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**IN THE MATTER OF** an application submitted by the New York City Department of City Planning and the New York City Economic Development Corporation, pursuant to Section 201 of the New York City Charter for an amendment to the Zoning Resolution of the City of New York, modifying Article XII, Chapter 1 (Special Garment Center District) and related sections, Borough of Manhattan, Community Districts 4 and 5.

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This application for a zoning text amendment was filed by the Department of City Planning (DCP) and the New York City Economic Development Corporation (EDC) on June 6, 2018. The proposed amendment to Section 121-00 of the Zoning Resolution seeks to update and modernize the regulations of the Special Garment Center District (SGCD) within Community Districts 4 and 5 in Manhattan.

### **BACKGROUND**

The Garment Center has been a central part of the apparel production and fashion industry in the United States and internationally for more than a century. During the 1920s and 1930s, the garment industry was the largest economic sector in New York City and the fourth-largest in the country. A development boom around this time led to a significant amount of construction of high-rise, mercantile loft buildings, designed to house all aspects of the garment industry, including office space, showrooms, and manufacturing facilities.

Major global changes in the apparel industry, beginning after the Second World War, led to a significant decline of the industry in the Garment Center, citywide, and nationally.

Improvements in transportation and communication allowed some standardized production activities to move to lower cost locations farther away from the design and retail components of the apparel industry, which continued to be rooted in the Garment Center.

In 1986, DCP, Office for Economic Development, and the Public Development Corporation compiled the *New York City Garment Center Study* in response to concerns on the part of the City as well as the International Ladies Garment Workers' Union (ILGWU) that real estate pressure would accelerate manufacturing job loss in the Garment Center. This study noted that

the apparel manufacturing industry was in gradual decline in the Garment Center and explained that single-location manufacturers and contractors in the area were threatened by office conversions. The study concluded that impending lease expirations and the projected demand for office space in the Garment Center would place a significant amount of apparel production-related operations at risk of conversion to office uses if the zoning remained unchanged.

These trends and predictions prompted the City to intervene, leading to the establishment of the SGCD (N 870241 ZRM) in 1987. The SGCD is generally bounded by 35<sup>th</sup> Street to the south, 40<sup>th</sup> Street to the north, Broadway to the east, and 9<sup>th</sup> Avenue to the west. The original purpose of the SGCD was to maintain the viability of apparel production in the Garment Center by limiting the conversion of manufacturing and warehousing space to office use. It allows the underlying M1-6 zoning regulations to apply on the avenues, while creating Preservation Areas on side street blocks, which are defined as the area greater than 100 feet from the avenues. These Preservation Areas restrict existing buildings to retail, wholesale showroom, warehousing, and industrial uses. Office conversions are permitted in the Preservation Areas via a DCP chair certification and restrictive declaration whereby property owners agree to preserve an equal amount of space for manufacturing uses in perpetuity.

When the SGCD was created in 1987, nearly 5,000 businesses in the apparel industry were located in the Garment Center, employing almost 61,000 people and occupying 20 million square feet of space related to manufacturing, showrooms, suppliers, service firms, and contractors. Apparel manufacturing alone comprised 41 percent of total employment in the apparel industry, with 25,200 employees and 9.2 million square feet of space.

Despite the efforts to protect apparel manufacturing jobs within the Garment Center through preservation requirements, the industry continued to decline in the Garment Center, the city, and nationally. Since the enactment of the SGCD, approximately 180,000 of the 8.5 million square feet of space in the Preservation Areas has been formally preserved for manufacturing or warehousing uses in the SGCD, which allowed building owners to legally convert an equivalent amount of space to office.

As apparel manufacturing declined, a significant portion of vacant space in the Garment Center was converted from manufacturing and warehousing to Class B or C office space. Since the existing zoning does not permit as-of-right conversion to office space in the Preservation Areas, mid-block buildings that converted to office space without a preservation certification cannot alter their Certificates of Occupancy. There is currently estimated to be over five million square feet of non-conforming office space, often with Certificates of Occupancy for warehouses or factories. Many of the converted buildings are used by firms in growing sectors of the economy, including the nonprofit, health care, entertainment, internet, media, and fashion sectors (such as designers' offices and showrooms). However, since the zoning does not allow for an as-of-right change of use to office, many property owners cannot obtain building permits for needed major capital renovations to their buildings, many of which are over 100 years old. This has prevented investment in building infrastructure and safety systems.

By 2016, apparel manufacturing employment had declined significantly across the city, in line with national trends. In the Garment Center, apparel manufacturing employment had declined to approximately 4,400 employees, occupying approximately 1.4 million square feet of space, located in buildings within the Preservation Areas as well as buildings along the avenues that were not subject to preservation requirements. The most recent employment data show that apparel manufacturing has declined in the Preservation Areas to 2,600 employees (2016), a 90 percent decrease over the 30-year span, and that there was 716,000 square feet of apparel manufacturing space (2017), a 92 percent decrease over roughly the same time period. These trends for apparel manufacturing are similar to the general trajectory of the sector throughout the city and nation as a whole, which accelerated in the 1990s and early 2000s due to globalization and automation. Many of the firms that remained in the United States have significantly reduced their employment with the adoption of new technology and machinery. Nationally, apparel manufacturing employment is expected to decline by 33 percent between 2016 and 2026, according to estimates from the U.S. Bureau of Labor Statistics.

Despite these trends, the Garment Center remains a major center of the fashion industry, albeit with garment manufacturing substantially reduced. In addition, other garment and design

clusters have emerged across the city, and industry representatives note that many designers have moved to other neighborhoods such as SoHo, Tribeca, and the Meatpacking District. Some of these businesses have suggested that the SGCD's regulations have limited new investment in the Garment Center. At the same time, growth in other industries has increased demand for commercial space in Midtown Manhattan and has resulted in the occupancy for offices of space that otherwise would likely have remained vacant or underutilized. This space is being used by a diverse array of commercial firms and nonprofit organizations, providing thousands of jobs in place of the SGCD's apparel manufacturing sector. The SGCD's current employment base now comprises a broad mix of commercial office, retail, wholesale, hotel, and light industrial uses. Despite zoning that limits office use, between 2000 and 2016 the SGCD has seen an increase of 56 percent in employment. In 2016, over 65,000 were employed in the SGCD across more than 4,300 firms.

Recognizing that the existing preservation requirements within zoning are not effective in supporting a markedly changed apparel industry and constrain the future of the Garment Center as a diverse employment center, the proposed text amendment is intended to better align zoning with the current land use and employment trends in the area.

As the proposed text amendment for the SGCD was being developed by DCP and EDC, a stakeholder group called the Garment Center Steering Committee (GCSC) was formed by the Manhattan Borough President, the NYC City Council member for the 3<sup>rd</sup> District, and the Deputy Mayor for Housing and Economic Development. The GCSC participated in six meetings over a three-month period during the summer of 2017 to develop a set of guiding principles and recommendations to inform the City's strategy to support the garment industry in the Garment Center. The GCSC issued a report that included recommendations for real estate solutions, workforce development and business supports, and place-making. The real estate solutions described in the report center on the development of a New York City Industrial Development Agency (NYCIDA) program to retain long-term garment production space in the Garment Center and the development of a framework for a building to be purchased to serve as dedicated garment production space in Midtown Manhattan.

In response to recommendations developed by the GCSC, EDC created a package of

incentives and investments to support the garment production industry in and around the Garment Center. That package of incentives includes programs aimed at real estate stability, including efforts to retain fashion manufacturing in Manhattan.

In 2018, the NYCIDA Garment Center Program was created to provide tax incentives for property owners to lease affordable space to fashion manufacturers in buildings located within NYC's Garment Center Business Improvement District, a geography that includes the SGCD. The NYCIDA program has Compliance Specialists that conduct inspections and require regular reporting for spaces that are receiving tax incentives. At the September 18, 2018 NYCIDA Board Meeting, approximately 200,000 square feet of space across three buildings was approved for these tax incentives.

EDC has also developed a framework to support the purchase of a property that would provide dedicated space for garment manufacturing. On October 3, 2018, EDC released a Request for Expressions of Interest (RFEI) for a building acquisition involving participation by EDC in acquiring an interest in the building through the expenditure of City capital in an anticipated amount of up to \$20 million. The RFEI is designed to encourage a nonprofit organization to leverage this capital with additional sources of funding to purchase a building that will be maintained as permanent, affordable space for apparel manufacturers and suppliers.

### Project Area

The project area is characterized by 10- to 12-story loft buildings constructed in the early part of the 20<sup>th</sup> century on the side streets, and slightly larger buildings on the avenues (Broadway, 7<sup>th</sup> Avenue, and 8<sup>th</sup> Avenue), which were originally used for both production and showroom space. These were designed as general-purpose buildings that could accommodate manufacturing, warehousing, retail and office uses. More recently, avenue buildings that were used for production have become showrooms or Class B or C office spaces, though some garment production remains. The Garment Center has a relatively dense built form. Existing loft buildings have high streetwalls, often rising to approximately 120 feet before setbacks on side streets, and as much as 200 feet before setbacks on avenues.

The area between 8<sup>th</sup> and 9<sup>th</sup> avenues was historically not as heavily developed as the rest of the Garment Center. While containing numerous loft buildings, it also had surface parking lots and garages, and small buildings. In 2005, this area was rezoned as part of the Hudson Yards rezoning (N 040500A ZRM). The rezoning allowed for redevelopment of the area, while retaining preservation requirements for loft buildings greater than 70,000 square feet. As a result, many underutilized sites have been developed during the past decade with large residential projects and hotels.

The Preservation Areas have a total of about 8.5 million square feet of space. Based on a survey of the Garment Center conducted for the Garment District Alliance Business Improvement District in 2017, it is estimated that there was about 910,000 square feet of manufacturing space still in the Preservation Areas, with about 715,000 square feet in fashion manufacturing. There was about 560,000 square feet of warehousing in the SGCD, of which 400,000 was fashion-related. It was estimated that about 1.6 million square feet of space was in showroom use, of which 1.5 million was fashion showroom. Over four million square feet of space in Preservation Areas was in non-conforming office use. A little more than nine percent of the space was vacant. Many suppliers, such as button and trim retailers, sample makers and short-run contractors, continue to operate in the SGCD. These firms supply services to designers and fashion makers.

As a result of the manufacturing preservation requirements that currently exist within the Preservation Areas, portions of 10 buildings comprising approximately 180,000 square feet of space have deed restrictions requiring that the space be occupied by manufacturing uses in perpetuity.

### Surrounding Area

On the eastern edge, the SGCD is bordered by the high-density commercial Special Midtown District. Farther to the east, between Fifth and Sixth avenues, from West 35<sup>th</sup> Street to West 39<sup>th</sup> Street, is the “Doughnut Hole.” This is an M1-6 zoning district mapped in 1981, also at the behest of the ILGWU, to protect apparel manufacturing uses. This M1-6 district has no special preservation rules and is not proposed for rezoning as part of this action. In recent years, a large number of hotels have been developed in this district,

since hotel uses are allowed as-of-right.

On the south, the SGCD is also bordered by high-density commercial districts, including major retail destinations such as Macy's between Broadway and Seventh Avenue. Just to the south is the Penn Center Subdistrict of the Special Midtown District and Penn Station. On the west, the SGCD is bounded by Hudson Yards, which includes a mix of commercial and residential uses. On the north, the SGCD is primarily bounded by mid- and high-density commercial and institutional uses, including the New York Times headquarters building and the former *Herald Tribune* printing plant, now the City University of New York Graduate School of Journalism.

The SGCD is adjacent to multiple major regional transportation hubs, including the Port Authority Bus Terminal and Penn Station, which provides access to multiple subways lines, New Jersey Transit, Long Island Rail Road, and Amtrak. This extraordinary transit accessibility makes the SGCD an appropriate place for zoning that accommodates a range of commercial uses.

#### Existing Zoning

Within the SGCD, the existing zoning is M1-6 along the avenues, which allows office or manufacturing uses as-of-right. Within Preservation Area 1 (P1) located east of 8<sup>th</sup> Avenue, the underlying zoning is also M1-6. However, P1 permits only manufacturing, retail, and showrooms as-of right. Conversion of these existing spaces to office uses is allowed only if an equivalent manufacturing space is preserved in perpetuity.

Within Preservation Area 2 (P2) located west of 8<sup>th</sup> Avenue, the underlying zoning is C6-4M. P2 allows new commercial, residential, and hotel uses as-of-right, and existing buildings smaller than 70,000 square feet are allowed to convert to commercial, residential, and hotels uses. However, existing buildings greater than 70,000 square feet in P2 are allowed to convert to commercial, residential, and hotels uses only if an equivalent space is preserved for manufacturing uses in perpetuity. Alternatively, property owners in P2 can seek a City Planning Commission authorization to convert existing buildings greater than 70,000 square feet to commercial, residential, and hotels uses if the building has been vacant for three or more years.

#### **Proposed Modification**

Based on an analysis of the original goals and the 30-year evolution of the SGCD, DCP and EDC have concluded that the zoning regulations should be updated. The proposed changes to the zoning text are intended to reflect and improve existing conditions for the garment and fashion industries as well as sectors with strong projected growth that already employ thousands of workers.

### Preservation Areas 1 and 2

The existing Preservation Areas are located on side streets, more than 100 feet from avenues. The proposed action would permit previously prohibited uses in existing buildings within the Preservation Areas. As a result, the current process to convert manufacturing and warehousing uses to office - via a Chair certification or authorization - would no longer be required. Manufacturing uses and wholesale showroom spaces would continue to be permitted by the SGCD. This would allow properties with non-conforming office conversions, presently subject to the existing preservation requirements, to obtain updated Certificates of Occupancy, address outstanding violations, and facilitate future improvements pursuant to a building permit.

### Preservation Area 1

The zoning text amendment would remove restrictions on the conversion of manufacturing and warehousing uses to office uses in Preservation Area 1 (P1), where the underlying zoning district is M1-6. This area includes the side streets between Broadway, Seventh Avenue, 35<sup>th</sup> Street, and 37<sup>th</sup> Street. It also includes the side streets between Seventh Avenue, Eighth Avenue, 35<sup>th</sup> Street, and 40<sup>th</sup> Street. The proposed text amendment would define the area that currently includes both P1 and the avenue within the SGCD as Subdistrict A-1.

Under the existing preservation requirement, an equal amount of manufacturing and warehousing space must be preserved elsewhere in the SGCD to allow the conversion to office use. Conversion to residential and hotel uses are not permitted, though hotel uses are permitted as-of-right in new development. The conversion of wholesale showroom space or certain other uses to office uses also triggers the preservation requirement; however, unlike manufacturing and warehousing uses, wholesale showroom space and certain other uses may not be used to satisfy the preservation requirement. The conversion of manufacturing and

warehousing uses to wholesale showroom space or other non-office uses allowed by zoning do not trigger the preservation requirement.

