversely impacted by construction activities from projected and potential development projects in the area.
- <u>Transportation</u> impacts would impose significant adverse impacts at 17 intersections, and significant adverse impacts for pedestrian conditions were identified at the north crosswalk of Avenue of the Americas and Spring Street and the north crosswalk of Varick Street and Spring Street. Mitigations for these potential adverse impacts include: signal retiming, changes to parking regulations, and crosswalk widening.
- Impacts from <u>construction-related</u> activities would impose significant adverse impacts on transportation. There would be unavoidable significant adverse impacts on six identified architectural resources within 90 feet of the proposed district: 32-36 Dominick Street; 310 Spring Street; the Charlton-King-Vandam Historic District; and the proposed South Village Historic District.

Alternatives

The DEIS studied several alternative development scenarios, which include: a No-Action alternative, a No Subdistrict B alternative, a Midblock Special Permit alternative, a No

Subdistrict B with Midblock Special Permit alternative, a Modified Midblock Site alternative, a Lower Height alternative, and a No Unmitigated Significant Adverse Impact alternative. Studying various development scenarios provides options to alternatives that may better serve both the community at large, and property owners of Hudson Square.

COMMUNITY BOARD'S RECOMMENDATION

At a Full Board meeting on October 18, 2012, Manhattan Community Board 2 ("CB2") recommended a **conditional disapproval** by a vote of 41 in favor, 0 opposed, and 1 recusal. CB2's main concerns with the proposed actions are height limits, and open space and traffic mitigations. CB2 also called for the establishment of the proposed South Village Historic District.

The community board found the proposed 320 feet height limit too high along the avenues, and suggested 250 feet (with affordable housing) and 210 feet (without affordable housing). The community board found 185 feet limit on narrow streets to be appropriate, but felt the height should be lowered to 165 feet if new developments do not include affordable housing. CB2 also did not support the proposed 430 height limit for developments in Subdistrict A, and proposed that the height be below 430 feet.

In addition to proposing new height limits, CB2 stressed that the proposed open space improvements are not adequate in mitigating impacts from proposed developments in the area. To alleviate the lack of active recreational space, CB2 recommended the addition of a community recreation center in Subdistrict A. The community board also did not support the establishment of Subdistrict B as it does not preserve a special neighborhood character. Additionally, CB2 supported the designation of the South Village Historic District to better regulate potential development pressures in the neighboring low-scale neighborhood.

Other conditions CB2 listed in its resolution include supporting traffic calming measures, and implementing a signage program to further mitigate transportation impacts. Traffic safety measures should be especially enforced at intersections in and around the proposed school site. The board also proposed to maintain the special permit provision on hotel developments in perpetuity, and to eliminate dormitory uses in the district. CB2 would also like to ensure all construction projects are carefully monitored, and that the community be engaged and informed about all stages of construction activity in the area.

BOROUGH PRESIDENT'S COMMENTS

At the turn of the 20th Century, Hudson Square grew as a center for the city's printing and publishing needs. Since then, demand for printing services has declined coupled with the city's general shift away from manufacturing. As a consequence, the area's industrial character has also changed. Today's Hudson Square, unlike what it was a century ago, contains offices for media, technology and arts-related companies. These industries are attracted to Hudson Square's building stock and its large floor plates and high ceilings; and thus, have turned the neighborhood into an emerging hub for the city's creative economy.

While Hudson Square has changed, its zoning is outdated and does not reflect the needs of the

neighborhood. The current zoning is overly restrictive on uses, does not support modern office amenities, and allows out-of-context buildings. The existing zoning also does not contribute to local and city-wide needs such as spaces for new schools and affordable housing. The proposed rezoning addresses some of these gaps:

Creating a Mixed-Use Community

While the area has a healthy mix of commercial and light manufacturing uses, the lack of a residential population prevents Hudson Square from being an around-the-clock community. Retail businesses have a difficult time thriving without a sizable number of pedestrians during the evening and weekend hours. This lack of retail environment creates dangerous night-time conditions as there are fewer pedestrians and eyes on the street, and it also removes services from those who work in the area.

