



CITY OF NEW YORK

MANHATTAN COMMUNITY BOARD FOUR

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April 6, 2012

Mathew Wambua
Commissioner
Dept. of Housing Preservation and Development
100 Gold Street
New York, NY 10007

**Re: 500 West 30th Street
Inclusionary Housing—Lower Income Housing Plan Application**

Dear Commissioner Wambua:

The Lower Income Housing Plan Application (the “Application”) for The Related Companies’ (the “Applicant”) development at 500 West 30th Street (the “Project”) was discussed at the January 19, 2012 meeting of Manhattan Community Board 4’s (CB4) Housing Health and Human Services (HH&HS) Committee. CB4 voted to recommend **approval** of the Application **with conditions**, some of which have already been agreed to by the Applicant (see attached letter dated January 27, 2012).

The Project: An Overview

The project site is at the southwest corner of West 30th Street and Tenth Avenue, directly abutting the High Line as it begins to curve westward. This site is within Area A of the Special West Chelsea District and is zoned C6-4 with Tower Regulations. The underlying zoning establishes a maximum Floor Area Ratio (FAR) of 6.5 which is bonusable to 12 via a combination of a contribution to the High Line Improvement Fund and the construction of Inclusionary Housing. The Applicant has elected to pursue both of these bonuses.

The Project includes 385 units of which 77 are reserved for low income individuals and families. Those 77 units include 18 two-bedrooms, 32 one-bedrooms, and 27 studios. The building also includes ground floor retail spaces and an accessory parking garage with bicycle spaces on the second floor of the building which will be leased to a third party operator. There will be entrances to the building on both West 29th and West 30th Streets. The Applicant has already granted the City a perpetual easement for elevator and stair access to the High Line in accordance with the 2005 West Chelsea rezoning.

Housing Program

The Project is an 80/20 building financed with tax-exempt bonds from the New York State Housing Finance Agency. This requires that 20% of the apartments, 77 units, be affordable to low income individuals and families. Those same 20% low income units are made permanently affordable through a deed restriction under the New York City Inclusionary Housing Program. The Application, submitted to the New York City Department of Housing Preservation and Development (HPD) by the Applicant will govern the 77 apartments which will be created under the Inclusionary Housing program and made available to those at or below 60% of Area Median Income (AMI). CB4 is pleased that all of the inclusionary units for the Project will be developed on-site. CB4 celebrates its diversity and the Project, if fully integrated, will celebrate that diversity.

Amenities

The Project features two roof terraces, including barbeque grills and lounge chairs, which are free and open to all residents of the building. Additionally, there are two party/community rooms on the ground floor and a gym, screening room, and business center in the cellar, which are open to all residents for an annual fee. This annual fee will be discounted for the low-income residents of the building. Additionally, there is a washer and dryer in every unit in the building.

NOW, therefore, be it resolved that Manhattan Community Board 4 recommends approval of the Application for 500 West 30th Street, *provided the following conditions, which have been agreed to by the Applicant, are included in the Lower Income Housing Plan executed by HPD:*

Permanent Affordability

- A Restrictive Declaration be filed that requires development of 77 units of housing in the Project, affordable *in perpetuity*, to those earning less than 50% of AMI.

Marketing

- The Inclusionary units will be subject to a 50% community preference.

Apartment Distribution

Among Floors

- Affordable units shall be distributed throughout 85% of the floors with at least one unit on each floor and no more than 33% of the total units on each floor being affordable. CB4 acknowledges that HPD only requires apartment distribution throughout 65% of the floors and appreciates that the Applicant has well-

exceeded that minimum by providing low-income apartments on all but the four highest floors of the building. However, CB4 reiterates its longstanding position that apartment distribution should be among 100% of the floors.

Apartment Finishes

- CB4 requested that the apartment finishes for the low income units be the same as the finishes in the market rate units in the building. Related has agreed to provide the same finishes for cabinets, hardware, range hoods, and light fixtures in the kitchen; tubs, toilets, light fixtures, and accessories in the bathroom; interior doors and hardware throughout each apartment; and in-wall hybrid heating and air conditioning units. CB4 understands that the materials for the floors and countertops may differ between the affordable and market-rate units. The Board appreciates the compromise the Applicant has made in regards to the other finishes and encourages the Applicant to provide the *all the same finishes* in upcoming projects.

Amenities

- All residents will have equal and free access to the roof terraces; and
- Related has agreed that the low-income tenants will be charged a fee no greater than 90% of what the market-rate tenants are charged in order to provide equal access to the fee-based amenities. CB4 appreciates that the Applicant is providing a reduced amenity fee for the low-income residents of the building. However, 90% of a \$200 fee would have a much different impact than 90% of a \$2,000 fee. Therefore, the Board requests the Applicant follow-up to the Board with the exact cost of the amenities since the low-income residents will only have annual incomes ranging from \$28,650 to \$49,090. Additionally, CB4 requests that the low-income residents will have the option to have the fee billed monthly.