### Preservation Area 2

The Preservation Area defined as Subdistrict P2 includes the side streets between Eight Avenue, Ninth Avenue, 35<sup>th</sup> Street, and 39<sup>th</sup> Street. The current zoning allows properties larger than 70,000 square feet in P2 to be converted from manufacturing use to residential, hotel, or office uses with a DCP Chair certification if an equal amount of floor area is permanently preserved for industrial use elsewhere in the SGCD. Alternatively, if a manufacturing, wholesale, or showroom space in these buildings has been vacant for three or more years, conversion without preservation is currently allowed pursuant to a City Planning Commission authorization.

If the preservation requirements are lifted, there would no longer be a preservation requirement for the conversion of buildings of 70,000 square feet or more of manufacturing, wholesale, or showroom space in P2. However, P2 would be slightly amended to prohibit the conversion of manufacturing and warehousing space in buildings of 70,000 square feet or larger to residential or dormitory facility use in order to maintain the larger buildings as locations for office and manufacturing uses, and to prevent the potential displacement of thousands of jobs in existing buildings.

The proposed text amendment would redefine the area that currently P2 as Subdistrict A-1.

### Hotel Special Permit

The text amendment would include a new special permit for Transient Hotels (Use Group 5). The special permit would be applicable to the entire SGCD. Within Subdistrict A-1, the side streets in the SGCD between Broadway and Eight Avenue, it would require the City Planning Commission to consider whether proposed new, expanded, or converted hotel space is consistent with the goal of achieving a diverse and harmonious mix of commercial, manufacturing, and community facility uses. Within Subdistrict A-2, the side streets in the SGCD between Eight Avenue and Ninth Avenue, it would require the City Planning Commission to consider whether proposed new, expanded, or converted hotel space is

consistent with the goal of achieving a diverse and harmonious mix of residential, commercial, manufacturing, and community facility uses. Temporary transient facilities for homeless families and related transient occupancy social services facilities would continue to be permitted in the SGCD as-of-right.

### Contextual Bulk Regulations

Several massing options are currently available for new buildings in M1-6 districts. One option allows the street wall to rise up to 85 feet or six stories, whichever is less. After 85 feet the building must set back 20 feet on a wide street (75 feet or wider) and 15 feet on a narrow street (less than 75 feet wide). The building envelope is then subject to a sky exposure plane. Alternatively the building may set back 15 feet on a narrow street and 10 feet on a wide street, and after 85 feet, may use a different sky exposure plane. A third option allows a building on a lot larger than 20,000 square feet to rise up without limitation, subject to lot coverage requirements.

These regulations would be replaced by new rules similar to the height and setback rules for M1-6D zoning districts. The M1-6D district was established in part to permit a building envelope more in keeping with the existing context of Manhattan loft districts. Buildings would be required to have their street wall on the street line. Buildings on wide streets would be required to rise from 125 to 155 feet before a setback of 10 feet. Buildings on narrow streets would be required to rise to a height between 85 and 135 feet, after which the building must set back 15 feet. After setback, a building could continue to rise as a tower so long as it only occupies 40 percent of the lot. On lots of less than 20,000 square feet, towers could occupy between 40 percent and 50 percent of the lot, depending on lot size.

New buildings on eligible sites more than 100 feet from a wide street would be permitted to use an existing bonus for a privately owned public space to encourage public spaces in the dense SGCD and to be consistent with other regulations in Midtown. Buildings constructed pursuant to these regulations would be subject to DCP design review and a Chair certification. The existing floor area bonus for arcades would be removed.

### Sign Regulations

The SGCD is currently subject to multiple sign regulations; those in the M1-6 zoned portion are more permissive than those in the C6-4M areas. There are also special regulations for sites on wide streets. The proposed action would standardize those regulations in accordance with those currently applied to C6-4 districts:

- Both illuminated and non-illuminated signs would be allowed to be up to an area five times street frontage, but no more than 500 square feet per sign.
- No sign more than 40 feet high would be allowed.
- No signs would be permitted on roofs, except that a vertical sign attached to a wall no more than 28 inches wide would be allowed to extend no more than 15 feet above roof level.
- Advertising signs would not be permitted.

In addition, existing regulations pertaining to marquees, flags and pennants on wide streets within the SGCD would be removed.

## **ENVIRONMENTAL REVIEW**

The original application (N 180373 ZRM) was reviewed pursuant to the New York State Environmental Quality Review Act (SEQRA), and the SEQRA regulations set forth in Volume 6 of the New York Code of Rules and Regulations, Section 617.00 et seq. and the City Environmental Quality Review (CEQR) Rules of Procedure of 1991 and the Executive Order No. 91 of 1977. The designated CEQR number is 17DCP149M. The lead is the City Planning Commission.

An Environmental Assessment Statement determined that the proposed action would have no significant effect on the quality of the environment. Reasons supporting this determination are noted below.

**Socioeconomic Conditions:** The proposed action would alter the existing controls and protective measures established by the SGCD to preserve the fashion and related apparel manufacturing industry. While the proposed action would remove special zoning preservation requirements, underlying zoning would continue to allow fashion and apparel manufacturing

uses as-of-right. The EAS includes a detailed analysis of the effects of the proposed actions on socioeconomic conditions in the SGCD. The EAS includes an analysis of historical trends of the garment industry, recent land-use and employment trends in the SGCD, and city initiatives to bolster the presence of the garment industry in Manhattan. The EAS concludes that the proposed action would not result in direct or indirect displacement and would not have the potential for adverse socioeconomic impacts.

**Historic and Cultural Resources:** The proposed action is classified as a Type I pursuant to SEQRA as the SGCD contains historic resources listed in the New York State and National Register of Historic Places. The projected and potential development sites identified in the EAS do not contain historic resources but these sites are substantially contiguous to historic resources. The EAS concludes that development resulting from the proposed action would not significantly alter the setting of contributing buildings in the historic district or surrounding individual landmarks. The Landmarks Preservation Committee has reviewed the analysis of potential contextual, shadows, and construction impacts presented in the EAS and concurs with this conclusion in a letter dated May 10, 2018.

**Hazardous Materials, Air Quality and Noise:** An (E) designation for Hazardous Materials, Air Quality and Noise has been incorporated into the proposed action. “Appendix I: (E) Designation” of the EAS includes a list of sites affected by the proposed (E) designation and applicable (E) designation requirements. With these measures in place, the proposed actions would not result in significant adverse impacts to Hazardous Materials, Air Quality or Noise.

**Conceptual Analysis:** The proposed action would establish a special permit for hotel uses in the SGCD. In the future with the proposed action, hotel uses would not be allowed as-of-right in the special district. This EAS considers whether future utilization of the hotel special permit has the potential to result in significant adverse impacts. The conceptual analysis included in the EAS identified one site in the SGCD as a likely location for development that would require a hotel special permit. A preliminary assessment of development on this site does not identify potential significant adverse impacts related to density. Potential site specific impacts related to air quality, noise and hazardous materials were identified in the conceptual analysis. These impacts

could be avoided through an (E) designation placed at the time of any future special permit application.

After the analysis of the potential environmental impact on the proposed action, a Negative Declaration was issued on June 11, 2018.

## **PUBLIC REVIEW**

On June 11, 2018, this application (N 180373 ZRM) was duly referred to Community Board 4, Community Board 5, the Manhattan Borough President, and the Manhattan Borough Board for information and review in accordance with the procedures for non-ULURP matters.

### **Community Board Public Hearing**

Community Board 5 held a public hearing on this application on July 12, 2018, by a vote of 31 in favor, 1 opposed, and 1 abstaining adopted a resolution recommending disapproval of the application with the following conditions:

1. “Real-time easily-accessible data are made available to the public to see and tabulate that IDA is reviewing leases and enforcing compliance under the terms of the public-private partnership and the tax-abatement program;
2. The lease renewal options for fashion manufacturers in the tax abatement program are permanent, just as it is in the public-private partnership for the acquisition of a building devoted to garment industry use;
3. The city makes a concerted effort to find additional building owners who will agree to be a part of the tax-abatement program so that at least 500,000 square feet of permanently affordable fashion manufacturing space will remain in the Garment District;
4. Greater efforts by EDC and IDA to partner with additional workforce talent pipelines, educational institutions, and community organizations for vocational training, job recruitment, and continuing education through multiple languages;
5. Any increase to the permitted height of the street wall be implemented in concert with a cap on the maximum height of buildings in the area;

6. The proposed language in section 121-32 (a) of the SGCD allows buildings with a public plaza to not have to abide by the street wall requirements be revised to prohibit the creation of midblock plazas;
7. The proposed language in section 121-30 of the SGCD regarding the prohibition of flashing lights be revised to include Subdistrict A2;
8. More detailed and clear parameters be established to determine whether a hotel development seeking a special permit in the special district enhances the diversity of businesses in the area;
9. The application process before the IDA proceed at the timeline presently stated by the EDC, namely, that the application appear before the board of the IDA at the September 2018 public hearing, with the board's vote to take place on September 18, 2018."

Community Board 4 held a public hearing on this application on July 25, 2018, by a vote of 29 in favor, none opposed, and with no abstentions adopted a resolution recommending disapproval of the application with the following conditions:

- "A minimum of 500,000 square feet of manufacturing space to be preserved through the proposed NYCIDA tax incentive program.
- The 2017 Garment Center Steering Committee report called for the preservation of 500,000 to 750,000 square feet of manufacturing space. MCB4 appreciates the currently identified 300,000 square feet of manufacturing space but requests an additional 200,000 square feet be secured through these tax incentives.
- The 180,366 square feet of manufacturing space that was preserved between 1987 and 2011 through deed restrictions required by the current zoning provisions, should be preserved as manufacturing space in perpetuity."

In addition to these conditions, Community Board 4 included the following set of recommendations that they believe would further the goals of the SGCD and ensure that the zoning regulations respond to the community's needs:

- In addition to the proposal to allow manufacturing buildings in the proposed Subdistrict A-2, larger than 70,000 square feet, to convert to commercial, these buildings should be allowed to convert to residential with the following conditions:

- Conversion of buildings over 70,000 square feet can take place only with an Inclusionary Housing component.
- Residential conversion of the upper floors of a building can take place if the owner preserves a percentage of the lower full lot built lower floors for commercial or manufacturing use.
- The language for the findings of the proposed hotel special permit should be consistent with the findings for DCP’s proposed M1 Hotel Special Permit. Additionally, the Board requests that public purpose hotels also be required to obtain a special permit.
- In addition to the proposed prohibition of midblock plazas in Subdistrict A-2 within Community Board 4, the text amendment should prohibit the creation of midblock plazas in the portion of the SGCD within Community District 5.
- Further regulations should be created to limit the intensity of light for illuminated signs, including prohibitions of kinetic facades and/or billboards, augmented reality presentations, QR, Snap Tags or any other mobile/smart wearable technology that produces a digital message only viewable by a smart/mobile camera, experimental marketing or 3 dimensional displays, billboards with camera mounted technology, and motion-graphic or video billboards.
- Develop an “A Text” to provide a zoning solution for illegal demolition sites in which hotel development creates permanent affordable housing.

Furthermore, MCB4 recommended that the Landmarks Commission review and calendar the following specific properties to be designated as NYC Landmarks:

- Manhattan Center – 311 West 34th Street
- New Yorker Hotel – 481 8th Avenue
- Sloan House YMCA – 360 West 34th Street
- 300 West 38th Street
- Former NY Edison Co. – 308-312 West 36th Street
- Former Barbour Dormitory – 330 West 36th Street
- Webster Apartments – 419 West 34<sup>th</sup> Street.

**Borough President Recommendation**

The Manhattan Borough President held a public hearing on this application (N 180373 ZRM) on July 25, 2018, and on August 3, 2018 issued a recommendation to approve the application if the following conditions are met:

1. “The administration must show substantial progress toward the acquisition of a Garment Center building. Specifically, EDC must be able to demonstrate that it has or expects to receive one or more credible responses to the RFEI and feasible sites must have been identified or that it is making any necessary changes to the RFEI to accomplish those goals. In order to receive as many responses as possible, EDC should show flexibility in its geography, as suitable buildings may exist near, if not in, the traditional Garment Center. Additionally, EDC should be flexible in terms of what existing uses are in the building, as the best building may be one that already contains a certain amount of garment manufacturing.
2. The City must also commit to a reasonable amount of additional funding beyond \$20 million should that amount prove inadequate.
3. The IDA must have approved, or have pending before it, applications for the 300,000 square feet of space for which EDC currently has signed letters of intent and EDC with the assistance of the Garment District Alliance must make every conceivable effort to obtain as much additional square footage for the IDA program so that at a minimum, 500,000 total square feet is preserved as per the recommendations of the Steering Committee.
4. EDC and the Administration should make every effort to preserve an additional 180,000 square feet of manufacturing space in the Garment Center to make up for space preserved under the current zoning restriction, including, but not limited to, seeking to include the portion of the currently preserved space that is still used as manufacturing space in the IDA program.
5. That EDC, IDA and the City ensure that adequate monitoring and enforcement of the lease terms and tax abatement program is occurring consistently throughout the term of the program.
6. The IDA program shall be extendable after the 15 year term if the owners agree.
7. EDC and the City will partner with additional workforce pipelines, institutions and community organizations to increase vocational training, education and job placement in the Garment Center.

8. EDC should file an A-text to grandfather two sites - containing partially demolished buildings which were erroneously granted demolition permits by DOB - from the SGCD Hotel Special Permit requirement and allow residential use below commercial use at these sites in cases where the owner is providing permanently affordable housing. This A-text should address other issues raised by the community boards, including illuminated signage, mid-block plazas, and refined special permit findings.
9. The Landmarks Preservation Commission should begin the process of landmark designation by calendaring the following properties as recommended by Community Board 4: 300 West 38th Street, the Manhattan Opera House, the New Yorker Hotel, and the Sloan House Y.

Recommendations 1, 2, and 3 must be accomplished prior to approval of the zoning text amendment by the City Planning Commission.”

### **Manhattan Borough Board Resolution**

The Manhattan Borough Board held a public hearing on this application (N 180373 ZRM) on July 26, 2018, and adopted a resolution to approve the application if the following conditions are met:

1. “That the 300,000 square feet of garment center manufacturing space be the subject of approved applications for IDA tax abatements or the subject of applications for IDA tax abatements awaiting final approval by the IDA, prior to the final approval of the text amendment; and
2. That the building purchase be as close to realized as possible by the final approval of the text amendment, including a commitment on the part of the City to add a reasonable amount of additional resources (above the \$20 million) if that is necessary to accomplish the purchase;
3. That the total amount of garment center manufacturing space preserved through the IDA program and building purchase or other mechanism combined not be less than 500,000 square feet; and
4. That EDC, IDA and the City ensure that adequate monitoring and enforcement of the lease terms and tax abatement program is occurring consistently throughout the term of the program and that EDC and the City partner with additional workforce pipelines, institutions, and community organizations to increase vocational training, education and job placement in the Garment Center.

BE IT FURTHER RESOLVED, That the Department of City Planning work with Community Boards 4 and 5 on the zoning issues discussed in their respective resolutions, including, but not limited to, those relating to the hotel special permit, demolition and anti-harassment restrictions, illuminated signage requirements and street wall and building heights.”