The applicant, therefore, seeks a rezoning that would increase residential density to help create and sustain a retail presence to serve both the residents and workers of Hudson Square. Maintaining a healthy ground-floor retail presence would enliven the streets, and create a more vibrant environment that extends beyond the standard work week.

The anticipated residential population would not overwhelm existing commercial uses in the area, as the rezoning also aims to protect commercial buildings that are 70,000 SF or greater. The replacement of demolished commercial space would preserve commercial uses in Hudson Square and prevent the loss of businesses to new residential developments. This protection aligns with the city's policies and efforts to foster the creative and innovative job sectors, and establishes economic stability for startup media and technology companies in the area.

Maintaining a Contextual Physical Scale in the Neighborhood

The rezoning would require new buildings to be contextual and built up to their lot lines. As the neighborhood continues to grow, the requirement would maintain the physical character of Hudson Square, and promote a better sense of place. The current M1-6 zoning district does not limit heights of new constructions. As a result, several out-of-scale buildings, including the 454-foot Trump SoHo Hotel, have risen in recent years creating gaps and inactive spaces on the street level. Without the proposed rezoning, oversized buildings could continue to develop as of right in the area. Therefore, the implementation of bulk controls and height limits in this rezoning would improve the pedestrian experience, and provide a planned vision of Hudson Square's future developments.

Creating Affordable Housing

The creation of more affordable housing is an important citywide goal because it diversifies housing options and stabilizes housing costs. The Inclusionary Housing Program has proven successful throughout the city as it incentivizes developers in creating affordable units in exchange for additional density that zoning otherwise would not permit. The program produced

¹¹ In the No-Action Scenario studied in DEIS, two new hotels (at 453 and 492 feet) would develop on the applicant's sites.

3,200 units of affordable housing from 1985 to 2009. The approval of the proposed rezoning could potentially add 679 low- and moderate-income housing units in the Hudson Square neighborhood.¹²

Community Concerns

While this rezoning presents tremendous opportunities for the neighborhood's growth as a mixed-use community, there are still pressing planning, policy and community concerns that should be addressed including:

- Open space mitigation;
- Height on the avenues;
- Height on the mid-blocks;
- Subdistrict B;
- Hotel special permit; and
- Public school.

Open Space

Community District 2 is well below city standards for open space. While the district currently meets standards for passive recreational open space, it is far from adequate active recreational open space, missing the target by 1.71 acres per 1,000 residents. In addition, Community District 2 has one of the lowest amounts of open space per resident when compared to other community districts in Manhattan. Permitting residential uses to this area would further reduce available open space per resident.

In partnership with the local business improvement district ("BID") Hudson Square Connection, the applicant has identified areas for open space improvements and potential locations where additional open space could be created: Duarte Square, SoHo Square, Freeman Plaza, the Port Authority-owned parking lot above the Holland Tunnel and the Spring Street corridor. These initiatives would improve the overall pedestrian experience in Hudson Square, and begin to add the amenities of a residential community. As owner of 40% of the properties within the special purpose district, the applicant's contribution to the local BID is significant. Unfortunately, these improvements do not solve the lack of active open space issue.

As stated in the proposed text amendment in Section 88-00, one of the general purposes of the Special Hudson Square District is to "...enhance the vitality and character of the neighborhood for workers and residents." While vitality and character could be broadly defined, it is unmistakable that access to places for fitness and exercise is critical to the community's overall health and wellbeing.

One option to address this lack of open space would be through the provision of a new community recreation space, as recommended by CB2. A recreation center would meet the

¹² Approximation found in Chapter 1, the Project Description of the DEIS, page 1-1.

¹³ The open space standard in the city is 0.5 acres for passive recreational open space and 2.0 acres of active recreational space for every 1,000 residents. There are approximately 0.69 acres of passive and 0.29 acres of active recreational open space per 1,000 residents in Manhattan Community District 2.

resident's need for active recreational space, especially in a densely-built urban environment that lacks large publicly-owned land that could be converted into parks. The applicant has begun to explore this option and has reached out to recreational space providers. However, their initial analysis indicates a recreation center will not be financially viable without significant government subsidies for both capital construction and the center's long-term operation. Without adequate funding and a viable provider, a recreation center may be difficult to provide during this rezoning.