Adjacent 5 Story Tenement – Corner of West 29th Street and 10th Avenue

- The Applicant has noted that the foundation support for the Project is designed to minimize the effect on the existing five-story building at the corner of 10th Avenue and West 29th Street. The Applicant has agreed to take the following measures during construction:
 - Foundations adjacent to the existing building will consist of low-impact drilled-in piles in lieu of driven piles;
 - The Project will not have a cellar adjacent to the existing building, it will only have a partial cellar away from the existing building; and
 - The partial cellar excavation will be supported by steel sheeting installed to a low permeability layer reducing groundwater drawdown outside the excavation. The sheeting will be installed in a pre-excavated trench.

NOW, therefore, be it further resolved that Manhattan Community Board 4 recommends approval of the Application for 500 West 30th Street, ***provided the following conditions, which have been not yet been agreed to by the Applicant, are included in the Lower Income Housing Plan executed by HPD:***

Apartment Distribution

Within Floors

During CB4's review of the Application, the Board noticed that the majority of affordable units face only north and east, while the building faces primarily south and west. At the HH&HS Committee meeting, CB4 requested that on some floors, the north- or east-facing affordable unit be exchanged with a south-facing unit, which faces the High Line. This change in apartment distribution will ensure better light and air for affordable units and create a more equitable apartment distribution.

CB4 is concerned because the future Related building on the north side of West 30th Street, regardless of setback, will be at least 1000 feet high. This will seriously compromise light and air to the units with a northern exposure. Additionally, the 10th Avenue side, being a Lincoln Tunnel approach, is very loud. Both conditions present quality of life concerns. These concerns should be equitably distributed regardless of income.

That the Applicant has not yet agreed to redistribute some of the affordable units is surprising considering the strong and productive relationship between the Board and the Applicant. The Committee made clear it is asking only for some affordable units to be put in lines with south facing views, not the majority. Equitable apartment distribution and integration are key issues for CB4, ***especially considering this project borders the Eastern and Western Rail Yards in which will be built some of the highest income developments in the City.***

The Project is in the West Chelsea Special District but is immediately adjacent to the Eastern Railyards on which the Related Companies will develop three large residential developments. The Applicant should not want the Project to create even the perception that the affordable units are treated differently than market rate units. These large scale 80/20 buildings are able to be developed because of the additional bulk granted for providing permanent affordable housing through the Inclusionary Housing Program. The Board cannot accept the Applicant's assertion that the affordable units "cannot be moved without impacting the buildings income and concurrently its financing."

Minimal apartment redistribution will only affect the degree of the projected return for the owners and investors, not whether there will be a return. In the past, projects that have been presented to the Board have had a projected return on investment of 20% to 24%. CB4 believes that equitable distribution of the units is essential to the

success of the Project and again asks the Applicant to reconsider its position and HPD to seek modifications to the plans which ensure equitable distribution within the floors.

Other Design & Site Issues

Street Trees

- CB4 appreciates that the location of Con Edison vaults on the sidewalk has created difficulties in complying with Zoning Resolution Section 26-41 which requires street tree planting. CB4 asks that the Applicant work with the Department of Transportation (DOT) and the Department of City Planning (DCP) to ensure there is adequate street tree planting at this location. Further, CB4 requests that DOT and DCP develop a specific coordinated approach to ensure street tree planting as the Con Edison vaults are preventing the intent and requirements of the zoning from being met. CB4 requests a meeting with DCP and DOT to develop a joint approach, which may need to allow for street trees not only in the ground, but in containers as well.

Porte-Cochère

- During the Applicant's presentation to the HH&HS Committee, it came to the Board's attention that the Project includes a porte-cochère entrance to the building garage on West 29th Street, under the High Line. The Board is surprised that a Project with High Line adjacency creates an off-street driveway and turnaround with cars passing under the High Line as opposed to the re-use of the space under the High Line in a manner that brings activity to the street. This design approach is not street or pedestrian friendly but rather puts automobile use first. Design that is driven by High Line adjacency should be subject to public review and consultation via the Chair of the City Planning Commission, not simply discussion between the developer and the Friends of the High Line.

Community Concerns with HPD Policy on Apartment Distribution

As a matter of policy, HPD should have well-defined standards for not just the distribution of affordable units among the floors of a building, but also across the lines on the floor. Consistently relegating affordable units to less desirable exposures is in contradiction to a policy of Inclusionary Housing. The Community Board should not have to negotiate on a project-by-project basis for equitable apartment distribution. CB4 requests a meeting with HPD to discuss the creation of standards for apartment distribution across the each floor of a proposed project. The Board looks forward to continuing to work with the Related Companies and the Department of Housing Preservation and Development to bring 500 West 30th Street's proposed Lower Income Housing Plan to an equitable and mutually agreed upon conclusion.

Thank you for the opportunity to provide comments and submit recommendations on this important Application.

Sincerely,



Corey Johnson
Chair



[signed 4/6/12]
Barbara Davis, Co-Chair
Housing, Health &
Human Services Committee

Joe Restuccia, Co-Chair
Housing, Health &
Human Services Committee

cc: NYC Council Speaker Christine Quinn
Manhattan Borough President Scott Stringer
Congressman Jerrold Nadler
NYS Senator Thomas Duane
NYS Assemblymember Richard Gottfried
RuthAnne Visnauskas, Beatriz de la Torre, Thehbia Walters, Alisha Ozeri, Sara
Levenson - HPD
Greg Gushee, Related
Erika Sellke, DCP
Colleen Chattergoon, DOT