### **City Planning Commission Public Hearing**

On September 5, 2018 (Calendar No. 3), the City Planning Commission scheduled September 26, 2018, for a public hearing on this application (N 180373 ZRM). The hearing was duly held on September 26, 2018 (Calendar No. 33). Fourteen speakers testified in favor of the application, and four speakers testified in opposition.

Representatives from the Garment District Alliance, the Council of Fashion Designers of America, the Real Estate Board of New York, the Design Trust for Public Space, and several existing nonprofit and business tenants in the Garment Center described what they characterized as the benefits of the zoning proposal. They said that the zoning restrictions currently in place have been inadequate to counter economic trends within the garment industry, and that the proposed plan reflects the diverse businesses located within the district. These groups described the need for more affordable office space for a broad range of organizations and companies that benefit from locations in Midtown Manhattan, and stated that the proposal to permit more commercial space would support the needs of a diverse business district.

In addition to these organizations, the Manhattan Borough President and a representative of Community Board 5 spoke in support of the commitment by the City to invest in targeted tools to support manufacturing, including the creation of an NYCIDA program for garment production and the commitment of funding for a nonprofit to acquire a building to be tenanted by the garment industry. They explained that the package of incentives would achieve the goal of supporting manufacturing jobs and provide stability to the garment industry. Addressing the need to support the broader apparel production and fashion ecosystem, a representative of the community organization Save the Garment Center praised a modification to the NYCIDA program to include suppliers of garment manufacturing accessories, in addition to manufacturers, as eligible tenants in preserved space.

Several organizations, both those speaking in support of the proposal and those speaking in opposition, requested that additional space be preserved for manufacturing through the NYCIDA program and building acquisition. A few speakers referenced the recommendation to reserve a minimum of 500,000 square feet of space for garment production made by the GCSC. These speakers requested that EDC attempt to meet or exceed this goal set by the GCSC. A representative of Community Board 4 requested that approximately 800,000 square feet of space be preserved, while the Save the Garment Center representative hoped that the preserved space could approach a total of 1 million square feet. Representatives of the Pratt Center for Community Development (Pratt Center) and Community Board 5, while generally supportive of the proposed zoning text amendment, requested that the change in zoning be aligned with the implementation of real estate strategies to preserve space for garment production.

In relation to questions about the amount of space preserved, a property owner in the area who is participating in the NYCIDA program noted that there are significant penalties for backing out of the program, stating that it would be reckless to include all of his space in the program. He explained that these penalties were not known when the GCSC contemplated the desired minimum for preserved manufacturing space, and stated that therefore the City should not be held to the threshold set by the GCSC.

This property owner also said that the City has lost credibility among many property owners in the area because of multiple false starts over the past decade to amend the manufacturing preservation requirements in the SGCD. He explained that more property owners would be likely to sign on to the NYCIDA program and preserve additional space if the City demonstrates that the commitments and programs are real by adopting the proposed modification to the SGCD.

Speaking in relation to the NYCIDA program, the Pratt Center and the Municipal Art Society representatives requested that there be provisions to adequately track and monitor preserved space to ensure that it remains available to the industry. The Pratt Center representative also suggested that preserved space be managed by a mission-driven, nonprofit organization.

Regarding the commitment by the City to devote up to \$20 million for a nonprofit organization to purchase a building to be tenanted by the garment industry, the Municipal Art Society and the

Council of Fashion Designers of America representatives spoke favorably about the proposal, explaining that businesses wanted a consolidated space operated by a mission-driven, nonprofit organization. The representative of Save the Garment Center also spoke of efficiency gains by operating out of a consolidated space, making it possible for businesses to occupy a smaller footprint because of shared resources and equipment. The Community Board 5 representative expressed concern that it is unlikely that a building would be acquired in advance of changes to zoning in the SGCD.

Speaking in opposition to the proposal, the representative of Save the Garment Center explained how the garment industry has been damaged by loose enforcement of the existing preservation requirements in the SGCD.

In addition to the NYCIDA program and commitment of funding for a building acquisition, the Community Board 4 representative requested that the City consider an approach to use the approximately 180,000 square feet of space that currently has deed restrictions for manufacturing preservation as a resource to increase the total amount of preserved manufacturing space.

Regarding the hotel special permit that is proposed within the SGCD, the Community Board 4 representative requested that the permit be consistent with the special permit currently proposed for hotels in M1 districts (N 180349 ZRY) throughout the city.

The Community Board 4 representative also spoke about buildings within the SGCD that were demolished or partially demolished in contravention of anti-demolition provisions within zoning. The representative stated that an agreement had been reached between the Community Board and property owners to provide permanent affordable housing below hotels, and requested that the proposed text amendment for the SGCD be modified to support the redevelopment of these sites.

There were no other speakers and the hearing was closed.

## **CONSIDERATION**

The Commission believes that this application for a zoning text amendment (N 180373 ZRM), as modified herein, is appropriate.

Upon careful consideration of the feedback provided during public review, and supported by the policy and planning analysis provided by DCP and EDC, the Commission believes that the proposed text amendment to the SGCD will ensure that the zoning is reflective of the current land use and economic trends in the area, and allow the Garment Center to support a range of fashion-related businesses as well as a range of other uses important to the City's economy.

Regarding requests by Community Boards 4 and 5 that the text amendment be modified to prohibit midblock plazas within Subdistrict A-1 of the SGCD (the portion of the SGCD contained within Community Board 5) and Community Board 5's request for a height cap for buildings in this area, the Commission believes that the plaza regulations are consistent with other areas of Midtown Manhattan. Although there is not expected to be significant new development in Subdistrict A-1, given the existing density of the area, the potential for additional open space through mid-block plazas will benefit residents, workers, and visitors in the SGCD.

Community Board 4 requested that the findings of the hotel special permit that is proposed throughout the SGCD be consistent with the findings of the M1 Hotel Special Permit that has been proposed by DCP. Similarly, Community Board 5 requested that more detailed parameters be developed to determine if a hotel is appropriate in the context of the area. Additionally, Community Board 4 requested that public purpose hotels also be required to seek a special permit within the SGCD.

The Commission agrees that the hotel special permit should be consistent with the M1 Hotel Special Permit being considered outside of the SGCD, and the proposed zoning text has been modified to reflect this with minor clarifying corrections to the text. The Commission notes that current parameters and findings to approve a CPC special permit for commercial hotels in the SGCD enables it to evaluate each application within its specific neighborhood context, including any number of site-specific factors. The commission believes that the findings are appropriately framed, given the precedents of other special permits in the Zoning Resolution.

While the Commission acknowledges the concerns around transient hotels for public purpose, it also recognizes that there is a chronic shortage of temporary housing for this population and that it is the City's legal obligation to provide eligible individuals and families with access to shelter. Measures that further limit siting options for temporary housing assistance could impede the City's ability to address these emergency conditions. The Commission notes that the proposed text amendment to the SGCD was never intended to affect current policies and practices for sheltering the homeless, including the construction of hotels that serve the public purpose of providing temporary housing assistance.

Community Boards 4 and 5 suggested further limitations on signage to reduce negative impacts on the community. These included further limitations on the intensity of illuminated signs and extending the prohibition on flashing signs to Subdistrict A-1. The Commission believes the proposed C6-4M sign regulations, including provisions related to the intensity of light, are consistent with commercial sign regulations in other high-density commercial districts in Manhattan. The proposed text amendment would prohibit flashing signs in the more residential portion of the SGCD. In the portion that is overwhelmingly commercial, less restrictive sign regulations are appropriate.

The proposed text amendment would modify conversion regulations within Subdistrict A-2 in order to allow existing buildings greater than 70,000 square feet to convert to commercial uses. Community Board 4 proposed a modification to also allow these buildings to convert to residential if the development includes an Inclusionary Housing component and a percentage of the lower floors is maintained as commercial or manufacturing. While the Commission understands the desire to increase the supply of affordable housing in the area, the proposed provisions are intended to limit displacement of commercial businesses by residential uses and ensure that this economic and employment center continues to provide commercial and industrial space for a range of sectors. Within Subdistrict A-2, there are already three large residential developments and a number of smaller residential buildings. The Commission therefore supports the proposal that the existing, larger buildings be limited to non-residential uses.

Both Community Board 4 and the Manhattan Borough President requested that DCP file a modified application to provide that on the sites of illegal demolitions hotel could be constructed above affordable housing. Specifically, this would require zoning changes to allow residential uses below commercial uses, grandfathering of specific sites from the proposed hotel Special Permit requirements, modifications to Floor Area Ratios (FAR) for commercial uses, and changes that permit the use of both District Improvement and Inclusionary Housing bonuses. The Commission is sympathetic to the challenges created by illegal demolitions and encourages land owners and the community to work together to craft a solution. However, the proposed solution is not consistent with sound existing policy that only allows commercial uses above residential uses under very rare circumstances. The proposed solution is also outside the scope of the requested action.

The majority of the recommendations and comments received during the public review period for the proposed text amendment to the SGCD related more specifically to non-zoning efforts to support the garment production industry in Midtown Manhattan, including an NYCIDA program developed by EDC and a commitment of City capital to be used by a nonprofit to acquire a building for use by the apparel production industry.

The Commission shares the desire to see additional space preserved for garment production. The Commission is encouraged by EDC's creation of an NYCIDA program and the initial approval of approximately 200,000 square feet at the NYCIDA Board Meeting on September 18, 2018. The Commission is also encouraged by the issuance on October 3, 2018 of a Request for Expressions of Interest (RFEI) for a building acquisition with a commitment of \$20 million in City capital. The Commission appreciates the significant efforts by EDC and the Garment District Alliance to advertise the NYCIDA program, engage with property owners in the SGCD, and attempt to enroll additional space in the NYCIDA program. The Commission also believes that it is appropriate for the City to make every effort to reach the threshold for preserved space established by the GCSC. However, the Commission does not believe that the preservation requirements that currently exist in zoning are appropriate, based on the land use and economic conditions in the area, and believes it is not appropriate to tie the timing of their removal to the

enrollment of additional space in real estate-based programs aimed at manufacturing preservation.

The NYCIDA program developed by EDC has a term of 15 years. Community Board 5 requested that lease renewal options for fashion manufacturers in space enrolled in the NYCIDA program be permanent. Similarly, the Manhattan Borough President requested that the NYCIDA program be extendable at the discretion of property owners beyond the 15-year term. The Commission understands the desire to create permanently preserved space for garment production, which is one of the goals of the building acquisition program. However, the Commission believes that providing indefinite lease renewal options for fashion manufacturers would unreasonably constrain property owners and make it unlikely that space would be enrolled in the NYCIDA program. The Commission notes that EDC has expressed a willingness to extend the NYCIDA program beyond this initial term, at the discretion of property owners.

Testimony from industrial advocates, and recommendations from Community Board 5, the Manhattan Borough President, and the Manhattan Borough Board emphasized the need for accessible, publicly-available data about space and tenancy in the NYCIDA program, and adequate enforcement to ensure that preserved space remains available to garment producers. While this request is outside the scope of the requested action, the Commission notes that active and effective enforcement is an essential component of the NYCIDA program's success and is confident that the NYCIDA enforcement resources and requirements are sufficient to ensure that the preserved space remains available. The Commission notes that EDC has Compliance Specialists that require regular reporting and conduct inspections. Regarding the Pratt Center's recommendation that preserved space be managed by a mission-driven, nonprofit organization, the Commission believes the requirements and enforcement mechanism of the NYCIDA program are sufficient to ensure that landlords will comply with the terms of the program.

Regarding the commitment by the City to allocate up to \$20 million for a nonprofit to purchase a building to provide permanent garment manufacturing space, the Manhattan Borough President and the Manhattan Borough Board requested that the City show substantial progress toward acquisition of a building in advance of changes to the zoning preservation requirements. They also requested that the terms of the building acquisition be sufficiently flexible to ensure that the

program is viable, including expanding the geography for potential buildings beyond the SGCD and having a reasonably inclusive definition for the types of uses that can tenant the building. In addition, they asked that the City be prepared to commit additional funding beyond \$20 million if this amount is not sufficient to purchase a suitable building.

While these requests are outside the scope of the requested action, the Commission is encouraged by EDC's release of an RFEI on October 3, 2018 and notes that responses may be submitted on a rolling basis for a period of one year. The Commission believes that the commitment of \$20 million, leveraged with additional sources of funding, will enable a nonprofit to purchase and manage a significant amount of space that is permanently available for garment production. The Commission agrees with the Borough President and the Borough Board's desire for flexibility and believes that the terms of the RFEI reflect this. For example, the eligible geography extends generally from 5<sup>th</sup> Avenue on the east to 11<sup>th</sup> Avenue on the west, and from 26<sup>th</sup> Street to 42<sup>nd</sup> Street, an area that includes, but is significantly larger than, the SGCD. In addition, the definition of fashion manufacturing in the RFEI includes a range of apparel-related activities, including traditional manufacturing, marking and grading, and companies that supply raw materials used by designers, manufacturers or costume makers.

As a result of the manufacturing preservation requirements that currently exist in the Preservation Areas of the SGCD, approximately 180,000 square feet of space across 10 buildings has deed restrictions requiring that the space be occupied by manufacturing uses in perpetuity. As a mechanism to preserve additional space for garment manufacturing, Community Board 4 recommended that these deed restrictions not be removed, even if the manufacturing preservation requirements in zoning are lifted. Similarly, the Manhattan Borough President requested that the City make every effort to preserve an additional 180,000 square feet of space to make up for the fact that these deed restrictions could be removed if preservation requirements are lifted from the SGCD.

If the underlying preservation requirements that resulted in this space being preserved for manufacturing uses are removed, property owners will not be subject to the preservation restrictions imposed by previous approvals. This is an approach that is consistent with precedent in other locations in the city when preservation requirements have been removed. EDC has

specifically targeted these properties in outreach to attempt to enroll them in the NYCIDA program. One of the spaces approved for the NYCIDA program in September 2018, totaling approximately 45,000 square feet, was a space that currently has a deed restriction requiring manufacturing use.

Community Board 5 and the Manhattan Borough President requested greater efforts by the City to partner with additional workforce development organizations, educational institutions, and community organizations to increase job placement within the apparel industry in the SGCD. The Commission believes that EDC and the Garment District Alliance have made significant investments in workforce development to support the apparel industry, including funding for internships and fashion showcases.

Community Board 4 and the Manhattan Borough President requested that the Landmarks Preservation Commission (LPC) begin the process of designating additional properties recommended by the Community Board. The LPC reviewed the EAS and are aware of the proposed sites. The LPC will evaluate the request as part of their normal course of work.

## **RESOLUTION**

**RESOLVED**, that the City Planning Commission finds that the action described herein will have no significant impact on the environment; and be it further

**RESOLVED**, by the City Planning Commission, pursuant to Section 200 of the New York City Charter, that based on the environmental determination and the consideration described in this report, the Zoning Resolution of the City of New York, effective as of December 15, 1961, and as subsequently amended, is further amended as follows:

Matter underlined is new, to be added;

Matter ~~struck out~~ is to be deleted;

Matter within # # is defined in Section 12-10;

\* \* \* indicates where unchanged text appears in the Zoning Resolution.