While a recreation center should be continued to be explored, the applicant should examine other ways to contribute to the open space needs of the community. These include but are not limited to exploring new open space options on Port Authority land or the water tunnel site; and improving existing open spaces such as the Tony Dapolito Recreation Center and Hudson River Park.

Additionally, a significant part of the proposal includes building out Duarte Square Park. The park is anticipated to be located east of Subdistrict A. To date, however, the exact design of the park is not known. If designed correctly, the park could address some active open space needs such as the inclusion of playgrounds or tot-lots. The applicant should work with the community on the design of the park to ensure that it meets community recreational and active space needs.

Subdistrict B

As currently proposed, the Subdistrict would reduce densities by nearly 50%, and introduce R8A-equivalent bulk controls with a maximum building height of 120 feet. While the city often considers down zonings as a way to allow for greater light and air on mid-blocks or to acknowledge the unique character of a neighborhood, this particular proposed Subdistrict fails to achieve either goal. Subdistrict B is divided by a wide-street corridor (Varick Street) and the district is predominately located on wide street frontages. Furthermore, it is directly across the street from Freeman Plaza, an open space and tunnel access to the Holland Tunnel. As such, the rezoning would reduce height in an area that has significant light and air.

While the proposed Subdistrict includes a collection of townhouses that are different in scale and form from the warehouse and office buildings that predominate the area, they are not located on continuous lots and do not form a sense of a *district* that feels different from the rest of Hudson Square. Instead, the boundaries of the proposed district are irregular, and are more similar to a historic district than a zoning district. Moreover, the proposal includes vacant lots along Varick Street and portions of Freeman Plaza, which do not contribute to a sense of unique character. Finally, Subdistrict B would reduce the potential number of residential development by 179 units (and approximately 42 affordable units) that could otherwise be created under the guidelines proposed for the rest of the Special Hudson Square District.

The community overwhelmingly supports the elimination of Subdistrict B, which better aligns with this rezoning's intent to create more housing opportunities in Hudson Square. The applicant should pursue alternative text that eliminates Subdistrict B as it will allow for greater residential development without compromising a unique neighborhood.

While public school space is often included in large-scale development projects, they are not typically provided in large neighborhood-wide rezonings. These rezonings often leave an unmitigated impact, which must be resolved by the city at a future date. However, the HSQ special district proposal includes a public school despite being a neighborhood-wide rezoning. The applicant will provide a 444-seat public elementary school of approximately 75,000 SF on the lower floors of a proposed 430-foot building within Subdistrict A. The school will mitigate a significant adverse impact created by the rezoning. The projected number of residential units would produce the need for an approximately 399 grade school seats. The applicant should be commended for taking initiative to mitigate a significant adverse impact and this mitigation should serve as a model to other neighborhood-wide rezonings.

While the proposed school would accommodate the number of students resulting from the rezoning, it will not alleviate the existing school needs of the affected district. According to the *DEIS*, the addition of a 444-seat public elementary school would only lower the school utilization rate by 5%, and keep grade schools in the area well above their capacities. Additionally, the number of residents would increase with the elimination of Subdistrict B, and would further add impact on neighborhood schools.

Overcrowding will continue to be an issue as the neighborhood grows. While the applicant is mitigating the impact of this rezoning, the city must take more significant efforts to mitigate the impacts of population changes that are occurring in the neighborhood. The city, through the School Construction Authority, should continue to work with the community to identify new public school spaces and fund other potential spaces, such as the new school proposed at New York University campus, which remains unfunded.

Furthermore, the community has proposed several design improvements to the public school in Subdistrict A including: ensuring its compliance with the American with Disabilities Act, providing a playground, and creating cluster rooms like science laboratories for students. As the design of the school will require cooperation with the School Construction Authority, the applicant should continue to work with the community and the Authority as construction moves forward to achieve these goals. Finally, if it remains open after school hours, the proposed public school playground provides an opportunity to partially meet recreational needs of residents. Therefore, the applicant should commit to making the space available to the public during non-school hours.

