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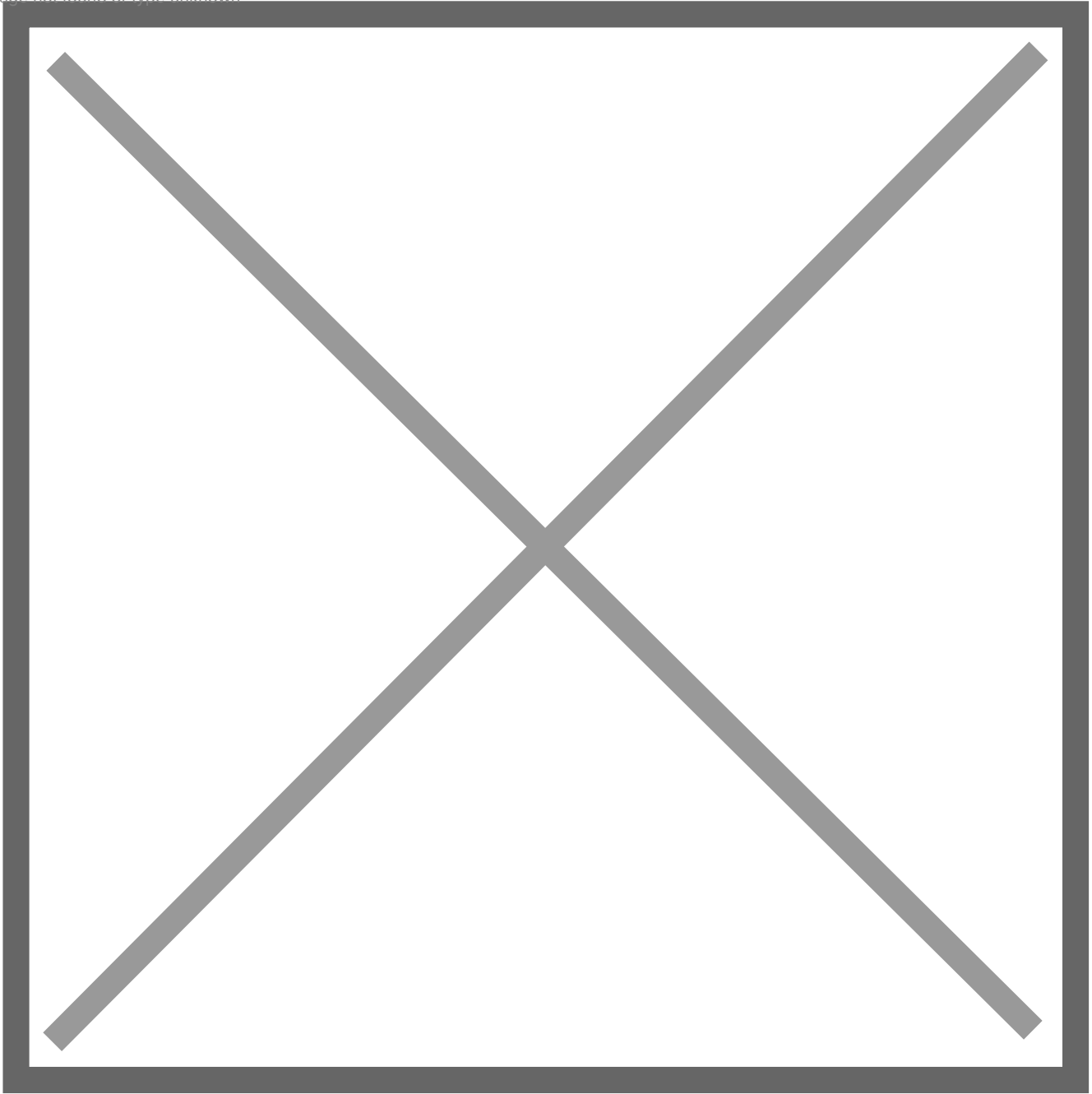
Daniel L. Squadron

Testimony Regarding the 550 Washington Street/Special Hudson River Park District Project

DANIEL L. SQUADRON November 25, 2015

| ISSUE: HUDSON RIVER PARK, PARKS, PIER 40, ST. JOHN'S TERMINAL

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Testimony of Borough President Gale Brewer, Assemblymember Deborah J. Glick, State Senator Brad M. Hoylman, Councilmember Corey Johnson, Congressman Jerrold L. Nadler, State Senator Daniel L. Squadron

Presented by Assemblymember Deborah Glick

Regarding the 550 Washington Street/Special Hudson River Park District project CEQR No. 16DCP031M

November 20, 2015

Thank you for the opportunity to testify before you today on behalf of Congressman Jerrold Nadler, Borough President Gale Brewer, State Senators Brad Hoylman and Daniel Squadron, and Councilmember Corey Johnson. The project proposed at 550 Washington Street would facilitate the redevelopment of the St. John's Terminal into a major mixed-use complex while transferring development rights ("air rights") from Hudson River Park to the site. As proposed, this redevelopment would create just under 2 million square feet of new residential, commercial, hotel and office space in what is currently a commercial and manufacturing district. The proposal includes a zoning text amendment, a zoning map amendment, two zoning special permits and a Chairperson's certification, as well as an action by the Hudson River Park Trust. We understand that this is a massive proposal, which also includes several important components such as up to 476 units of affordable housing and a single-time payment to the Hudson River Park Trust for repairs at Pier 40.