**ARTICLE IX  
SPECIAL PURPOSE DISTRICTS**

**Chapter 3  
Special Hudson Yards District**

\* \* \*

**93-01  
Definitions**

\* \* \*

**Hudson Yards Redevelopment Area**

The “Hudson Yards Redevelopment Area” shall be the areas within the #Special Hudson Yards District#, ~~Area P-2 Subdistrict A-2~~ Subdistrict A-2 of the #Special Garment Center District#, the 42nd Street Perimeter Area of the #Special Clinton District#, and the area bounded by the center line of Eleventh Avenue, the northern #street line# of West 43rd Street, the westerly prolongation of the northern #street line# of West 43rd Street to the U.S. Pierhead Line, the U.S. Pierhead Line, the westerly prolongation of the southern #street line# of West 29th Street to the U.S. Pierhead Line, and the southern #street line# of West 29th Street. However, the area bounded by the westerly side of Eleventh Avenue, the southerly side of West 43rd Street, the westerly side of Twelfth Avenue and the northerly side of West 33rd Street shall not be included in the #Hudson Yards Redevelopment Area#, except for any portion of such #blocks# containing a transit easement for subway-related use. Furthermore, the #Hudson Yards Redevelopment Area# shall not include any underground connections from a subway station to any #use# located on such excluded #blocks# or between any such #uses#.

\* \* \*

**93-23  
Modifications of Inclusionary Housing Program**

Subdistrict C (34th Street Corridor) and Subareas D1 and D2 of Subdistrict D (Hell’s Kitchen) of the #Special Hudson Yards District# and ~~Area P-2 Subdistrict A-2~~ Subdistrict A-2 of the #Special Garment Center District#, shall be #Inclusionary Housing designated areas#, pursuant to Section 12-10 (DEFINITIONS) for the purpose of making the Inclusionary Housing Program regulations of Sections 23-154 (Inclusionary Housing) and 23-90 (INCLUSIONARY HOUSING), inclusive, applicable as modified within the Special Districts. The underlying provisions of Sections 23-154 and 23-90 shall only be applicable in Subdistrict F as modified by Section 93-233 (Floor area increase for affordable housing in Subdistrict F).

\* \* \*

**93-232**

**Floor area increase in Subdistricts B, C, D and E, and ~~Preservation Area P-2~~ Special Garment Center District Subdistrict A-2**

Within Subdistricts B, C, D and E, and ~~Preservation Area P-2~~ Subdistrict A-2 of the ~~#Special Garment Center District#~~, the provisions of Section 23-154 (Inclusionary Housing) shall not apply. In lieu thereof, the ~~#floor area#~~ compensation provisions of this Section shall apply. In accordance with the provisions set forth in Section 93-22 (Floor Area Regulations in Subdistricts B, C, D, E and F) or 121-31 (Maximum Permitted Floor Area), the maximum permitted ~~#residential floor area ratio#~~ on a ~~#zoning lot#~~ with ~~#developments#~~ or ~~#enlargements#~~ that provide ~~#affordable housing#~~ pursuant to the Inclusionary Housing Program may be increased, as follows:

\* \* \*

**93-31**

**District Improvement Fund Bonus**

In ~~Area P-2~~ Subdistrict A-2 of the ~~#Special Garment Center District#~~ and in the ~~#Special Hudson Yards District#~~, except in Subdistrict F, the Chairperson of the City Planning Commission shall allow, by certification, the applicable basic maximum ~~#floor area ratio#~~ to be increased up to the maximum amount specified in Sections 93-21, 93-22 or 121-31, as applicable, provided that instruments in a form acceptable to the City are executed and recorded and that, thereafter, a contribution has been deposited in the ~~#Hudson Yards District Improvement Fund#~~. The execution and recording of such instruments and the payment of such non-refundable contribution shall be a precondition to the filing for or issuing of any building permit allowing more than the basic maximum ~~#floor area#~~ for such ~~#development#~~ or ~~#enlargement#~~.

\* \* \*

**93-80**

**OFF-STREET PARKING REGULATIONS**

\* \* \*

**93-81**

**Definitions**

Hudson Yards parking regulations applicability area

The “Hudson Yards parking regulations applicability area” is comprised of Subdistricts A, B, C, D and E of the ~~#Special Hudson Yards District#~~, the 42nd Street Perimeter Area of the ~~#Special Clinton District#~~ and ~~Area P-2~~ Subdistrict A-2 of the ~~#Special Garment Center District#~~.

\* \* \*

**93-90  
HARASSMENT**

(a) Definitions

(1) Anti-harassment area

“Anti-harassment area” shall mean the #Special Hudson Yards District# and ~~Area P-2~~ Subdistrict A-2 of the #Special Garment Center District#.

\* \* \*

**93-91  
Demolition**

The Department of Buildings shall not issue a permit for the demolition of a #multiple dwelling#, as defined in Section 93-90 (HARASSMENT), paragraph (a)(14), located within Subareas D4 or D5 in the Hell’s Kitchen Subdistrict D or within ~~Area P-2~~ Subdistrict A-2 of the #Special Garment Center District#, or an alteration permit for the partial demolition of a #multiple dwelling# located within Subareas D4 and D5 or within Preservation ~~Area P-2~~ Subdistrict A-2 of the #Special Garment Center District#, where such partial demolition would decrease the amount of #residential floor area# in such #multiple dwelling# by 20 percent or more, unless:

\* \* \*

**ARTICLE XII  
SPECIAL PURPOSE DISTRICTS**

**Chapter 1  
Special Garment Center District**

**121-00  
GENERAL PURPOSES**

The “Special Garment Center District” established in this Resolution is designed to promote and protect public health, safety, and general welfare. These general goals include, among others, the following specific purposes, to:

- (a) retain adequate wage and job-producing industries within the Garment Center;
- (b) ~~to preserve~~ provide an opportunity for apparel production and showroom space in ~~designated areas of~~ the Garment Center;
- (c) ~~to limit conversion of manufacturing space to office use in designated areas of the Garment~~

Center;

to preserve a variety of types of space for a diversity of businesses that service the Garment Center and the City;

- (d) ~~to~~ recognize the unique character of the western edge of the Special District as integral to the adjacent Special Hudson Yards District;
- (e) ~~to~~ establish an appropriate urban scale and visual character ~~for wide streets~~ within the Garment Center; and
- (f) ~~to~~ promote the most desirable use of land within the district, to conserve the value of land and buildings, and thereby protect the City's tax revenues.

## **121-01**

### **General Provisions**

~~In harmony with the general purposes of the #Special Garment Center District# the signage requirements of this Chapter shall apply to any #development#, #enlargement#, alteration, #extension#, #conversion# or change of #use#. The #use# regulations of this Chapter shall apply to any #conversion#, change of #use# and #extension#. Special #bulk# regulations apply within Preservation Area P 2. Except as modified by the express provisions of this Chapter, the regulations of the underlying districts remain in effect.~~

The provisions of this Chapter shall apply within the #Special Garment Center District#. The regulations of all other Chapters of this Resolution are applicable, except as superseded, supplemented or modified by the provisions of this Chapter. In the event of a conflict between the provisions of this Chapter and other regulations of this Resolution, the provisions of this Chapter shall control.

## **121-02**

### **District Plan (~~Appendix A~~)**

~~The District Plan (Appendix A) for the #Special Garment Center District# shows Preservation Areas, indicated by “P-1” and “P-2.” Appendix A is hereby incorporated as an integral part of the provisions of this Chapter.~~

The regulations of this Chapter are designed to implement the #Special Garment Center District# Plan. The District Plan includes the following map:

Special Garment Center District and Subdistricts

The map is located in Appendix A of this Chapter and is hereby incorporated and made an integral part of this Resolution. It is incorporated for the purpose of specifying locations where special regulations and requirements set forth in the text of this Chapter apply.

### **121-03** **Subdistricts**

In order to carry out the purposes and provisions of this Chapter, two Subdistricts, A-1 and A-2, are established within the #Special Garment Center District#. The location of the Subdistricts are shown on the map (Special Garment Center District and Subdistricts) in Appendix A of this Chapter.

### **121-10** **PRESERVATION AREA SPECIAL USE REGULATIONS**

The #use# regulations of the applicable underlying district shall apply except as set forth in this Section.

### **121-11** **Special Use Regulations Transient Hotels and Offices**

- (a) ~~In Preservation Area P-1, permitted uses are listed in Use Groups A and B, as set forth in Sections 121-111 and 121-112. In addition, a change of #use# to a Use Group 6B #use# is permitted, subject to the #floor area# preservation requirements of Section 121-113 (Floor area preservation).~~
- (b) ~~In Preservation Area P-2, for #buildings# with less than 70,000 square feet of #floor area# on January 19, 2005, the underlying #use# regulations shall apply, except that the provisions of Sections 15-20 through 15-215, inclusive, shall not apply. In lieu thereof, the provisions of Section 15-10 through 15-13, inclusive, shall apply to the #conversion# to #dwelling units# of #non-residential buildings#.~~
- (c) ~~In Preservation Area P-2, for #buildings# with 70,000 square feet or more of #floor area# existing on January 19, 2005, permitted #uses# are listed in Use Groups A and B, as set forth in Sections 121-111 and 121-112. In addition, a change to any #use# permitted by the underlying #use# regulations is permitted subject to the #floor area# preservation requirements of Section 121-113. For portions of such #buildings converted# to #dwelling units#, the provisions of Sections 15-20 through 15-215, inclusive, shall not apply. In lieu thereof, the provisions of Section 15-10 through 15-13, inclusive, shall apply to such #conversions#. Such #floor area# preservation requirements may be waived by authorization of the City Planning Commission pursuant to Section 121-13.~~

In the #Special Garment Center District#, #transient hotels#, as listed in Section 32-14 (Use Group 5), and #motels#, #tourist cabins# or #boatels#, as listed in Section 32-16 (Use Group 7A), shall be permitted only by special permit of the City Planning Commission pursuant to Section 121-70 (Special Permit for Transient Hotels).

However, a special permit shall not be required for a #transient hotel# operated exclusively for a the public purpose of temporary housing assistance by the City or State of New York, or operated by a non-governmental entity pursuant to an active contract or other written agreement with an agency of the City or State specifying such public purpose.

Any #transient hotel# existing prior to [date of adoption] within the #Special Garment Center#, shall be considered a conforming #use#. Any #enlargement# or #extension# of such existing conforming #use# shall not require a special permit. In the event a casualty damages or destroys a #building# within the #Special Garment Center District# that was used as a #transient hotel# as of [date of adoption], such #building# may be reconstructed and continue as a #transient hotel# without obtaining a special permit, provided the #floor area# of such reconstructed #building# does not exceed the #floor area# permitted pursuant to the provisions of Section 121-31 (Maximum Permitted Floor Area Within Subdistrict A-1) or Section 121-41 (Maximum Permitted Floor Area Within Subdistrict A-2), as applicable.

(d)In ~~Preservation Area P-~~ Subdistrict A-2, any #development# or #enlargement# that includes offices, as listed in Section 32-15 (Use Group 6B) #developed# or #enlarged# after January 19, 2005, shall be permitted only pursuant to Section 93-13 (Special Office Use Regulations).

## **121-111**

### **Use Group A**

~~Changes of #use# to Use Group A #uses# are exempt from the #floor area# preservation requirements of Section 121-113. In Preservation Area P-1, in the case of a change of #use# of #floor area# to a Use Group 6B #use#, Use Group A #uses# may not be used to satisfy the preservation requirement. In Preservation Area P-2, in the case of a change of #use# of #floor area# to any #use# permitted by the underlying #use# regulations, Use Group A #uses# may not be used to satisfy the preservation requirement.~~

~~In Use Group 6A:~~

~~All #uses#~~

~~In Use Group 6C:~~

~~All #uses# except loan offices, telegraph offices and travel bureaus~~

~~In Use Group 6D:~~

~~All #uses#~~

~~In Use Group 9A:~~

~~Blueprinting or photostatting establishments~~

~~Musical instrument repair shops~~

~~Printing establishments, limited to 2,500 square feet of #floor area# per establishment for production~~

~~Typewriter or other small business machine sales, rentals or repairs~~

~~In Use Group 12B:~~

~~All #uses#~~

~~Additional #uses#:~~

~~#Accessory uses#~~

~~Automobile rental establishments~~

~~#Public parking lots# and #public parking garages#, pursuant to the provisions of Article I, Chapter 3 (Comprehensive Off-Street Parking and Loading Regulations in the Manhattan Core)~~

~~Wholesale establishments, with a minimum of 15 percent of #accessory# storage~~

~~Wholesale showrooms~~

**121-112**

**Use Group B**

~~Changes of #use# to Use Group B #uses# are exempt from the #floor area# preservation requirements of Section 121-113. In Preservation Area P-1, in the case of a change of #use# of #floor area# to a Use Group 6B #use#, only Use Group B #uses# may be used to satisfy the #floor area# preservation requirements. In Preservation Area P-2, in the case of a change of #use# of #floor area# to any #use# permitted by the underlying #use# regulations, only Use Group B #uses#, and #uses# in Use Group 6A and 6C may be used to satisfy the preservation requirement.~~

~~In Use Group 11A:~~

~~Art needlework, hand weaving or tapestries~~

~~Books, hand binding or tooling~~

~~Ceramic products, custom manufacturing~~

~~Clothing, custom manufacturing or altering for retail~~

~~Hair products, custom manufacturing~~

~~Jewelry manufacturing from precious metals~~

~~In Use Group 16A:~~

~~Household or office equipment or machinery repair shops, such as refrigerators, washing machines, stoves, deep freezers or air conditioning units~~

~~Tool, die, or pattern making establishments or similar small machine shops~~

~~In Use Group 16D:~~

~~Packing or crating establishments~~

~~Trucking terminals or motor freight stations, limited to 20,000 square feet of #lot area# per establishment~~

~~Warehouses~~

~~In Use Group 17B:~~

~~All #uses#~~

~~Additional #Uses#:~~

~~#Accessory uses#~~

**121-113**

**Floor area preservation**

~~In Preservation Area P-1, the change of #use# of #floor area# to Use Group 6B #use# after March 26, 1987, and, in Preservation Area P-2, for #buildings# with 70,000 square feet or more of #floor area# existing on January 19, 2005, the change of #use# of #floor area# to any #use# permitted by the underlying #use# regulations is permitted only by certification of the Chairperson of the City Planning Commission that #floor area# has been preserved subject to the provisions of Section 121-115 (Certification and other requirements of preservation and conversion) for #uses# specified in Section 121-112 (Use Group B).~~

The amount of #floor area# to be preserved shall be equal to the amount of #floor area# changed to a Use Group 6B #use# or any #use# permitted by the underlying #use# regulations, as applicable. Such #floor area# may be preserved in the same #building# or in any other comparable #building# in Preservation Areas P-1 or P-2, subject to the provisions of Section 121-114 (Comparability).

#Floor area# may not be preserved on portions of floors. If the #floor area# to be preserved includes a fraction of a floor, the next highest number of full floors must be preserved for a permitted #use# in Use Group B. At the time of such change of #use#, #floor area# to be preserved must either be vacant or occupied by a #use# in Use Group B.