Height Limitations on the Avenues

The proposed height limits are designed to accommodate larger and more desirable floor plates of commercial buildings, and accommodate other bulk regulations designed to break up the proposed buildings' mass. These guidelines include required recesses and narrower towers on a base. However, the proposed 320 feet would generate a district with taller buildings than other 12-FAR districts in the city and therefore, requires careful examination.

¹⁴ Even with the addition of a 444-seat elementary school, the schools in the affected district will continue to experience overcrowding by 980 seats, and a utilization rate of 126%.

Only two buildings in the proposed special purpose district are above or near 320 feet. ¹⁵ Existing 10-FAR buildings have an average height of 203 feet and 12-FAR buildings have an average of 243 feet. Many of these buildings are loft-style buildings without rear yards or setbacks. In order to construct a building that is more in context, a lower building height is appropriate.

While other 12-FAR districts have height limits as low as 210 feet, these districts tend to produce residential developments. As a main goal of this rezoning is to allow commercial and mixed-use buildings, a greater floor-to-ceiling height is needed than a typical 12-FAR district. This is consistent with the average floor to floor height in the district, which is around 13 feet.

The rationale to raise the building height to 320 feet is that new buildings would be limited to a width of 150 feet above the base. This regulation moves bulk vertically rather than horizontally. While this bulk control is intended to break up the building's mass, alternative urban design controls with a lower height limit could be implemented to achieve a similar goal.

Instead of a narrow tower, the tower could be allowed to widen, and set back another five feet for a portion of the tower, which would create two planes to break up the building's mass. By allowing the building's tower to be 175 feet wide instead of 150 feet wide above the base, the total height of the proposed building could be reduced to 290 feet, while maintaining an average of 11 feet floor to floor heights. However, to ensure that the building's mass remains broken, the tower should be broken up to two segments. A portion of the building fronting wide streets no greater than 120 feet should be required to set back 10 feet and the remaining portion should be required to set back 15 feet. Narrow street setbacks should remain at 15 feet.

Mid-Block Heights

The proposed rezoning introduces new height limits of 185 feet on narrow streets (the midblocks). Through the course of public review, several property owners have expressed concern that they cannot achieve the full 12 FAR with the proposed lower height limit. The *DEIS* acknowledges that one of these sites is unable to achieve the full 12 FAR density. If applicants are not able to achieve the full 12 FAR, then they will be producing less or no affordable housing as they unable to fully utilize the affordable housing bonus.

The creation of affordable housing is a city-wide concern and this neighborhood represents one of the few areas in Community District 2 where the creation of affordable housing is feasible. As such, the city should reconsider this regulation, which could result in the creation of less affordable housing. While some of the sites, such as the Edison parking lot (located on Dominick Street between Hudson and Varick streets) is narrow and could seek a Board of Standards and Appeals ("BSA") variance, new zoning regulations, in principal should be formed in such a way as to avoid any potential need for variances.

Variances are generally intended to provide relief for unintended consequences of zoning regulations. As such, the BSA process prevents review by the normal ULURP stakeholders who

¹⁵ 57 Watts street is 317 feet and 246 Spring Street is 454 feet tall according to Table 1-3 of the DEIS.

created the regulations, namely the community board, the borough president, CPC and the City Council. A variance conversely is only reviewed by the BSA. If the variance does not produce a preferred building form, the only means of regress for the community would be through legal actions.

As an alternative, the *DEIS* contemplates the creation of a special permit, which would allow applicants to waive building height and bulk requirements after public review. Such a process would allow building forms to be evaluated on a case-by-case basis and provide a role for community comment through ULURP. Therefore, this application should be modified to include a special permit to allow modification of building forms in the mid-block.