The scoping documents leave many questions unanswered, or "TBD" as many of the details of the project have yet to be finalized. We find it hard to understand how this study can be properly conducted when we are being told that many crucial aspects will only be determined later on, including specifics as important as the use of the commercial space on the south block. For example, without knowing if the southern site will be event or office space we cannot ascertain how many employees might be on site. This impacts all forms of traffic, as well as the types of services that might be needed. A full proposal for the exact use of each space within the proposed development needs to be provided and all questions need to be answered and studied prior to certification of the Draft Environmental Impact Statement (DEIS).

Housing

The proposal includes a significant amount of affordable housing, including senior housing and a mixed income building. The developer has indicated that it has worked with the City to determine appropriate levels of affordability; we would like a broad range of affordability and levels of Area Median Income (AMI) to be examined. This analysis should speak to the local, neighborhood median income levels, percentage of rent burden households, and gaps in affordability or the AMI levels present in the construction of other affordable units within Community Board 2.

We also request that a study of the sizes of apartments and the breakdown of size distribution be included within the scope. For example, within the senior housing component, it is proposed that 75% of these units will be studios and 25% will be one-bedrooms. What is the minimum square footage for each type of unit? Is this the appropriate distribution of unit sizes? While a “poor door” has not been proposed in the mixed-use building, the creation of segregated senior affordable housing and market-rate only buildings are proposed and warrants additional study in terms of public policy and social impacts. Additionally, we request a study be conducted to determine whether the entrance to the proposed senior affordable housing complex is safe, given its proximity to the traffic and trucks on Washington Street.

Pier 40

Providing critical funds towards stabilizing Pier 40, through the purchase of air rights, is a fundamental component of this deal. We are concerned that an appraisal for the value of the air rights has not been completed, yet it appears a deal to sell 200,000 square feet of air rights for \$100 million has been reached. We would like to see a full appraisal, including the process through which the appraisal was conducted. We are further concerned that \$100 million is likely not enough to cover the cost of completely repairing the pier. We would like a comprehensive list of all repairs needed for Pier 40 and their associated costs. We would like

confirmation that the repairs for Pier 40 that can be achieved through this project will be sufficient to ensure adequate future access for decades to come.

While the proposed special district for air rights transfer will only apply to the St. John's site and Pier 40, it is our understanding that it will be the outline through which any future Uniform Land Use Review Process (ULURP) regarding air rights transfers from HRPT will be based. As such, what nexus will be created in this special district that would limit the transfer of development rights from HRPT piers to geographically distant receiving sites?

Phasing and Construction

Houston Street is one of the largest westbound throughways in the area and is the only point for blocks in which a vehicle can turn south onto Route 9A. Furthermore, Pier 40 and Hudson River Park are extremely popular and located immediately across the street. Ongoing noise, pollution, truck traffic and other construction related activity could have a significant impact on the quality of life for those in the area, including those using the park, for an extended period of time.

The scoping documents indicate that the project will be completed within 36 months of the start of construction, and no later than 2024. Talks with the developer have made it clear that this timeline is not definite, and is subject to many variables. As such, a more comprehensive study of the construction process should be conducted, including the various combinations of phasing for construction and the impact phased construction will have on traffic patterns, pedestrian flow, noise and pollution. Part of that analysis should have special consideration for the impacts on the senior residents as, if they are part of an earlier phase, they will be subject to construction-related quality of life and safety concerns for a longer period.

Furthermore, there is a tenant currently occupying space in the south block, which might not be vacated until the lease expires in 2026. If the tenant remains in place, we expect that a

major gap in the construction timeline would result. A full study of the impacts of such a gap should also be studied both for the project and for the study of reasonable worst-case scenario.

Given the variables affecting the completion of the individual components of this large-scale project, the scope should include a study of what happens if only one phase of the project is built, as well as what happens if none of the affordable housing units are built and the developer tries to walk away from the project.

Open Space

We appreciate the inclusion of some publically accessible open space. However, this seems to be the majority, if not all, of the open space on the complex, and we are concerned that the use of the open space by the large number of residents within the proposed complex will inevitably limit the availability for the public. What hours will this space be accessible to the public? What policies will govern access to the space? Will it be mapped as parkland? If not, what protections, deed restrictions or covenants will be in place to ensure it continues to be publicly accessible in perpetuity?

As proposed, there is what appears to be a rather large garden on the center block which would be for viewing only. Zoning requirements clearly state that all open space on a single zoning lot, which these parcels will comprise, must be accessible to all residents of that zoning lot if that space is part of mandatory open space. Therefore, the environmental review and program plan should reflect this regulatory reality. However, if somehow this area does not count toward required open space, a review should be conducted of what impacts it would have if this garden was opened to the residents of the adjacent buildings and the general public.