**121-114  
Comparability**

Where the #floor area# to be preserved is not located within the same #building# where the #use# will be changed, such #floor area# must be comparable to #floor area# in the #building# where the #use# will be changed. Comparability, shown by an affidavit from a professional engineer or a registered architect, licensed under the laws of the State of New York, shall exist where the #floor area# to be preserved meets the following criteria:

- (a) — Elevators: Load and number
  - (1) — Load

Each elevator shall have a minimum load of 2,000 pounds. The total load of all elevators servicing the #floor area# to be preserved shall be in accordance with the following ratio:

Total load	is greater than or equal to 90% of	Total load
Gross #floor area# of #building# to be preserved		Gross #floor area# of #building# that will be occupied by the change of #use#

- (2) — Number

There shall be a minimum of two elevators. The number of elevators servicing the #floor area# to be preserved shall be in accordance with the following ratio:

Number of elevators	is greater than or equal to 90% of	Number of elevators
Gross #floor area# of		Gross #floor area# of #building# that will be

---

~~#building# to be preserved~~

---

~~occupied by the change of  
#use#~~

~~Notwithstanding the above, where there is only one elevator servicing the #floor area# to be occupied by the change of #use#, there may be one elevator servicing the #floor area# to be preserved if the following exist:~~

- ~~(i) — the #floor area# to be serviced by the elevator in the #building# to be preserved does not exceed the #floor area# serviced by the elevator in the #building# to be occupied by the change of #use# by more than 10 percent; and~~
- ~~(ii) — the ratio of the volume of the elevator servicing the #floor area# to be preserved to the #floor area# to be preserved is at least 90 percent of the ratio of the volume of the elevator servicing the #floor area# to be occupied by the change of #use# to the #floor area# to be occupied by the change of #use#. If the number of elevators required pursuant to the above ratio includes a fraction of an elevator, this fraction shall be rounded to the nearest whole number.~~

~~(b) — Floor load~~

~~The floors shall have a minimum live load capacity of 100 pounds per square foot (100 psf).~~

~~(c) — Size of floors~~

~~The #floor area# shall be located on floors of not less than 3,000 square feet or 50 percent of the size of the floors in the #building# to be occupied by the change of #use#, whichever is greater. #Floor area# may not be preserved on portions of floors.~~

~~(d) — Loading facilities~~

~~The loading facilities shall be at least equal in number to those in the #building# to be occupied by the change of #use#. In addition, if such #building# has an off-street loading dock, the #building# containing the #floor area# to be preserved must have such off-street loading facilities.~~

~~(e) — Column spacing~~

~~There shall be a minimum distance between columns of 16 feet, measured on center. In addition, the average distance between columns shall not be less than 90 percent of the average distance between columns in the #building# to be occupied by the change of #use#.~~

~~(f) — Height of #stories#~~

~~The #stories# shall have an average minimum height of ten feet.~~

**121-115**

## **Certification and other requirements of preservation and conversion**

- (a) ~~Prior to the issuance of an alteration permit for the change of #use# of #floor area# to Use Group 6B #use# in Preservation Area P-1, or the change of #use# of #floor area# to any #use# permitted by the underlying #use# regulations in Preservation Area P-2, the Chairperson of the City Planning Commission shall certify compliance with the requirements of Section 121-113 (Floor area preservation), upon proof of a legal commitment to preserve and maintain the required #floor area# for a permitted #use# in Use Group B. Such legal commitment shall be executed by all parties having any interest in the #floor area# to be preserved as shown by a certificate issued by a title insurance company licensed to do business in the State of New York showing all such parties in interest.~~

~~A "party in interest" in the tract of land shall include only (W) the fee owner thereof, (X) the holder of any enforceable recorded interest superior to that of the fee owner and which could result in such holder obtaining possession of all or substantially all of such tract of land, (Y) the holder of any enforceable recorded interest in all or substantially all of such tract of land which would be adversely affected by the preservation as required herein, and (Z) the holder of any unrecorded interest in all or substantially all of such tract of land which would be superior to and adversely affected by the preservation required herein and which would be disclosed by a physical inspection of the tract of land.~~

~~A copy of the legal commitment required herein shall be recorded in the Conveyances Section of the Office of the City Register of New York County upon certification.~~

- (b) ~~The amount of #floor area# required to be preserved in any #building# pursuant to Section 121-113 shall not be reduced by the existence of a previously issued legal commitment for preservation on a portion of the #floor area# in the #building#.~~
- (c) ~~If any #floor area# to be preserved for a #use# in Use Group B pursuant to Section 121-113 is damaged, destroyed or becomes unusable, it shall be repaired or reconstructed only in accordance with the conditions and restrictions set forth in the certification granted by the City Planning Commission and the legal commitment constituting part of such certification. Failure to comply with any other conditions and restrictions or failure to rebuild such preserved #floor area# set forth above shall constitute a violation of the certification and may constitute a basis for denial or revocation of the building permit or certificate of occupancy issued for the #building# containing preserved #floor area#.~~

### **121-12**

#### **Conditions for Application of Preservation Area Regulations to Entire Zoning Lot C6-4M Districts in Subdistrict A-2**

For the purposes of this Chapter, the provisions of Article VII, Chapter 7 (Special Provisions for

~~Zoning Lots Divided by District Boundaries) are hereby made inapplicable. In lieu thereof, #zoning lots# existing on March 26, 1987, divided by the boundary of the Preservation Area as shown in Appendix A shall be subject to the #use# regulations applicable to the district in which more than 50 percent of the #lot area# is located. However, #zoning lots# fronting on a #wide street# shall not be subject to the preservation requirements of this Chapter.~~

In the C6-4M District located within Subdistrict A-2, for #buildings# existing on January 19, 2005, the #use# regulations of the underlying district shall be modified as follows:

- (a) for #buildings# with less than 70,000 square feet of #floor area#, the provisions of Section 15-20 (REGULATIONS GOVERNING RESIDENTIAL CONVERSIONS WITHIN EXISTING BUILDINGS IN C6-2M, C6-4M, M1-5M AND M1-6M DISTRICTS), inclusive, shall not apply to the #conversion# of non-#residential floor area# to #residences#. In lieu thereof, Section 15-10 (REGULATIONS GOVERNING RESIDENTIAL CONVERSIONS WITHIN EXISTING BUILDINGS IN RESIDENCE AND COMMERCIAL DISTRICTS, EXCEPT C6-2M AND C6-4M DISTRICTS), inclusive, shall apply; and
- (b) for #buildings# with 70,000 square feet or more of #floor area#, the #conversion# of non-#residential floor area# to #residences#, or to college or school student dormitories and fraternity or sorority student houses shall not be permitted.
- (c) the following #uses# and #uses accessory# to such #uses# shall be allowed:
  - (1) From Use Group 16A:
    - Household or office equipment or machinery repair shops, such as refrigerators, washing machines, stoves, deep freezers or air conditioning units
    - Tool, die or pattern making establishments or similar small machine shops
  - (2) From Use Group 16D:
    - Packing or crating establishments
    - Trucking terminals or motor freight stations, limited to 20,000 square feet of #lot area# per establishment
    - Warehouses
    - Wholesale establishments, with no limitation on #accessory# storage
  - (3) From Use Group 17B:
    - All #uses#

## 121-13

### **Authorization for Waiver of Floor Area Preservation Requirements M1-6 District in Subdistrict**

#### **A-1**

In Preservation Area P 2, for ~~#buildings#~~ with 70,000 square feet or more of ~~#floor area#~~ existing on January 19, 2005, the City Planning Commission may authorize the ~~#conversion#~~ or change of ~~#use#~~ of ~~#floor area#~~ to any ~~#use#~~ permitted by the underlying ~~#use#~~ regulations without complying with the ~~#floor area#~~ preservation requirements set forth in Section 121-113, provided the Commission finds that:

- (a) ~~the #floor area# to be occupied by the change of #use# has not been occupied by any #manufacturing#, wholesale or showroom #use# for a period of at least three years prior to the date that a complete application has been filed with the Department of City Planning;~~
- (b) ~~the #conversion# or change of #use# will not harm the commercial and manufacturing sectors of the City's economy;~~
- (c) ~~the #conversion# or change of #use# will not harm the commercial and manufacturing character of the surrounding area;~~
- (d) ~~the process of #conversion# or a change of #use# will not unduly burden #commercial# and #manufacturing uses# in the #building#; and~~
- (e) ~~the neighborhood in which the #conversion# or change of #use# is taking place will not be excessively burdened by increased #residential# activity.~~

In the M1-6 District located within Subdistrict A-1, #uses# listed in Use Group 18 shall not be permitted.

## 121-20

### **SIGN REGULATIONS**

The following provisions ~~apply on #wide streets# within the #Special Garment Center District#:~~

- (a) ~~no #sign# shall project across the #street line# of a #wide street# more than 18 inches for double or multifaceted #signs# or 12 inches for other #signs#;~~
- (b) ~~no canopies, marquees, or awnings shall be permitted on the exterior of any #building# with the exception of theaters or hotels;~~
- (c) ~~where a permit is issued by the Department of Highways for the temporary display of~~

banners/pennants across a #street# (or sidewalk) such banners/pennants shall be removed after 30 days of the issuance of the permit; and

- (d) ~~no banners or pennants shall be permanently displayed from the exterior of any #building# unless the design of such banners or pennants has been approved by the Mayor's Fashion Industry Advisory Council.~~

~~For the purpose of this Section, any #signs# including canopies, marquees, awnings, banners or pennants which do not conform to the above regulations may be continued for one year after March 26, 1987, provided that after expiration of that period such #non-conforming signs#, including canopies, marquees, awnings, banners or pennants shall terminate.~~

In the #Special Garment Center District#, all #signs# shall be subject to the regulations applicable in C6-4 Districts, as set forth in Section 32-60 (SIGN REGULATIONS). However, in Subdistrict A-2, #flashing signs# shall not be permitted.

### **121-30**

#### **SPECIAL BULK REGULATIONS ~~WITHIN PRESERVATION AREA P-2~~ WITHIN SUBDISTRICT A-1**

The following special #bulk# regulations shall apply within ~~Preservation Area P-2~~ Subdistrict A-1.

### **121-31**

#### **Maximum Permitted Floor Area Within Subdistrict A-1**

~~The basic maximum #floor area ratio# of a #zoning lot# containing #non-residential buildings# shall be 10.0 and may be increased to a maximum #floor area ratio# of 12.0 only pursuant to Section 93-31 (District Improvement Fund Bonus). Such #zoning lot# may also contain #residences# within #buildings# existing on January 19, 2005, provided that such #buildings# are not #enlarged# after such date. For #zoning lots# containing #residences# within a #building# that is #developed# or #enlarged# on or after January 19, 2005, the basic maximum #floor area ratio# shall be 6.5. The #floor area ratio# of any such #zoning lot# may be increased from 6.5, pursuant to Section 93-31, and pursuant to Section 23-90 (INCLUSIONARY HOUSING), as modified by Section 93-23, provided that for every five square feet of #floor area# increase pursuant to Section 93-31, there is a #floor area# increase of six square feet pursuant to Section 23-90, as modified by Section 93-23, inclusive. The maximum #residential floor area ratio# shall be 12.0.~~

~~For the #conversion# to #dwelling units# of #non-residential buildings#, or portions thereof, where the total #floor area# on the #zoning lot# to be #converted# to #residential use# exceeds a #floor area ratio# of 12.0, such excess #floor area# shall be permitted only pursuant to Section 93-31.~~

The basic maximum #floor area ratio# of a #zoning lot# shall be as specified for the underlying

district in Section 43-12 (Maximum Floor Area Ratio) and may be increased only pursuant to Section 43-13 (Floor Area Bonus for Public Plazas). No #public plaza#, or any part thereof, shall be permitted on or within 100 feet of a #wide street#. The provisions of Section 43-14 (Floor Area Bonus for Arcades) shall not apply.

## 121-32

### Height of Street Walls and Maximum Building Height Within Subdistrict A-1

In Subdistrict A-1, the underlying height and setback regulations set forth in Sections 43-43 (Maximum Height of Front Wall and Required Front Setbacks) and 43-44 (Alternate Front Setbacks) shall not apply. In lieu thereof, the following provisions shall apply:

(a) Height of #street walls# #Street wall# location

~~The #street wall# of any #building# shall be located on the #street line# and extend along the entire #street# frontage of the #zoning lot# not occupied by existing #buildings# to remain. Such #street wall# shall rise without setback to a minimum base height of 80 feet and a maximum base height of 90 feet. However, if the height of an adjacent #street wall# fronting on the same #street line# is higher than 90 feet before setback, the #street wall# of the new or #enlarged building# may rise without setback to the height of such adjacent #street wall#, up to a maximum height of 120 feet.~~

~~For #zoning lots#, or portions thereof, with #street# frontage of 25 feet or less and existing on June 29, 2010, a minimum base height lower than 80 feet shall be permitted along such #street# frontage in accordance with the following provisions:~~

- ~~(1) — where the height of an adjacent #street wall# fronting on the same #street line# is at least 60 feet and less than 80 feet, the #street wall# of the new or #enlarged building# may rise without setback to the height of such adjacent #street wall#; or~~
- ~~(2) — where the height of an adjacent #street wall# fronting on the same #street line# is less than 60 feet, the #street wall# of the new or #enlarged building# may rise without setback to a minimum #street wall# height of 60 feet.~~

~~The #street wall# of any #building# may rise to a height less than the minimum base height required pursuant to this paragraph, (a), provided that no #building# on the #zoning lot# exceeds such height, except where such #building# is located on a #zoning lot# with multiple #buildings#, one or more of which is #developed#, #enlarged# or altered after February 2, 2011, to a height exceeding the minimum base height required pursuant to this paragraph, (a).~~

The #street wall# of any #building# shall be located on the #street line# and extend along the entire #street# frontage of the #zoning lot# up to at least the maximum base height specified in paragraph (b) of this Section. On the ground floor, recesses shall be permitted

where required to provide access to the #building#, provided such recesses do not exceed three feet in depth as measured from the #street line#. In addition, the #street wall# location provision of this paragraph shall not apply along such #street line# occupied by a #public plaza# as set forth in Section 37-70 (PUBLIC PLAZAS).

(b) Maximum #building# height-Base height

~~Above a height of 90 feet or the height of the adjacent #street wall# if higher than 90 feet, no portion of a #building or other structure# shall penetrate a #sky exposure plane# that begins at a height of 90 feet above the #street line#, or the height of the adjacent #street wall# if higher than 90 feet, and rises over the #zoning lot# at a slope of four feet of vertical distance for each foot of horizontal distance to a maximum height limit of 250 feet, except as provided below:~~

~~(1) — any portion of the #building or other structure developed# or #enlarged# pursuant to the tower regulations of Sections 33-45 (Tower Regulations) or 35-64 (Special Tower Regulations for Mixed Buildings), as applicable, may penetrate the #sky exposure plane#, provided no portion of such #building or other structure# exceeds the height limit of 250 feet; and~~

~~(2) — permitted obstructions, as listed in Section 33-42, may penetrate the #sky exposure plane# and the height limit of 250 feet. In addition, a dormer, as listed in paragraph (c)(1) of Section 23-621, may penetrate the #sky exposure plane#.~~

~~On a #zoning lot# with frontage of at least 200 feet along at least one #street#, up to 20 percent of the #aggregate width of the street wall# facing such #street#, for a maximum width of 50 feet, may be recessed to a maximum depth of 15 feet from the #street line#, provided the recessed area is located a minimum of 20 feet from an adjacent #building# and that a minimum of 60 percent of such area is planted with any combination of grass, ground cover, shrubs, trees or other living plant material in the ground or in planters permanently affixed to the ground.~~

(1) Along #wide streets#

On #wide streets#, and on #narrow streets# within 50 feet of their intersection with a #wide street#, the #street wall# of a #building# shall rise without setback to a minimum base height of 125 feet and may rise to a maximum base height of 155 feet.