Hotel Special Permit

The intention of the hotel special permit is to encourage sound and balanced growth in the rezoning area. Hotel developments have shown to be more competitive and profitable than the development of other commercial uses in Hudson Square. The result has been the development of several out-of-scale hotels, especially without height restrictions under the existing M1-6 zoning. Currently, there are four hotels within the proposed special purpose district that range between 18 and 42 stories high. ¹⁶ All four hotels are in new buildings, and had received building permits within the last 6 years. Without the proposed rezoning, potential hotels with up to 419 rooms and above 40 stories would be developed as of right in the neighborhood. ¹⁷

These potential developments threaten the goals of this rezoning, which is to encourage a mixed-use community that supports residential and commercial office developments. Hotel developments attract a transient population that has different needs and impacts than the community's residents and workers. The proposed rezoning recognizes the potential impact of overdevelopment of hotels in the neighborhood, and has added a special permit provision to regulate the size and occurrences of hotels.

While the special permit brings attention to the potential saturation of hotels in Hudson Square, the special permit finding is inconsistent with the policy it intends. As the proposed text is currently written, any new hotel development within the proposed HSQ has to be limited to 100 rooms or less until the district reaches its residential development goal (2,255 residential units recorded through Certificates of Occupancy), which is 75% of projected residential growth in the rezoning area as studied in the *DEIS*.

This special permit finding is inconsistent with the city's policy on hotel development in the surrounding area. Section 111-31 of the zoning resolution (Special Permit for Large Transient Hotel) applies to the Special Tribeca Mixed-Use District, which is located directly south of the proposed Special Hudson Square District. Section 111-31 limits the development of hotels with more than 100 rooms; this special permit is not limited to a residential development goal and

¹⁶ Hampton Inn at 54 Watts Street has 18 stories; Courtyard SoHo at 181 Varick Street has 19 stories; Four Points at 66 Charlton has 20 stories; and Trump SoHo at 246 Spring Street has 42 stories.

¹⁷ Potential hotel developments are known for applicant-owned lots. From the *DEIS*, the potential development sites for hotels are: 87 Avenue of the Americas with approximately 299,740 SF (419 rooms); 275 Spring Street with 272,569 SF (381 rooms); 66 Watts Street with 107,140 SF (202 rooms); and 523 Greenwich Street with 59,721 SF (124 rooms).

never expires. Additionally, the finding will be difficult to regulate as the total number of residential units may change over time if buildings are converted to commercial uses, or if residential units are combined.

The zoning should acknowledge the unique conditions of this neighborhood and use the special district to create an appropriate hotel regulation for the area. A uniquely high percentage of the new buildings constructed in this neighborhood are hotels. Additionally, the area has significant vehicular traffic congestion due to proximity to the Holland Tunnel and new hotel uses could significantly add to adverse traffic conditions. Finally, as the Tribeca Special District eliminates hotels, there will be significant pressure to develop hotels in this area due to its proximity to Tribeca, SoHo, and the West Village, which are major tourist destinations.

To support the goals and purpose of the proposed Special Hudson Square District, and to be consistent with the policy on hotel developments in the neighboring Special Tribeca Mixed-Use District, the hotel special permit should be extended in perpetuity.

Proposed South Village Historic District

The proposed South Village Historic District is located on the northeast corner of the proposed special purpose district, and sandwiched between the Greenwich Village Historic District to the north and the SoHo-Cast Iron Historic District to the south. In a letter dated April 16, 2007 to the Chair of the Landmarks Preservation Commission, the Manhattan Borough President expressed support for the designation of the South Village Historic District. The proposed historic district contains an array of tenement-style buildings, many of them remarkably intact, and represents a virtually unaltered landscape of working-class New York City during the nineteenth and early twentieth centuries.

The historic district has since been supported by other local elected officials, the community board, neighborhood and city-wide preservation groups and even New York University. Since that time, the proposed historic district has not been calendared. The designation of this 38-block district becomes more pressing with the approval of this rezoning as development pressures will continue to increase with the growth of residential development in Hudson Square. While designation of the proposed historic district is not one of the proposed actions of this ULURP application, this rezoning would trigger change that could likely impact the character of Hudson Square's adjoining neighborhoods.

The South Village Historic District should be calendared in order to protect the historic structures contained there within.