Regardless of additional open space on site, it is clear that residents at these proposed buildings would use Hudson River Park as their local park. Given the importance of Hudson River Park as a regional park that attracts users from across the City, we request a thorough study of the impacts on available space for both active and passive recreation that considers current estimates of actual users, including those that live beyond the impact area. We would also like the DEIS to include a study of the impact of the developer including a pedestrian bridge over Route 9A to provide increased access to the park.

Parking and Big Box Retail

It is unclear why the developer is proposing over 886 new parking spaces when across the street at Pier 40, there is an underutilized parking garage. Within the draft scope, it is proposed that the alternative to 886 parking spaces is a study of big box stores and 450 parking spaces. We would like the DEIS to include as alternatives, an option in which there is no parking as well as an option of limited parking and no big box stores. Additionally, the traffic impacts created by box stores compared to smaller stores needs to be thoroughly studied as well as the impacts of limiting the size of the individual retail establishments. Our concern has always been access to proximate neighborhood retail options, especially for the senior population, given the site's distance from existing neighborhood retail corridors.

Resiliency

The full scope of the proposed development lies within Zone 1 on New York City's Hurricane Evacuation map. The area experienced significant flooding during Hurricane Sandy. Building this many square feet of residential and commercial space a block from the water is precarious at best. We understand the developer will comply with current city and federal regulations regarding resiliency, but those do not address many additional concerns that might come up due to the scope of this project. First, the developer has indicated that it intends to use "dry flood protections." As we understand it, this would effectively create a

wall around the development so that water cannot penetrate the development during a flood. This method achieves the goal of allowing retail to be at grade-level without fear of flooding. What is the impact of this methodology on the surrounding buildings? Has there been a comprehensive study of the foundations of buildings in the area to determine what impacts might result from a major diversion of water such as this? Has a study of “wet flood protections” been conducted? If not, we would like to have such a comparison study conducted. Additionally, we would like to understand how much additional height above slab, if any, would be added to the buildings if the mechanicals must be put on the top of the building.

New Public School Seats

While the developer will study the need for new school seats based on pre-determined city formulas, we have long believed these formulas are out of date. Coupled with the existing overcrowding issue that we face in Lower Manhattan, we have serious concerns about the impact of this residential development on our schools. As there is much of the site that is currently unprogrammed, such as space on the south section, we would like the DEIS to study the inclusion of a school on the site.

The developer is also going to study the impact of this project on early child care centers, but as a portion of this site is proposed to be affordable housing units, the early child care centers should be studied factoring in a range of AMIs for those living in the affordable units.

Zoning and Density

It is our understanding that the Department of City Planning has worked with the developer to determine the proposed zoning and densities within this application. On one block, what is currently a 5 FAR of manufacturing zoning would become a 12 FAR of residential and

commercial. Why was the proposed underlying zoning not lower? As we mentioned, one of the major benefits of this project is the financial contribution to the Hudson River Park Trust, and a lower underlying zoning would result in a requirement to purchase a greater number of air rights. Furthermore, this project highlights the pressures to develop and increase density throughout the neighborhood. As such, we would like a study of a downzoning of the surrounding area, including the South Village.

Environment

Aside from the construction process itself, a development of this size has a major impact on the local environment. Given its proximity to the water and the bird flight path, the impact these buildings will have on birds is of particular concern. Over 900 million birds are killed every year because they fly into glass windows on tall buildings such as the one being proposed for the North Site of this project. Will this project be using bird-safe windows? Additionally, will the buildings be seeking LEED certification?

Additional Areas for Study

While the preliminary Environmental Assessment Statement (EAS) indicated that parts of this project “would not result in the introduction of a sizable new neighborhood” we think this is clearly untrue. Currently, the area is zoned for commercial and manufacturing. We are concerned the neighborhood does not have the infrastructure to support major residential development. The introduction of up to 1,586 new residential units would dramatically change the nature of the neighborhood. As such, services which are not currently needed will be imperative to the residences which are proposed. Such items which are not slated to be studied but warrant a full study during the DEIS to include: health care needs, fire, police, sanitation services and neighborhood character.

As it has never been a residential area, the area already lacks sufficient sewage and solid waste management systems. Individual residential units and businesses on the Far West Side of Manhattan currently experience back-up of water in sinks and toilets when there are floods in the area. This preexisting deficiency will only be exacerbated by the introduction of such a significant number of new residential units. A comprehensive study as to how this will be addressed in this project is essential.

The proposed development is a major residential complex including a number of units for senior being built in a flood zone. This will inevitably create additional pressures and costs for any evacuations or emergency response. The extent of these pressures and costs, as well as how those needs will be met, must be fully studied during the DEIS.

Conclusion

We hope that the public and we are provided with full answers to all of outstanding questions prior to certifying the DEIS. The community process created through a ULURP deserves to start only when we have a full understanding of exactly what is being asked of and provided to the community. Thank you for your attention to this matter. We look forward to continuing to work with you on this project and ask that we be kept apprised of any next steps.