However, where the height of an existing adjacent #street wall# fronting on the same #street line# rises to a height exceeding 155 feet before setback, the maximum base height may be increased to the height of such existing adjacent #street wall# but shall not exceed a base height of 205 feet. In addition, where existing adjacent #street walls# on both sides of the #building# rise to a height exceeding 155 feet before setback, the maximum base height of such #building# may be increased to

the higher of the two existing adjacent #street walls#, except in no instance shall the base height of such #building# exceed 205 feet.

(2) Along #narrow streets#

On #narrow streets#, beyond 50 feet of their intersection with a #wide street#, the #street wall# of a #building# shall rise without setback to a minimum base height of 85 feet and may rise to a maximum base height of 135 feet.

As an alternative, the minimum and maximum base heights applicable to a #wide street# may be applied along a #narrow street# beyond 50 feet of a #wide street#, up to a maximum of 100 feet from such #wide street#.

(c) Required setbacks

(1) Along #wide streets#

For #buildings#, or portions thereof, located on #wide streets# and on #narrow streets# within 100 feet of a #wide street#, the portion of such #building# above the applicable maximum base height set forth in paragraph (b)(1) of this Section, shall be set back from the #street wall# of the #building# at least 10 feet along a #wide street# and at least 15 feet along a #narrow street#, except such dimensions may include the depth of any permitted recesses in the #street wall#. Above such required setback, any portion of a #building# on the #zoning lot# shall be considered a “tower.”

(2) Along #narrow streets#

For #buildings#, or portions thereof, located on #narrow streets# beyond 100 feet of a #wide street#, the portion of such #building# above the applicable maximum base height set forth in paragraph (b)(2) of this Section shall be set back from the #street wall# of the #building# at least 15 feet along a #narrow street#, except such dimensions may include the depth of any permitted recesses in the #street wall#. Above such required setback, any portion of a #building# on the #zoning lot# shall be considered a “tower.”

(d) Tower Regulations

Each #story# of a tower above the required setback shall not exceed a maximum #lot coverage# of 40 percent of the #lot area# of a #zoning lot# or, for #zoning lots# of less than 20,000 square feet, the percent of #lot coverage# set forth in Section 43-451 (Towers on small lots).

(e) Maximum #building# height

No height limit shall apply to towers.

**121-40**

**SPECIAL BULK REGULATIONS WITHIN SUBDISTRICT A-2**

The following special #bulk# regulations shall apply within Subdistrict A-2, as shown on the map in Appendix A of this Chapter.

**121-31-121-41**

**Maximum Permitted Floor Area Within Subdistrict A-2**

The basic maximum #floor area ratio# of a #zoning lot# containing #non-residential buildings# shall be 10.0 and may be increased to a maximum #floor area ratio# of 12.0 only pursuant to Section 93-31 (District Improvement Fund Bonus). Such #zoning lot# may also contain #residences# within #buildings# existing on January 19, 2005, provided that such #buildings# are not #enlarged# after such date. For #zoning lots# containing #residences# within a #building# that is #developed# or #enlarged# on or after January 19, 2005, the basic maximum #floor area ratio# shall be 6.5. The #floor area ratio# of any such #zoning lot# may be increased from 6.5, pursuant to Section 93-31, and pursuant to Section 23-90 (INCLUSIONARY HOUSING), as modified by Section 93-23 (Modifications of Inclusionary Housing Program), provided that for every five square feet of #floor area# increase pursuant to Section 93-31, there is a #floor area# increase of six square feet pursuant to Section 23-90, as modified by Section 93-23, inclusive. The maximum #residential floor area ratio# shall be 12.0.

For the #conversion# to #dwelling units# of #non-residential buildings#, or portions thereof, where the total #floor area# on the #zoning lot# to be #converted# to #residential use# exceeds a #floor area ratio# of 12.0, such excess #floor area# shall be permitted only pursuant to Section 93-31.

**121-32-121-42**

**Height of Street Walls and Maximum Building Height Within Subdistrict A-2**

- (a) Height of #street walls#

The #street wall# of any #building# shall be located on the #street line# and extend along the entire #street# frontage of the #zoning lot# not occupied by existing #buildings# to remain. Such #street wall# shall rise without setback to a minimum base height of 80 feet and a maximum base height of 90 feet before setback. However, if the height of an adjacent #street wall# fronting on the same #street line# is higher than 90 feet before setback, the #street wall# of the new or #enlarged building# may rise without setback to the height of such adjacent #street wall#, up to a maximum height of 120 feet.

For #zoning lots#, or portions thereof, with #street# frontage of 25 feet or less and existing on June 29, 2010, a minimum base height lower than 80 feet shall be permitted along such #street# frontage in accordance with the following provisions:

- (1) where the height of an adjacent #street wall# fronting on the same #street line# is at least 60 feet and less than 80 feet, the #street wall# of the new or #enlarged building# may rise without setback to the height of such adjacent #street wall#; or
- (2) where the height of an adjacent #street wall# fronting on the same #street line# is less than 60 feet, the #street wall# of the new or #enlarged building# may rise

without setback to a minimum #street wall# height of 60 feet.

The #street wall# of any #building# may rise to a height less than the minimum base height required pursuant to this paragraph (a), provided that no #building# on the #zoning lot# exceeds such height, except where such #building# is located on a #zoning lot# with multiple #buildings#, one or more of which is #developed#, #enlarged# or altered after February 2, 2011, to a height exceeding the minimum base height required pursuant to this paragraph (a).

(b) Maximum #building# height

Above a height of 90 feet or the height of the adjacent #street wall# if higher than 90 feet, no portion of a #building or other structure# shall penetrate a #sky exposure plane# that begins at a height of 90 feet above the #street line#, or the height of the adjacent #street wall# if higher than 90 feet, and rises over the #zoning lot# at a slope of four feet of vertical distance for each foot of horizontal distance to a maximum height limit of 250 feet, except as provided below:

- (1) any portion of the #building or other structure developed# or #enlarged# pursuant to the tower regulations of Sections 33-45 (Tower Regulations) or 35-64 (Special Tower Regulations for Mixed Buildings), as applicable, may penetrate the #sky exposure plane#, provided no portion of such #building or other structure# exceeds the height limit of 250 feet; and
- (2) permitted obstructions, as listed in Section 33-42, may penetrate the #sky exposure plane# and the height limit of 250 feet. In addition, a dormer, as listed in paragraph (c)(1) of Section 23-621 (Permitted obstructions in certain districts), may penetrate the #sky exposure plane#.

On a #zoning lot# with frontage of at least 200 feet along at least one #street#, up to 20 percent of the #aggregate width of the street wall# facing such #street#, for a maximum width of 50 feet, may be recessed to a maximum depth of 15 feet from the #street line#, provided the recessed area is located a minimum of 20 feet from an adjacent #building# and that a minimum of 60 percent of such area is planted with any combination of grass, ground cover, shrubs, trees or other living plant material in the ground or in planters permanently affixed to the ground.

**121-40-121-50**

**PARKING PROVISIONS FOR PRESERVATION AREA P-2 SUBDISTRICT A-2**

Within ~~Preservation Area P-2~~ Subdistrict A-2, as shown on the map in Appendix A of this Chapter, the underlying parking provisions shall not apply. In lieu thereof, the parking regulations of the #Special Hudson Yards District#, as set forth in Section 93-80 (OFF-STREET PARKING REGULATIONS) shall apply.

**121-50-121-60**

**SUPPLEMENTAL REGULATIONS IN PRESERVATION AREA P-2 ANTI-HARASSMENT AND DEMOLITION REGULATIONS IN SUBDISTRICT A-2**

In ~~Preservation Area P-2~~ Subdistrict A-2, the provisions of Section 93-90 (HARASSMENT) and Section 93-91 (Demolition), inclusive, shall apply.

**121-70**

**SPECIAL PERMIT FOR TRANSIENT HOTELS**

In the #Special Garment Center District#, the City Planning Commission may permit a #transient hotel# as listed in Use Group 5, including #motels#, #tourist cabins# or #boatels# as listed in Use Group 7, that is not otherwise permitted pursuant to Section 121-10 (SPECIAL USE REGULATIONS), provided that:

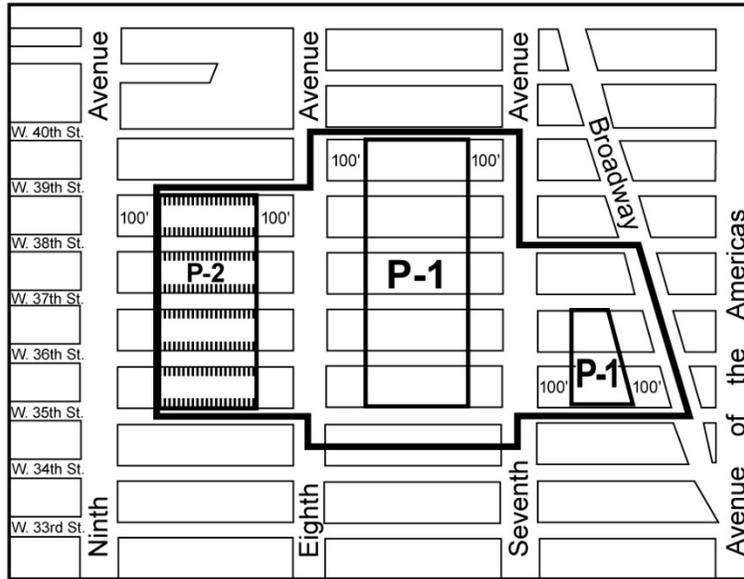
- (a) the location of such #transient hotel# within the Special District will not impair the achievement of a diverse and harmonious mix of #commercial#, #manufacturing# and #community facility uses# within Subdistrict A-1 and of #residential#, #commercial#, #manufacturing# and #community facility uses# in Subdistrict A-2, consistent with the applicable district regulations;
- (b) the site plan for such #transient hotel# demonstrates that the design is appropriate, does not impair the character of the area and incorporates elements that are necessary to address any potential conflicts between the proposed #use# and adjacent #uses#, such as the location of the proposed access to the #building#, the orientation of the #building# and landscaping;
- (c) such #transient hotel use# will not cause undue vehicular or pedestrian congestion on local #streets; and
- (d) such #transient hotel use# is consistent with the planning objectives of the Special District;

The Commission may prescribe additional conditions and safeguards to minimize adverse effects on the character of the surrounding area.

**Appendix A**

Special Garment Center District Plan

[EXISTING]



- Special Garment Center District
- Preservation Area
- |||||** Street Wall required pursuant to 121-32(a)

Special Garment Center District and Subdistricts

[PROPOSED]



- #Special Garment Center District#
- A-1 Garment Center Subdistrict A-1
- A-2 Garment Center Subdistrict A-2
- ▨ #Street Wall# required pursuant to 121-42 (a)

\* \* \*

The above resolution (N 180373 ZRM), duly adopted by the City Planning Commission on October 31, 2018 (Calendar No. 7), is filed with the Office of the Speaker, City Council, and the Borough President in accordance with the requirements of Section 197-d of the New York City Charter.

**MARISA LAGO**, *Chair*  
**KENNETH J. KNUCKLES**, *Esq.*, *Vice Chairman*  
**ALFRED C. CERULLO, III, JOSEPH DOUEK, RICHARD W. EADDY,**  
**CHERYL COHEN EFFRON, HOPE KNIGHT, ORLANDO MARIN,**  
**LARISA ORTIZ**, *Commissioners*

**MICHAELLE de la UZ, ANNA HAYES LEVIN, RAJ RAMPERSHAD**, *Commissioners*,  
 Abstaining





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**Burt Lazarin**  
Chair

**Jesse R. Bodine**  
District Manager

August 20, 2018

Marisa Lago  
Chair  
New York City Planning Commission  
120 Broadway  
31st Floor  
New York, NY 10271

James Patchett  
President and CEO  
NYC Economic Development Corporation  
110 William Street  
New York, NY 10038

**Re: Special Garment Center District Proposed Rezoning**

Dear Chair Lago and Mr. Patchett:

At its meeting on July 25, 2018, Manhattan Community Board 4 (MCB4) reviewed the application by the New York City Department of City Planning and (DCP) the New York City Economic Development Corporation (EDC) for proposed changes to the Special Garment Center District.

By a vote of 29 in favor, 0 opposed, 0 abstaining, and 0 present but not eligible to vote, MCB4 voted to recommend **denial of the application and proposed changes unless the modifications outlined below are made.**

**Background**

**Establishment of Special Garment Center District- 1987**

The Special Garment Center District (SGCD), established with Section 121-00 of the Zoning Resolution in 1987, was a commitment as part of the redevelopment of Times Square. At the time, members of the community feared the redevelopment would displace

the Garment Center, which had long been a vibrant network of garment related businesses. A study of the Garment Center commenced in 1985 and the district was established in 1987. The purpose of creating the special district was to preserve the garment-related uses and thousands of jobs that defined the area.

The boundaries of the SGCD were established between Broadway and 100 feet east of 9<sup>th</sup> Avenue and stretching from West 40<sup>th</sup> Street to midblock between West 34<sup>th</sup> and West 35<sup>th</sup> Streets<sup>1</sup>. The portion of the SGCD west of 8<sup>th</sup> Avenue is in Manhattan Community District 4 (MCD4) while the rest is in Manhattan Community District 5. Within the SGCD there was a Preservation Area that spanned from West 35<sup>th</sup> Street to West 40<sup>th</sup> Street between 100 feet west of 8<sup>th</sup> Avenue to 100 feet east of 9<sup>th</sup> Avenue, from West 35<sup>th</sup> Street to West 40<sup>th</sup> Street between 100 feet west of 7<sup>th</sup> Avenue and 100 feet east of 8<sup>th</sup> Avenue and from West 35<sup>th</sup> Street to West 37<sup>th</sup> Street between 100 feet west of Broadway to 100 feet east of 7<sup>th</sup> Avenue.

Under the zoning regulations of the SGCD, owners of buildings within the Preservation Area were required to obtain Certification from the City Planning Commission (CPC) in order to convert their manufacturing spaces into offices. Owners would also have to obtain a restrictive declaration to ensure that for every square foot of new office space, an equal amount of square footage would be preserved for manufacturing uses. At the time of the 1987 zoning action, industrial uses within the SGCD were in M1-5 and M1-6 districts.

The 1987 zoning text of the SGCD was intended to preserve in the mid-blocks while allowing conversions from manufacturing to commercial use along the avenues.