MEETING COMMUNITY CONCERNS

In an attached letter, dated November 26, 2012 to the Manhattan Borough President, the applicant has agreed to and will continue to explore the following modifications and mitigations:

- 1. Trinity is amendable to reducing the height on the avenues to 290 feet by widening the proposed tower portion on the base to 175 feet wide, and requiring an additional setback for the portion of the tower greater than 120 feet wide;
- 2. Trinity has submitted alterative language, which would eliminate Subdistrict B and allow

- it to follow the rules of the rest of the special district;
- 3. Trinity acknowledges that the Borough President's proposed removal of the expiration on the hotel special permit is intended to strengthen the special district and its goals, despite its inclusion to meet citywide policy concern;
- 4. Trinity will continue to work with the Borough President's office and the community to identify open space opportunities;
- 5. Trinity will work with the community on the design of Duarte Square Park;
- 6. Trinity will encourage the SCA to meet the needs and concerns of the community in planning the school;
- 7. Trinity work with the SCA/DOE to ensure public access to the school's playground and other facilities during non-school hours.

BOROUGH PRESIDENT'S RECOMMENDATION

The proposed rezoning introduces height limits where they do not currently exist, protects existing commercial buildings, provides new opportunities for affordable housing and will create a new public school.

Therefore, the Manhattan Borough President recommends <u>conditional approval</u> provided that the applicant fulfills the following:

- 1. Reduce the height on the avenues to 290 feet by widening the proposed tower portion on the base to 175 feet wide, and require an additional setback for the portion of the tower greater than 120 feet wide;
- 2. Continue to pursue alterative language, which would eliminate Subdistrict B and allow it to follow the rules of the rest of the special district;
- 3. Remove the hotel special permit expiration, which would strengthen the special district;
- 4. Continue to work with the Borough President's office and the community to identify open space opportunities;
- 5. Work with the community on the design of Duarte Square Park;
- 6. Encourage the SCA to meet the needs and concerns of the community in planning the school;
- 7. Work with the SCA/DOE to ensure public access to the school's playground and other facilities during non-school hours.

In addition, the Manhattan Borough President urges the applicant and the city to continue to work on:

- 1. Creating a special permit to allow appropriate modification of the mid-block heights; and
- 2. Urging Landmarks Preservation Commission to calendar proposed South Village Historic District.

Scott M. Stringer

Manhattan Borough President

APPENDIX A: Letter from Applicant



November 26, 2012

(

Honorable Scott M. Stringer Manhattan Borough President 1 Centre Street, 19th Floor New York, New York 10007

Re: Proposed Special Hudson Square District

ULURP Nos. 120380 ZMM, N 120380 ZRM & N 120380 ZRM (A)

Dear Borough President Stringer:

On behalf of Trinity Church, I wish to thank you for your thoughtful suggestions for modifying the proposed Special Hudson Square District text and your recommendation that the proposed Special District be approved.

Your recommendation is a vote for the balanced growth of Hudson Square as an active mixed-used community. The proposed Special Hudson Square District will allow limited residential development in Hudson Square while preserving commercial space and jobs, creating an active street life that will encourage neighborhood retail, facilitating the creation of new affordable housing, and imposing height limits for the first time.

We appreciate the focus and consideration that you and your staff have given to the details of the proposed Special District controls, including the following:

Subdistrict B: As you requested following issuance of the Community Board's recommendation, we have filed an amended "A" text for consideration by the City Planning Commission which eliminates entirely the proposed Subdistrict B and would apply the controls of the rest of the proposed Special District to this area.

Hotel Special Permit: With regard to the proposed special permit requirement for the development of ground-up hotels with greater than 100 rooms, Trinity respects the Borough President's goal of further strengthening the protection of Hudson Square's unique neighborhood character and supporting the development of new residences in the district. We recognize that there are also broader citywide public policy issues to consider and we anticipate testimony on this issue at the City Planning Commission hearing.

