The City of New York
Manhattan Community Board 1
Catherine McVay Hughes CHAIRPERSON | Noah Pfefferblit DISTRICT MANAGER

Council of the City of New York
Subcommittee on Planning, Disposition and Concessions

L.U. No. 721
C 120267 PPM
Civic Center Plan

Testimony by
Catherine McVay Hughes
Chair

Tuesday, November 13, 2012, 9:30 AM
Committee Room, City Hall
New York, NY

Good morning Chairperson Levine and members of the Subcommittee on Planning, Disposition and Concessions. I am Catherine McVay Hughes, Chair of Manhattan Community Board One (CB1). In the aftermath of Hurricane Sandy, I express my condolences to all those affected by the storm and hope for a speedy recover.

I appreciate the opportunity to comment on the proposed Civic Center Plan submitted by the New York City Department of Citywide Administrative Services (DCAS) for the disposition of 22 Reade Street and 49-51 Chambers Street.

We understand that once disposition is approved, DCAS intends to transfer these properties and 346 Broadway, which was disposed of in 1998, to the New York City Economic Development Corporation (NYCEDC). While we favor the disposition and consolidation components of the plan, we have problems with the manner in which EDC intends to sell the three properties with a total of 750,000 square feet of space to private buyers as selected through an unrestricted Request for Proposals (RFP) process. We strongly believe that the selection criteria of a properly formulated RFP should have included a review of how the proposals would impact the community, with a particular emphasis of the extent to which the proposals could assist in solving community infrastructure needs, such as school seats and affordable housing.

Community District #1 is the fastest growing neighborhood in New York City. Residential population increased by 77% between 2000 and 2010 to 63,000. This revitalization in Lower Manhattan has altered our demographics and severely burdened our local schools. Professor Eric Greenleaf of New York University has conducted an in depth analysis of overcrowding in Community District 1 and recently presented his troubling findings to Community Board 1. Since 2000, we have witnessed an astounding 147% growth in children under the age of five in our district. This year, our six public elementary schools enrolled 72 kindergarten students over capacity. By 2014, Professor Greenleaf predicts the shortage will increase to 250 or even 300 kindergarten seats. This prediction, furthermore, is conservative, as it is based upon a plateau in the district's 2010 population. With a total of roughly 3,000 residential units in construction in

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2012 and 2013 and an additional 3,500 residential units for development in the near future, Professor Greenleaf's predictions unfortunately pale in comparison to future overcrowding in Lower Manhattan schools. Even with the arrival of Peck Slip School, Lower Manhattan remains in desperate need of school seats.

Beyond our dire education needs, CB1 continues to have a shortage of recreation space, affordable housing, and other residential community infrastructure. We regret that no meaningful analysis has been performed by the City regarding the extent to which the City properties would be suitable to assist in meeting the community's infrastructure needs, nor how disposition options might further exacerbate the community's already-existing infrastructure shortages.

CB1 is dismayed that the RFP was issued on April 23, 2012, prior to the initiation of the Uniform Land Use Review Procedure and contrary to "standard operating procedures," with a submission due date of July 31, 2012. CB1 believes that it should have been given the opportunity to critique the RFP in advance of its issue so that it could have a more meaningful role in evaluating the responses and applying community needs and amenity criteria to review the responses. The selection criteria of the RFP as issued did not include any community needs-related criteria such that it appears a successful respondent will not be required to make any showing of beneficial impact, nor absence of negative impact, on the Lower Manhattan Community.

Furthermore, it is the position of CB1 that the City should not approach this sale as "unrestricted" with its pure dollars/cents approach, but that the City should engage in a more holistic economic analysis that takes into account existing community needs, as well as needs that may be created by the disposition of the City's property. The City should evaluate whether it would be more cost effective to use a portion or all of these existing City properties to attempt to meet the community's needs, rather than sell these properties and then acquire new assets to meet those needs. Moreover, an unrestricted disposition of the subject City properties would likely lead to residential conversion of a portion or all of these properties, further compounding the community's residential infrastructure shortages and would require a school seat impact analysis.

We strongly believe that proposals involving residential development without provision of school seats, affordable housing units and other community amenities should be viewed less favorably than a development proposal that does include school seats, affordable housing units, and other community amenities.

CB1 therefore urges disapproval of the Civic Center Plan unless the following conditions and modifications are satisfied:

1. A new K-5 school with 1200 seats and a middle school with a preference for local residents are constructed within the CB1 District, either within one of the three Civic Center Plan Properties or in another CB1 District space;

2. EDC reissues or re-negotiates the RFP as a restricted sale RFP for the Civic Center Plan Properties, requiring the inclusion of school seats (if the K-5 school referenced above is not built

elsewhere within CB1), affordable housing, a senior services center and affordable commercial space for not-for-profit use;

3. The reissued RFP includes as part of its selection criteria the impact of the proposed uses on the CB1 community, including mitigation of adverse impacts; and

4. The reissued RFP clarifies the status of the parking lot adjacent to 49-51 Chambers Street, which is part of the same tax lot at 49-51 Chambers, as either being included within, or excluded from the disposition, and

In conclusion, CB1 supports the Civic Center consolidation plan as an efficient use of office space, a benefit to City agency personnel and a cost savings for the City over time, if such consolidation plan can be implemented in a manner in which the above conditions and modifications are satisfied.