#### Hudson Yards Rezoning - 2005

In 2005, the area west of 9<sup>th</sup> Avenue from West 30<sup>th</sup> to West 41<sup>st</sup> Street, between 9<sup>th</sup> and 11<sup>th</sup> Avenues was rezoned in conjunction with the creation of the Special Hudson Yards District (SHYD). As an action in that rezoning, text amendments were made to the SGCD, including the establishment of Preservation Areas P-1 and P-2. Of these two areas, only P-2 was within Manhattan Community District 4 (MCD4). Preservation Area P-1 was established east of 8<sup>th</sup> Avenue, while Preservation Area P-2 was established west of 8<sup>th</sup> Avenue<sup>2</sup>.

The intent of creating Subdistrict P-2 was to preserve garment-related uses while also incentivizing residential development, given that area's historic residential character. What distinguished P-1 from P-2 was its mix of both historic residential uses and tenements and a series of loft conversions to residential uses by variance in the mid-1980s and 1990s. The intent of this rezoning of the SGCD from both the community and DCP's perspective was to allow residential redevelopment of vacant parcels or one-story garages in P-2 while preserving the existing manufacturing uses in existing buildings.

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<sup>1</sup> See Attachment A: SGCD Boundaries, 1987

<sup>2</sup> See Attachment B: Current SGCD Map

Additionally, the area between West 39<sup>th</sup> and West 40<sup>th</sup> Streets between 8<sup>th</sup> and 9<sup>th</sup> Avenues was removed from the SGCD and mapped as part of the SHYD in order to allow high density development on that block.

Recognizing that Preservation Area P-2 had a mix of industrial and residential uses and that it included many vacant or underdeveloped parcels, the zoning allowed for new high density residential developments with the provision of Inclusionary Housing<sup>3</sup>.

At the time, MCB4 was particularly concerned about the 2,371 residential units existing in the then-proposed Special Hudson Yards District (SHYD), Subarea P-2 of the SGCD, and the Special West Chelsea District (SWCD) in 2004, with 1,931 residential units in Subarea P-2 respectively. In 2005, the Board commissioned a study from Clinton Housing Development Company to document the existing residential buildings in this study area. The Board requested that the demolition restrictions that were already in place for residential buildings in the Special Clinton District be extended to the SGCD and SHYD. Those zoning protections were finally added to the zoning text of the SGCD, which was certified as part of the Western Rail Yards rezoning (WRY rezoning) in 2009 and adopted in 2010.

#### Illegal Conversion of Manufacturing Space

Although the clear intent of the SGCD was to “maintain the viability of apparel production in the Garment Center by creating a Preservation Area in selected midblocks and limiting conversion to office use in the Preservation Area”, the City of New York provided virtually no enforcement for the preservation of manufacturing space from 1990 to the present, illegal conversions of manufacturing space proceeded in the Preservation Areas. Violations were issued but no actions were taken by City agencies. Of the 8 million square feet of manufacturing space in the SGCD in 1987, only 180,366 square feet, or 2.25% was preserved.

The Board recognizes the broader global shifts in manufacturing, but the City not enforcing its own zoning resolution aided and abetted illegal conversions as opposed to managing them. A self-fulfilling prophecy has taken place—one in which manufacturing space has disappeared while the City has not enforced the zoning resolution to preserve that space. Despite the restrictive declaration requirement established in 1987 and the 2005 changes to the zoning text, the SGCD lost manufacturing space through illegal conversions. **As of 2017, 5 million of the 8.5 million square feet in the Preservation Areas were nonconforming uses after having been illegally converted from manufacturing to office space.**

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<sup>3</sup> Under the Inclusionary Housing Program, buildings in the SGCD could have their FAR increased from 10.0 to 12.0 if they dedicated a portion of their new development for permanently affordable housing or created such housing at an offsite location.

## SGCD Proposed Text Amendments 2007-2017

Between 2007 and 2011, DCP proposed Text Amendments on three occasions:

Those efforts were poorly conceived, poorly presented and poorly received by the multiple stakeholders in the Garment Center, the affected community boards, and elected officials.

### Proposed 2017 Changes

In March 2017, with less than a month's notice, the City proposed a package of changes to the SGCD that included text amendments to lift the manufacturing preservation requirements of the SGCD. Key among the changes was the lifting of manufacturing preservation requirements to allow for more office space development. In that same action, EDC proposed a plan to incentivize and facilitate the relocation of the Garment Center to the Brooklyn Army Terminal and the Bush Terminal—both of which are in Sunset Park, Brooklyn.

There was a strong negative reaction from Manhattan Community Boards 4 and 5, elected officials, and the Garment Center's business associations, unions, and designers. Following the community's response, there was an agreement between Deputy Mayor Alicia Glen, Manhattan Borough President Gale Brewer, and then-Council Member Corey Johnson to form the Garment Center Steering Committee<sup>4</sup>. The Committee was formed in May 2017 and worked with EDC and DCP for months to arrive at a consensus. After seven meetings that took place between May and August 2017 and serious and rigorous debate, the Committee commissioned a report based on the consensus it achieved.<sup>5</sup>

That report, the Garment Center Steering Committee Report, was based on the following guiding principles:

- The Garment Center is a unique, close-knit, vital and world-class ecosystem of garment-related businesses;
- Preserving a core of garment manufacturing in the Garment Center is a priority for the Committee and central to future decision-making or interventions in the area;
- Garment manufacturing serves as a foundation for the Garment Center and citywide garment industry;

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<sup>4</sup> The Steering Committee is comprised of local elected officials, representatives from Community Boards 4 and 5, the Council of Fashion Designers of America, the Design Trust for Public Space, the Garment Center Supplier Association, the Garment District Alliance, Pratt Center for Community Development, the Pratt Center for Community Development, the Real Estate Board of New York, the Theatrical Wardrobe Union, Workers United, and YEOHLEE Inc.

<sup>5</sup> Garment Center Report-- Celeste Frye of Public Works Partners and Ben Margolis, independent consultant, (<http://manhattanbp.nyc.gov/downloads/pdf/GarmentCenterReport.pdf>)

- Real estate stability is essential to the operation and prospering of garment manufacturing in the Garment Center;
- Programs providing support and preparation for future innovations throughout the garment industry are essential and complementary to real estate solutions; and
- Recommendations should be crafted for industry-wide and district-wide support, not for any one individual manufacturer, garment-related business, or site, and not only for existing businesses but for future generations.

The report also outlined the Committee’s concerns. A majority of the discussion among members of the Steering Committee revolved around real estate. As such, the Committee made the following set of recommendations:

#### Section I. Real Estate

1. Create a custom NYC Industrial Development Agency (IDA) program to retain long-term garment production space in the Garment Center;
2. Advance a framework for a public-private building purchase for dedicated garment production space in mid-Manhattan;
3. Create a mechanism in the zoning text to phase out the Preservation Requirements in sub-areas P-1 and P-2 of the Special Garment Center District with the condition that some space continues to be preserved for garment manufacturing;
4. Institute hotel restrictions in the Garment Center as part of the Special Garment Center District zoning changes;
5. Support the role of nonprofit partner(s) in efforts to preserve a core of garment manufacturers in mid-Manhattan;

The Report’s recommendations also focused on the following areas:

- Workforce development and business support
- Placemaking

#### **Proposed Changes to the SGCD - 2018**

There are three elements of the proposed changes to the SGCD:

- An IDA program to provide tax incentives for preserving manufacturing space in the Garment Center
- Funds for acquisition of a manufacturing building in the Garment Center
- A series of text amendments that will eliminate preservation requirements, establish a special permit requirement for hotels, and standardize signage regulations, among other changes

## Tax Incentives for Preserving Manufacturing Space

In its report, the Garment Center Steering Committee called for the preservation of 500,000 to 750,000 square feet of manufacturing space within the Garment Center. Still, the report noted that a number of members recommended a target of 1 million square feet.

On May 30, 2018, MCB4 was notified that EDC would, through its IDA, establish a tax benefit program for landlords in the Garment Center who provide affordable manufacturing space. A public announcement regarding the tax incentives was made on June 4, 2018.

EDC, through the IDA, will grant owners access to tax benefits if they provide 15-year leases to manufacturing tenants at a rate of \$35 per square foot or lower.

EDC has currently identified 300,000 square feet of manufacturing space and is negotiating with several owners.

***MCB4 applauds this program but requests that an additional 200,000 square feet of manufacturing space be secured through these tax incentives for a total of 500,000 square feet of manufacturing space to be preserved through the tax incentive program. This amount should be secured prior to the lifting of any preservation requirements.***

***The Board also requests that the 180,366 square feet of manufacturing space that was preserved between 1987 and 2011 through deed restrictions required by the current zoning provisions, be preserved as manufacturing space in perpetuity.***

The Board recognizes EDC's serious commitment to recruit owners to the IDA's real estate tax incentives program from May 2018 until the present. The Board also understands that negotiating with multiple owners of multiple buildings is a diligent and time consuming process. MCB4 appreciates and encourages EDC to continue to secure an additional amount of space throughout the end of the Uniform Land Use Review Procedure (ULURP).

***MCB4 further requests that EDC work with building owners to be able to extend the length of the tax incentives and therefore the affordable rents beyond 15 years.***

## Acquisition of Manufacturing Building within the SGCD

To fulfil the Committee's request, the Mayor's office has committed \$20 million in City capital funding for the purchase of a manufacturing building, of approximately 150,000 square feet, within the SGCD. The acquisition will be done in partnership with a not-for-profit that will be selected through a Request for Expressions of Interest (RFEI) process. Once acquired, the building will be operated and managed by the not-for-profit company.

The proposed acquisition will provide garment manufacturing companies with long-term, affordable rental spaces.

***MCB4 supports the proposed acquisition of this new building. However, the Board requests that the City commit to increasing its allocation if more funds are needed for the building acquisition. This site must be identified and secured prior to the completion of the ULURP. The City’s financial contribution should be released prior to the lifting of the manufacturing preservation requirements of the SGCD. Furthermore, the City and its not for profit partner should both commit equity toward the acquisition of the building.***

Preservation of Garment Manufacturing in SGCD

Altogether, the total manufacturing square footage that MCB4 requests to be preserved and created is as follows:

Square Footage through Tax Incentives	500,000
Existing Preserved Manufacturing Square Footage	180,366
Square Footage from Building Acquisition	150,000
<b>Total – approximate</b>	<b>830,366</b>

This total meets and exceeds the Committees’ recommendation of 500,000 to 750,000 square feet of manufacturing space.

SGCD Zoning Proposed Text Amendments

DCP proposed the series of text amendments listed below to achieve the goals of the Garment District Steering Committee.

- New Subdistrict designations
- Lifting of preservation protections in the SGCD
- Manufacturing buildings in the proposed Subdistrict A-2, larger than 70,000 square feet, will be allowed to convert to commercial but not residential use
- Establishing a Special Permit requirement for hotel development in the SGCD
- Clarification of demolition and anti-harassment restrictions
- Establishment of Street Walls throughout SGCD
- Standardizing signage regulations across the SGCD
- Prohibiting Use Group 18 in areas zoned M1-6
- Develop an “A Text” to provide a zoning solution for illegal demolition sites in which hotel development creates permanent affordable housing

New Subdistrict Designations

DCP proposes to establish a Subdistrict A-1 in the area outlined in Attachment C, generally bound by West 40<sup>th</sup> Street to the north, 100 feet south of West 35<sup>th</sup>

Street to the south, between Broadway and 100 feet west of 8<sup>th</sup> Avenue<sup>6</sup>. With the exception of the western side of 8<sup>th</sup> Avenue, the proposed Subdistrict A-1 will be within Manhattan Community District 5's boundaries. DCP also proposes to rename the current P-2 Preservation Area to Subdistrict A-2. That Subdistrict will be entirely within MCD4's boundaries.

***MCB4 supports the proposed new Subdistrict designations.***

Lifting of preservation protections in the SGCD

DCP proposes to lift the manufacturing preservation requirements across the SGCD.

***MCB4 supports removing the manufacturing preservation requirements only if such an action will be accompanied by the EDC programs outlined above, which result in the preservation and/or addition of approximately 830,366 square feet of manufacturing space.***

Manufacturing buildings in the proposed Subdistrict A-2, larger than 70,000 square feet, will be allowed to convert to commercial use but not residential use

During the 2005 rezoning, MCB4 and DCP agreed on the same goal to allow redevelopment of underdeveloped lots to residential uses. This was both a means of reinforcing the mixed use character of the P-2 Area and to promote residential construction, which in turn would produce permanent affordable housing through the use of Inclusionary Housing.

However, the greater effect of the 2005 rezoning was the construction of hotels throughout the SGCD. Most of the lots that were vacant or underdeveloped in 2005 became hotels. As to date, 19 new hotel sites have resulted in a total of 4,546 hotel rooms with an additional 10 sites and 2,056 more in construction or with plans approved by the NYC Department of Buildings (DOB). The opportunities to build new housing on these sites have been lost and have created a large imbalance of new development.

Only, 3 sites were developed producing a total of 976 residential units, of which 203 are affordable.

Address	Project Name	Total Units	Total Affordable
320 West 38 <sup>th</sup> Street	Emerald Green	569	120

<sup>6</sup> See Attachment C: Proposed SGCD Map

350 West 37 <sup>th</sup> Street	Townsend	207	42
330 West 39 <sup>th</sup> Street	Crystal Green	200	41
<b>Total:</b>		<b>976</b>	<b>203</b>

The Board does not support language restricting buildings over 70,000 square feet from converting into residential use. Such a prohibition is not in keeping with the Board’s and DCP’s goal of preserving the historically residential character of the proposed Subdistrict A-2. The 2005 and 2010 text amendments reinforced and protected the area’s residential uses; this one should do the same.

***Therefore, the Board requests that the restriction allowing buildings over 70,000 square feet to convert to commercial use, be modified to also allow residential use, with the following conditions:***

- ***Conversion of buildings over 70,000 square feet can take place only with an Inclusionary Housing component***
- ***Residential conversion of the upper floors of a building can take place if the owner preserves a percentage of the lower full lot built lower floors for commercial or manufacturing use.***

The balance between commercial and residential use was not achieved in 2005. The Board and DCP must work to ensure that it is achieved with this rezoning.

Establishing a Special Permit requirement for hotel development in the SGCD

MCB4 has worked with DCP to develop a solution to manage the degree of hotel development within Preservation Area P-2 in the SGCD. The Board is pleased that the text amendment will include a special permit requirement for any new hotels in the SGCD.

In 2017, at the request of MCB4, Clinton Housing Development Company (CHDC) drafted a study of the area from West 35<sup>th</sup> to West 40<sup>th</sup> Streets between 8<sup>th</sup> Avenue and 100 feet west of 9<sup>th</sup> Avenue<sup>7</sup>. This area includes Subarea P-2 and the block to the north that was originally part of the Preservation Area, as well as the 9<sup>th</sup> Avenue corridor. That study area has seen a dramatic increase in hotel development and CHDC is currently updating the study with current information which is described below. Since 2009, the approximately five blocks that make up that area have gone from containing zero hotel rooms to 4,546 new hotels rooms. An additional 2,234 rooms are either under construction or have received permits from the Department of Buildings. The rapid development of hotels in this area has led to the loss of historic neighborhood character. Further, the majority of the hotels constructed in the SGCD have not been designed to respond to the

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<sup>7</sup> See [Draft report of Hotel & Residential Development in and Around the Garment Center, dated September 2017.](#)

surrounding buildings, causing a visually jarring effect on the fabric of the neighborhood.