Open Space: Trinity is committed to the improvement of open space resources in the district. After extensive analysis, we have found that development of a community recreation center as a component of the proposed rezoning presents insurmountable logistical, operational and funding hurdles. However, Trinity will work with the Borough President's Office and the community to identify other open space opportunities and will consult with the community on the planning of Duarte Square Park.

School Design and Access: Trinity will encourage the School Construction Authority to take into account the needs and concerns of the community in planning the school, including the provision during non-school hours of community access to the school playground and other school facilities.

Height: Trinity is amenable to the adjustment of wide street heights in the district as studied and proposed in your recommendation letter.

We thank you for your thoughtful consideration and recommendations, and look forward to continuing to work with you and the community as we build the future of Hudson Square together.

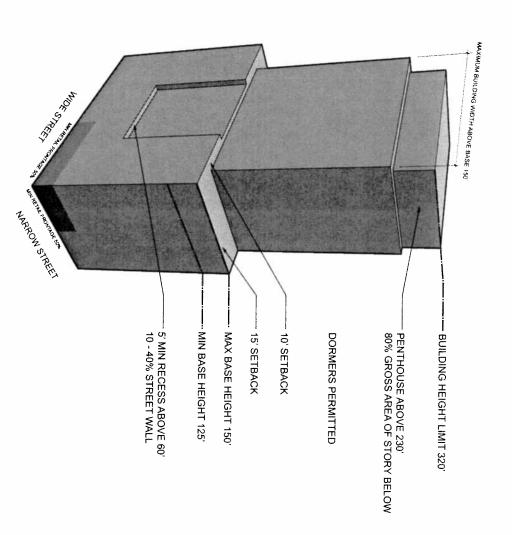
/Sincerely,

Jason Pizer

APPENDIX B:

Proposed Alternative Massing

PROPOSED REZONING // WIDE STREET RULES



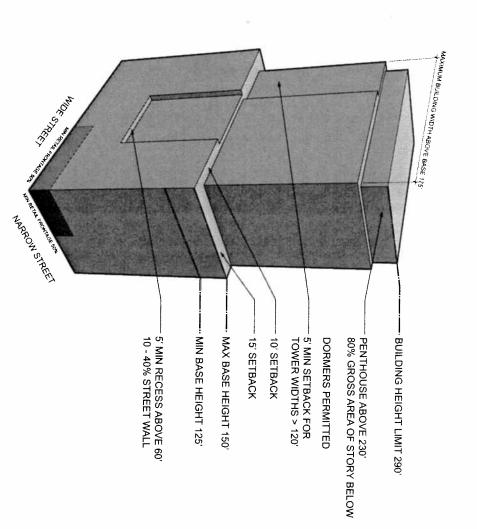
HEIGHT:

- MAXIMUM 320' ON WIDE STREETS
- MINIMUM BASE HEIGHT 125'
- MAXIMUM BASE HEIGHT 150'

BULK:

- NON-RESIDENTIAL: REMAINS AT 10.0 FAR (2.0 FAR PLAZA & ARCADE BONUSES ELIMINATED)
- RESIDENTIAL: 9.0 FAR (BONUSABLE TO 12.0 FAR THROUGH AFFORDABLE HOUSING PROGRAM)
- MIXED-USE: 9.0 FAR (MAY BE INCREASED UP TO 10.0 FAR AT A RATE OF 0.25 FAR FOR EACH 1 FAR NON-RESIDENTIAL USE)

ALT ZONING RULES // 290' MAXIMUM HEIGHT



HEIGHT:

- MAXIMUM 290' ON WIDE STREETS
- MINIMUM BASE HEIGHT 125'
- MAXIMUM BASE HEIGHT 150'

BULK:

- NON-RESIDENTIAL: REMAINS AT 10.0 FAR (2.0 FAR PLAZA & ARCADE BONUSES ELIMINATED)
- RESIDENTIAL: 9.0 FAR (BONUSABLE TO 12.0 FAR THROUGH AFFORDABLE HOUSING PROGRAM)
- MIXED-USE: 9.0 FAR (MAY BE INCREASED UP TO 10.0 FAR AT A RATE OF 0.25 FAR FOR EACH 1 FAR NON-RESIDENTIAL USE)