November 8, 2021

Members of the New York City Council
via landusetestimony@council.nyc.gov

Re: Opposition to the SoHo/NoHo/Chinatown Rezoning Proposal

Dear Councilmembers:

Village Preservation represents thousands of residents and small businesses in Lower Manhattan, and is the largest neighborhood preservation organization in New York City. I urge you on its behalf to vote against the SoHo/NoHo/Chinatown rezoning proposal for the reasons outlined below.

The proposed rezoning would have terrible consequences for SoHo, NoHo, and Chinatown, surrounding neighborhoods like the Lower East Side and East Village, and New York City as a whole. An objective analysis shows it would not live up to any of its promises regarding affordable housing or invigorating the retail environment of these neighborhoods, and in fact would do considerably more harm than good. That is why it is strongly opposed by groups as diverse as the Met Council on Housing and TenantsPAC; the Sierra Club NYC; the National Trust for Historic Preservation and the Preservation League of NYS; the Chinatown Working Group; NYC Loft Tenants and Lower Manhattan Loft Tenants; the Municipal Art Society and the City Club; Community Board #2, Manhattan; and Congressmembers Jerrold Nadler and Carolyn Maloney and incoming District 1 City Councilmember Christopher Marte.

Specifically, I urge you to consider that the rezoning proposal would:

- Result in the creation of little if any affordable housing, due to the numerous competing profitable uses which would be allowed under the plan with no affordable housing requirements, including office, hotel, retail, and private university development, and market-rate residential developments of 25,000 sq ft or less per zoning lot (data here and here). The very minor changes made by the City Planning Commission do not change the fact that on every single lot where the city predicts affordable housing will be built, the rezoning plan actually allows more market rate space to be developed when affordable housing isn’t included than when it is, thus strongly disincentivizing the creation of any affordable housing (data here).

- Create tremendous economic incentive and pressure for demolishing hundreds of units of existing rent regulated affordable housing in the rezoning area, and displacing its predominantly lower income and
disproportionately senior, artist, and Asian American residents, even in the areas of the rezoning which are landmarked, but especially in those which are not (data here, here, and here).

• Threaten via secondary displacement hundreds more rent regulated affordable housing units and its largely lower income, Asian American residents in neighboring areas of Chinatown and the Lower East Side (data here).

• Make the neighborhoods subject to the rezoning richer, more expensive, and less diverse, even if new developments include the 25-30% “affordable” housing the city claims it will. That is because the 70-75% of such new residential developments that are market rate will house residents wealthier than all but the top 5-10% of the current neighborhood, while the 25-30% “affordable” units will require incomes higher than the least well-off 25-30% of current residents of these neighborhoods, so both the market rate and the affordable units would skew the neighborhood wealthier, and its housing more expensive (data here, here, here, and here).

• Disproportionately affect and displace Asian American residents of the neighborhood, particularly in the Chinatown section of the rezoning, which is targeted for the largest upzoning (data here).

• Make it virtually impossible for any small, independent, arts-related, or locally-oriented business to survive here, unless they are lucky enough to own their space. This is because the plan’s allowance for retail and eating and drinking establishments of unlimited size will make it virtually impossible for anything but big box destination chain retail and mega-bars and restaurants to survive and compete for space here (more here).

• Allow gigantic oversized retail on the more than 90% of streets in the rezoning area that are considered narrow streets, in contradiction to sound planning principles.

• Allow grossly oversized new development up to 12 FAR, which is the highest legally allowable density for residential development in New York State, and 20% denser than allowed on Billionaire’s Row in Midtown. That’s two and a half times denser than current rules allow for new development (5 FAR) and than the average existing building in the rezoning area (approx. 4.8 FAR). The proposed upzoning allows a minimum of a 30% increase as compared to existing zoning (6.5 FAR in the “historic core” vs. the current 5 FAR) and up to a 97% increase along Broadway, Lafayette, and Canal Streets (9.4 FAR vs. 5 FAR -- all within historic districts) and a 140% increase in the “opportunity zones” (12 FAR vs. 5 FAR), which include all of the Chinatown rezoning area and other areas with high concentrations of buildings with rent-regulated units, and parts of historic districts (data here).

• Incentivize the demolition of buildings recognized as city, state, and federal landmarks (data here).

• Encourage scores of vertical enlargements of existing buildings for luxury condos, which as long as limited to no more than 25,000 sq ft would not be required to include a single unit of affordable housing, and could easily result in the addition of a million square feet of unaccounted for luxury housing with no commensurate affordable housing (data here).

• Add new allowances for NYU and other private universities to expand at very high densities in the area without any affordable housing requirements, violating promises made previously by
the City Council and City Planning Commission, and creating additional means by which sites are likely to be developed without affordable housing (data here).

It should be noted that the Department of City Planning has been dishonest in its presentation of data as it relates to the rezoning area and its impacts, including:

- Misrepresenting the demographic data for the area, to hide the number of lower income and Asian American residents (info here).
- Misrepresenting the location of existing rent regulated housing and the impact the rezoning would have upon it (by far the majority of such housing would be made vulnerable to demolition by the proposed upzoning, even by the Department of City Planning’s own including of vulnerability, including 100% of units located in Chinatown – info and data here and here).

Beyond this, the Department of City Planning (DCP) has a miserable track record of accurately predicting the outcomes or impacts of its rezonings, particularly as it relates to the very rationales for their rezoning proposals. A comparison of DCP projections and actual outcomes for a dozen rezonings over the past twenty years shows that the Department’s projections are typically substantially less accurate than one would get from tossing a coin – a random formula which will be correct on average 50% of the time. Instead, the Department has been wildly off target in their predictions about the amount of commercial vs. residential development their rezonings will create, the amount of affordable housing they will create, their impact upon retail uses, the degree and location of new development, and much more – read our full report and analysis here.

It should also be noted that more than a dozen local community groups have laid out the parameters of a rezoning which they would wholeheartedly support (also here), which the Department of City Planning has refused to consider, and which this plan ignores, including:

- Allowing as-of-right residential development up to 5 FAR (current allowable FAR for residential development is 0) with affordable housing requirements, including deeper and broader affordable housing than proposed by the City and without the generous exemptions offered.
- Allowing as-of-right retail uses of up to 10,000 sq ft (5,000 sq ft for eating and drinking establishments) with special permit approvals for larger sizes.
- Allowing for legalization of existing residential uses that do not conform to current Joint Living and Work Quarters for Artists (JLWQA) requirements.

Village Preservation has also strongly suggested that the following as an alternative means to address the need for affordable housing in the area, which the City and this plan ignore:

- Developing the multiple vacant lots, parking lots, and sites with 1-3 story underutilized commercial buildings in the rezoning area with 100% (or as close to 100% as possible) affordable housing at or near the currently allowable FAR of 5 (allowed currently for commercial/manufacturing uses only).
• Segregate sites or blocks in the rezoning area to be zoned to encourage residential or commercial development, but not both. This eliminates the competition between uses of the city’s plan which reduces the likelihood of affordable housing development, and eliminates the need for zoning substantially higher than the currently allowable FAR for commercial/manufacturing in order to incentivize affordable housing development.

The rezoning proposal is actually considerably worse than maintaining the status quo as it regards affordability, helping small businesses, and neighborhood character, and thus should be rejected. We and other opponents are more than willing to work with elected officials, the Department of City Planning, and all stakeholders to arrive at a plan which would address these issues and make other reasonable and necessary updates to the neighborhood’s zoning. The current administration has refused to do so and consider alternatives that would, unlike the current plan, actually address these issues.

Thank you for your attention to this matter.

Sincerely,

Andrew Berman
Executive Director