COMMUNITY BOARD #1 – MANHATTAN
RESOLUTION

DATE: JUNE 26, 2012

COMMITTEE OF ORIGIN: PLANNING AND COMMUNITY INFASTRUCTURE
SEAPORT/CIVIC CENTER
YOUTH AND EDUCATION
HOUSING
ARTS AND ENTERTAINMENT

COMMITTEE VOTE:	10	In Favor	0	Opposed	0	Abstained	0	Recused
PUBLIC MEMBERS:	1	In Favor	0	Opposed	0	Abstained	0	Recused
BOARD VOTE:	39	In Favor	0	Opposed	0	Abstained	0	Recused

RE: Civic Center Plan - ULURP Application #: C120267PPM
CEQR Number: 12DME006M

WHEREAS: The Department of Citywide Administrative Services ("DCAS") has presented the Civic Center Plan which proposes to consolidate various government agency offices into modern efficient office spaces by disposing of underutilized office buildings in very poor condition in the Civic Center; and

WHEREAS: The Civic Center Plan proposes to significantly shrink the City's office space footprint and save money and energy by consolidating government operations to improve working conditions and create economic development opportunities in Lower Manhattan; and

WHEREAS: DCAS has applied for disposition of two City-owned properties, pursuant to zoning, to facilitate the larger plan that involves the sale of three city-owned buildings at 346 Broadway, 22 Reade Street and 49-51 Chambers Street (the "Civic Center Plan Properties"); and

WHEREAS: By the current ULURP Application, DCAS requests disposition of 22 Reade Street and 49-51 Chamber Street and the third building; 346 Broadway, was previously approved for disposition in September 1998; and

WHEREAS: 22 Reade Street is located at the northwest corner of Reade Street and Elk Street and has approximately 99,000 square feet of space and is currently fully occupied by the Department of City Planning and is located within the African Burial Ground and the Commons Historic District; and

WHEREAS: The Emigrant Savings Bank building at 49-51 Chambers Street, is located at the northwest corner of Chambers Street and Elk Street and has 231,379 square feet of space and a surface parking lot and currently houses various city agencies, and formerly housed a school, and was designated as an individual landmark by the New York City Landmarks Preservation Commission; and

WHEREAS: Once disposition is approved, DCAS intends to transfer these properties and 346 Broadway to the New York City Economic Development Corporation (NYCEDC) which intends to sell the three properties with a total of 750,000 square feet of space to private buyers as selected through an unrestricted Request for Proposals (RFP) process; and

WHEREAS: In order to ensure the orderly relocation of City personnel from these three buildings, the City intends to convey each building subject to an interim pre-relocation lease benefiting the City as tenant; and

WHEREAS: The City intends to place these three buildings on the property tax rolls, save at least $100 million over 20 years in cost savings and revenue generation and create new opportunities for investment by the private sector; and

WHEREAS: Community District #1 is the fastest growing neighborhood in New York. Population increased by 77% between 2000 and 2010 with the next highest increase being 18% in Community District #4. As a result of this growth, CB1 is suffering serious shortages of school seats, estimated at over 1200 seats, in addition to a shortage of affordable housing, recreation space, and other residential community infrastructure; and no meaningful analysis has been performed by the City regarding the extent to which the subject City properties would be suitable to assist in meeting the community's infrastructure needs, nor how disposition options might further exacerbate the community's already-existing infrastructure shortages; and

WHEREAS: The RFP was issued on April 23, 2012 with a submission date of July 31, 2012 and the position of CB1 is that it should have been given the opportunity to critique the RFP in advance of its issue so that it could have a more meaningful role in evaluating the responses and applying community needs and amenity criteria to review the responses; and

WHEREAS: The selection criteria of RFP as issued does not include any community needs-related criteria, such that it appears that a successful respondent will not be required to make any showing of beneficial impact, nor absence of negative impact, on the Lower Manhattan Community; and

WHEREAS: The selection criteria of a properly formulated RFP should include a review of how the proposals would impact the community, with a particular emphasis of the extent to which the proposals assist in solving community infrastructure needs, such as school seats and affordable housing; and

WHEREAS: It is the position of CB1 that the City should not approach this sale as "unrestricted" with its pure dollars/cents approach, but that the City should engage in a more holistic economic analysis that takes into account existing community needs, as well as needs that may be created by the disposition of the City's property, and evaluate whether it would be more cost effective to use a

portion or all of these existing City properties to attempt to meet the community's needs, rather than sell these properties and then acquire new assets to meet those needs; and

WHEREAS: Moreover, an unrestricted disposition of the subject City properties would likely lead to residential conversion of a portion or all of these properties, further compounding the community's residential infrastructure shortages; and

WHEREAS: Proposals that involve residential development without provision for affordable housing units and the provision of school seats and other community amenities should be viewed less favorably that a development proposal that does include affordable housing units, school seats and other community amenities; and

WHEREAS: The residential development of Civic Center Plan Properties, if taken together, would require a school seat impact analysis; now

THEREFORE BE IT RESOLVED THAT: Community Board 1 therefore urges disapproval of the Civic Center Plan ULURP unless the following conditions and modifications are satisfied:

1. A new K-5 school with 1200 seats and a middle school with preference for local residents are constructed within the CB1 District, either within one of the three Civic Center Plan Properties or in another CB1 District space;

2. EDC reissues the RFP as a restricted sale RFP for the Civic Center Plan Properties, requiring the inclusion of affordable, middle income housing, school seats (if the K-5 school referenced above is not built elsewhere within CB1), a senior services center and affordable commercial space for not-for-profit use;

3. The reissued RFP includes as part of its selection criteria the impact of the proposed uses on the CB1 community, including mitigation of adverse impacts; and

4. The reissued RFP clarifies the status of the parking lot adjacent to 49-51 Chambers Street, which is part of the same tax lot at 49-51 Chambers, as either being included within, or excluded from the disposition, and

BE IT FURTHER RESOLVED THAT: Community Board 1 supports the Civic Center consolidation plan as an efficient use of office space, a benefit to City agency personnel and a cost savings for the City over time, if such consolidation plan can be implemented in a manner in which the above conditions and modifications are satisfied.