

COMMUNITY BOARD 7 Manhattan

July 15, 2013

Honorable Mathew M. Wambua
Commissioner
NYC Housing Preservation & Development
100 Gold Street
New York, NY 10038

Honorable Amanda M. Burden
Chair
NYC Department of City Planning
22 Reade Street
New York, NY 10007-1216

Re: 40 Riverside Boulevard

Dear Commissioner Wambua:

On behalf of Community Board 7/Manhattan and the Upper West Side community, we write to provide our comments on the proposed affordable housing plan for 40 Riverside Boulevard, formerly known as Site “K” in the Riverside South development.

Since creation and preservation of affordable housing is essential to the sustainability of our community, we welcome the proposal to add affordable units.

Given the unique ownership structure and physical arrangement of the proposed units, CB7 offers the following specific comments on this proposal.

Relationship between the Affordable Housing tenants, the Sponsor and the Condo Corporation:
The 55 affordable housing units will be treated as part of a single condominium unit owned by the Sponsor who, in turn, will be one of more than two hundred condo owners. The Affordable Housing units are physically segregated from the market rate condo units with a separate entrance and elevators. This arrangement begs several questions: First, who will be responsible for maintenance, repair, capital improvements and other services provided to the Affordable Housing tenants? If the sponsor, will there be a reserve set up? Will the sponsor have the right to sell its ownership to a third party? Will any such sale be subject to a determination of financial responsibility? If the condo corporation as a whole is responsible for services to the Affordable Housing tenants, what safeguards will be in effect to protect the Affordable Housing tenants from being discriminated against in the provision of such services? (The physical separation of the Affordable Housing units from the market rate condo units makes this concern particularly acute, since neglect of the Affordable Housing units would have no effect on the habitability or marketability of the market rate units).

Accordingly, we urge that HPD carefully consider appropriate safeguards to avoid a situation in which the Affordable Housing tenants are relegated to the status of second class citizens.

Eligibility for a bonus: We are advised by the developer that it will seek to sell to an unspecified off-site owner development rights allegedly obtained as a result of the construction of 55 affordable housing units at 40 Riverside Drive. This raises a question as to whether the applicant is in fact seeking a double bonus to which it is not entitled. The restrictive covenant for the entire Riverside South site requires, as a condition of approval, a minimum percentage of affordable housing units. In effect, in order to build at Riverside South, the developer was required to provide affordable housing.

Respectfully submitted,



Mark N. Diller
Chair



Page Cowley Richard Asche
Co-Chairs, CB7 Land Use Committee

Copies: Hon. Scott M. Stringer, Manhattan Borough President
Brian Cook, Manhattan Borough President's Office
Hon. Gale A. Brewer, New York City Council, 6th District
Hon. Linda B. Rosenthal, New York State Assembly, 67th District
Hon. Brad Hoylman, New York State Senate, 27th District
Hon. Adriano Espaillat, New York State Senate, 31st District
Kenneth K. Lowenstein, Esq.
Gary Barnett, President of Extell Development Company

See the Site Plan.