DCP's proposed findings for granting a Special Permit are as follows:

- a) the location of such proposed #transient hotel# within the Special District will not impair the achievement of a diverse and harmonious mix of #commercial#, #manufacturing# and #community facility uses# within Subdistrict A-1 and of #residential#, #commercial#, #manufacturing# and #community facility uses# in Subdistrict A-2, consistent with the applicable district regulations;
- b) such #transient hotel use# is consistent with the planning objectives of the Special District; and
- c) the design of such #transient hotel# is appropriate to its program and will not impair the character of the area.

***The language in these proposed findings differ greatly from the findings for DCP's proposed M1 Hotel Special Permit<sup>8</sup>. The Board requests that DCP make both findings consistent.***

The Board requests that currently proposed SGCD Hotel findings, with the proposed amendments from MCB4, as detailed in its ULURP letter of July 2, 2018<sup>9</sup>, for siting hotels in M1 districts be amended as outlined below, and applied to the SGCD:

a) Impact on Surrounding Uses

*DCP Proposed M1 Finding:* the site plan incorporates elements that are necessary to address any potential conflicts between the proposed #use# and adjacent #uses#, such as the location of the proposed access to the #building#, the #building's# orientation and landscaping;

*MCB4 Requested Amendment:* the site plan incorporates elements that are necessary to address any potential conflicts between the proposed #use# and adjacent #uses#, such as the location of the proposed access to the #building#, the #building's# orientation and landscaping, and storage space for trash and for linens;

b) Impact on Vehicular and Pedestrian Congestion

*DCP Proposed Finding:* such #use# will not cause undue vehicular or pedestrian congestion on local #streets; and

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<sup>8</sup> N 180349 ZRY – DCP Proposed M1 Hotel Text Amendment, dated April 25, 2018.

<sup>9</sup> See Letter to DCP, dated July 2, 2018. <http://www.nyc.gov/html/mancb4/downloads/pdf/June-2018/11-letter-to-cpc-re-citywide-hotel-special-permit-for-m1-zoning-districts.pdf>

*MCB4 Requested Amendment:* such #use# will not cause undue vehicular or pedestrian congestion on local #streets; or reduction in the availability of nearby parking;

c) Impact on Neighborhood Character

*DCP Proposed Finding:* such #use# will not impair the essential character or future use or development of the surrounding area.

*MCB4 Requested Amendment:* such #use# will not impair the essential character or future use or development of the surrounding area and in areas where M1 districts are adjacent to #residential# districts, such #use# shall be compatible with adjacent #residential# districts; and

d) Concentration of Hotels

Such #use# shall not cause undue concentration of such #uses# within a 500 foot radius of the proposed location.

***The Board previously requested that these findings be part of the proposed Special Permit requirement for hotel development in M1 districts and it requests that the same findings be extended to the SGCD. Additionally, the Board requests that public purpose hotels also be required to obtain a Special Permit.***

***With these conditions, MCB4 supports this amendment which will include a special permit requirement for any new hotels in the SGCD.***

Although the Board is supportive of public purpose hotels, it is concerned that their exclusion from the Special Permit requirement could lead to the disproportionate construction of some within the SGCD. Furthermore, the Board is also concerned that these buildings could later be easily converted to commercial hotels.

Clarification of demolition and anti-harassment restrictions

DCP proposes to rename Section 121-50 of the SGCD, previously titled SUPPLEMENTAL REGULATIONS IN PRESERVATION AREA P-2, the section will now more clearly read “ANTI-HARASSMENT AND DEMOLITION REGULATIONS IN SUBDISTRICT A-2”.

***MCB4 supports this section title change.***

Clarifying the demolition restriction in the SGCD will ensure that the residential character of the proposed A-2 Subarea is preserved. It also ensures that many of our district’s long-term tenants are not displaced due to real estate development pressures.

## Establishment of Street Walls throughout SGCD

### Mid blocks—8<sup>th</sup> to 9<sup>th</sup> Avenue

As part of the 2005 Hudson Yards rezoning, DCP included certain text amendments to P-2 of the SGCD to establish both height limits and street wall requirements. The January 2005 CPC report on the Hudson Yards Rezoning explained that these new street wall requirements for P-2 of the SGCD were enacted to “ensure consistency with the Garment Center’s distinctive built form of high street wall loft buildings”,<sup>10</sup>. On January 14, 2010, DCP filed a Land Use Review Application to clarify its requirements for minimum street wall height in SGCD Preservation Area P-2 and to extend the same street wall requirements to Subdistrict E of the SHYD. On June 29, 2010, the amendment to New York City Zoning Resolutions §§93-50, 93-53, 93-55, and 121-32 regarding the Hudson Yards and Garment Center Street Wall Text was adopted. The clarified street wall height requirements set forth affected the area bound by 40th Street to the North, 100 feet east of 9th Avenue to the West, 35th Street to the south, and 100 feet west of 8th Avenue to the East.

### 8<sup>th</sup> Avenue

Street walls are a result of the 1916 Zoning Resolution and have literally shaped the form of the Garment Center. Throughout our District, the Board has worked to ensure that street walls and setbacks, which provide consistency and neighborhood character, are maintained.

However, there are two sites on 8<sup>th</sup> Avenue where a lack of street wall has resulted in developments with setback plazas starkly out of character with the strong street walls along the 8<sup>th</sup> Avenue area, causing a disruption in the neighborhood fabric:

- 521 8<sup>th</sup> Avenue
- 585 8<sup>th</sup> Avenue.

DCP has proposed regulations to building height and setbacks that will affect areas zoned M1-6. Within MCD4’s boundaries, this proposed change would apply to the area from West 35<sup>th</sup> Street to West 39<sup>th</sup> Street between 8<sup>th</sup> Avenue and 100 feet west of 8<sup>th</sup> Avenue. The proposed zoning text amendment will require that buildings conform to existing neighborhood character—particularly the street walls.

***MCB4 therefore supports this proposed change.***

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<sup>10</sup> Zoning Text Amendment N040500(A) ZRM  
<https://www1.nyc.gov/assets/planning/download/pdf/about/cpc/040500a.pdf> . Page 13

*The Board would also like to note its support for Manhattan Community Board 5's (MCB5) position as stated in the letter of July 13, 2018<sup>11</sup> in which the Board requested that these street wall requirements be maintained within Manhattan Community District 5 boundaries as well and that the proposed language in section 121-32 (a) of the SGCD be revised to prohibit the creation of midblock plazas, which do not abide by the street wall requirements.*

#### Standardizing signage regulations across the SGCD

DCP proposes to standardize sign regulations throughout the SGCD in accordance with the requirements already in place for the area zoned as C6-4. The following signage requirements would be extended to the entire SGCD:

- Both illuminated and non-illuminated signs are allowed to be up to 5 times the street frontage, but no more than 500 square feet per sign.
- No sign may be more than 40 feet in height.
- No signs are permitted on roofs except that a vertical sign attached to a wall no more than 28 inches wide may extend no higher than 15 feet above roof level.
- Advertising signs are not permitted.

*MCB4 supports these proposed standards. Furthermore, MCB4 recommends further regulations regarding the size and intensity of light for illuminated signs in the SGCD. The following signs should not be allowed:*

- *Kinetic Facades and/or Billboards*
- *Augmented Reality Presentations and/or Billboards*
- *QR, Snap Tags, or any other mobile/smart wearable technology that produces a digital message only view-able by a smart/mobile camera*
- *Experiential marketing or 3 dimensional displays*
- *Billboard with camera mounted technology*
- *Motion-graphic or video billboards*

For years, the Board has received complaints from residents of the west side whose homes receive residual light from illuminated signs that have been erected several blocks away. In this whole matter, the Board does not want the flashing signs of Times Square to bleed south. Because of the mixed use character of the proposed A-2 Subarea, the Board is requesting for the zoning text provision to cap the lumens in the sign consistent with the mixture of commercial and manufacturing uses.

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<sup>11</sup> See Attachment D: MCB5 Resolution, dated July 13, 2018.

The Board would also like to note that although they will be prohibited in the proposed Subdistrict A-2, flashing signs will be permitted in the proposed Subdistrict A-1.

***Therefore, MCB4 supports the MCB5 position as stated in the letter of July 13, 2018 that the proposed language in section 121-20 of the SGCD regarding the prohibition of flashing lights be revised to include Subdistrict A-1.***

Prohibiting Use Group 18 in areas zoned M1-6

DCP proposes to prohibit Use Group 18 throughout areas zoned M1-6, which within MCD4’s boundaries, would only apply to the area from West 35<sup>th</sup> Street to West 39<sup>th</sup> Street between 8<sup>th</sup> Avenue and 100 feet west of 8<sup>th</sup> Avenue. Use Group 18 encompasses industrial uses that involve hazards such as potential fire or explosion, result in pedestrian or freight traffic, or involve a concentration of materials that can be harmful to the public. Use Group 18 is already prohibited in the portion of the SGCD that is zoned C6-4M.

***The Board supports this amendment, which creates consistency across the SGCD and ensures that heavy manufacturing uses do not develop alongside the heavily commercial and residential uses that already exist within the SGCD.***

Develop an “A Text” to provide a zoning solution for illegal demolition sites in which hotel development creates permanent affordable housing

Since December 2015, the Board has seen two sites within the SGCD in which owners have attempted to illegally demolish their buildings.

<b>Building Address</b>	<b>Block</b>	<b>Lot</b>	<b># of buildings</b>	<b># of Units</b>	<b>Date Board Became Aware</b>
319-321 West 38 <sup>th</sup> Street	762	23	3	16	December 2015
317-319 West 35 <sup>th</sup> Street	759	30	2	28	May 2016

**5      44**

Altogether, MCD4 has 11 demolition sites totaling 23 buildings and 166 residential units. All 44 units on these sites have been vacated and the buildings are partially demolished. This scenario has been seen across our district’s four Special Districts.

***In order to provide a solution for these sites in the SGCD, the Board requests that an “A Text” be created to, in cases where a demolition permit was granted in error by DOB:***

- ***In a case where an owner is providing permanent affordable housing on the site, to allow residential use below commercial use***
- ***Grandfather such sites from the proposed SGCD hotel Special Permit requirement***
- ***To make the base FAR similar for both commercial and residential developments in which permanent affordable housing is included***
- ***Create a text reference to the Hudson Yards Inclusionary Housing zoning to allow the use of both District Improvement Bonus and Inclusionary Housing Bonus in a pari passu manner***
- ***Create a text reference to the Hudson Yards Inclusionary Housing zoning to allow a broader range of income bands for such housing.***

#### Historic Properties and Potential Landmarks

DCP identified the following historic resources as NYC Landmark-eligible (NYCL-eligible) in its Environmental Assessment Statement for these Text Amendments:

- Manhattan Center – 311 West 34<sup>th</sup> Street
- New Yorker Hotel – 481 8<sup>th</sup> Avenue
- Sloan House YMCA – 360 West 34<sup>th</sup> Street.

In 2005, through the Hudson Yards Environmental Impact Statement, a series of NYCL-eligible or State and National Registers of Historic Places-eligible (S/NR-eligible) buildings have also been identified. As the Board moves ahead with these text amendments to further develop the SGCD and its surrounding blocks, MCB4 requests that the Landmarks Commission review and calendar the following specific properties:

- 300 West 38<sup>th</sup> Street
- Former NY Edison Co. – 308-312 West 36<sup>th</sup> Street
- Former Barbour Dormitory – 330 West 36<sup>th</sup> Street
- Webster Apartments – 419 West 34<sup>th</sup> Street.

Two of the above locations, the New Yorker Hotel and the Sloan House YMCA, were noted as being overbuilt to both the existing and proposed 2005 Hudson Yards rezoning. Please see Attachment E for full descriptions on each historic site.

***The Board requests that all the above sites be designated as NYC Landmarks.***

## Conclusion

MCB4 is encouraged to see the City, through DCP and EDC, engaging with all stakeholders—workers’ unions, the local theater industry, manufacturers, property owners, and the Garment Center BID to achieve substantial change to meet the needs of multiple stakeholders in the Garment Center.

MCB4 recommends denying the approval of the proposed Text Amendments to the SGCD unless the conditions below are met:

- A minimum of 500,000 square feet of manufacturing space to be preserved through the proposed IDA tax incentive program.
  - The 2017 Garment Center Steering Committee report called for the preservation of 500,000 to 750,000 square feet of manufacturing space. MCB4 appreciates the currently identified 300,000 square feet of manufacturing space but requests an additional 200,000 square feet be secured through these tax incentives.
- The 180,366 square feet of manufacturing space that was preserved between 1987 and 2011 through deed restrictions required by the current zoning provisions, should be preserved as manufacturing space in perpetuity.
- Building acquired by the City must be a minimum of 150,000 square feet and the City must commit to increasing its capital funding allocation if more funds are needed for the building acquisition.

Between the real estate tax incentives and building acquisition, the proposed changes should preserve 830,366 square feet of manufacturing space, meeting the Steering Committee’s request of between 500,000 and 750,000 square feet of manufacturing space.

Additionally, the Board believes the following recommendations will further the goals of the SGCD and ensure that the zoning regulations respond to the community’s needs:

- New Subdistrict designations
- Lifting of preservation protections in the SGCD
- Manufacturing buildings in the proposed Subdistrict A-2, larger than 70,000 square feet, will be allowed to convert to commercial but not residential use
- Establishing a Special Permit requirement for hotel development in the SGCD
- Clarification of demolition and anti-harassment restrictions
- Establishment of Street Walls throughout SGCD
- Standardizing signage regulations across the SGCD
- Prohibiting Use Group 18 in areas zoned M1-6
- Develop an “A Text” to provide a zoning solution for illegal demolition sites in which hotel development creates permanent affordable housing

Furthermore, MCB4 recommends that the Landmarks Commission review and calendar the following specific properties to be designated as NYC Landmarks:

- Manhattan Center – 311 West 34<sup>th</sup> Street
- New Yorker Hotel – 481 8<sup>th</sup> Avenue
- Sloan House YMCA – 360 West 34<sup>th</sup> Street
- 300 West 38<sup>th</sup> Street
- Former NY Edison Co. – 308-312 West 36<sup>th</sup> Street
- Former Barbour Dormitory – 330 West 36<sup>th</sup> Street
- Webster Apartments – 419 West 34<sup>th</sup> Street.

MCB4 would like to thank DCP and EDC with their dedicated and diligent staff along with the offices of the City Council Speaker and Manhattan Borough President for their commitment and cooperation in preparation for both the Garment Center Tax Incentive Program and the proposed Text Amendments in the ULURP.

MCB4 looks forward to continue working with both agencies and elected officials to ensure the success and preservation of New York City's Historic Garment Center.

Sincerely,



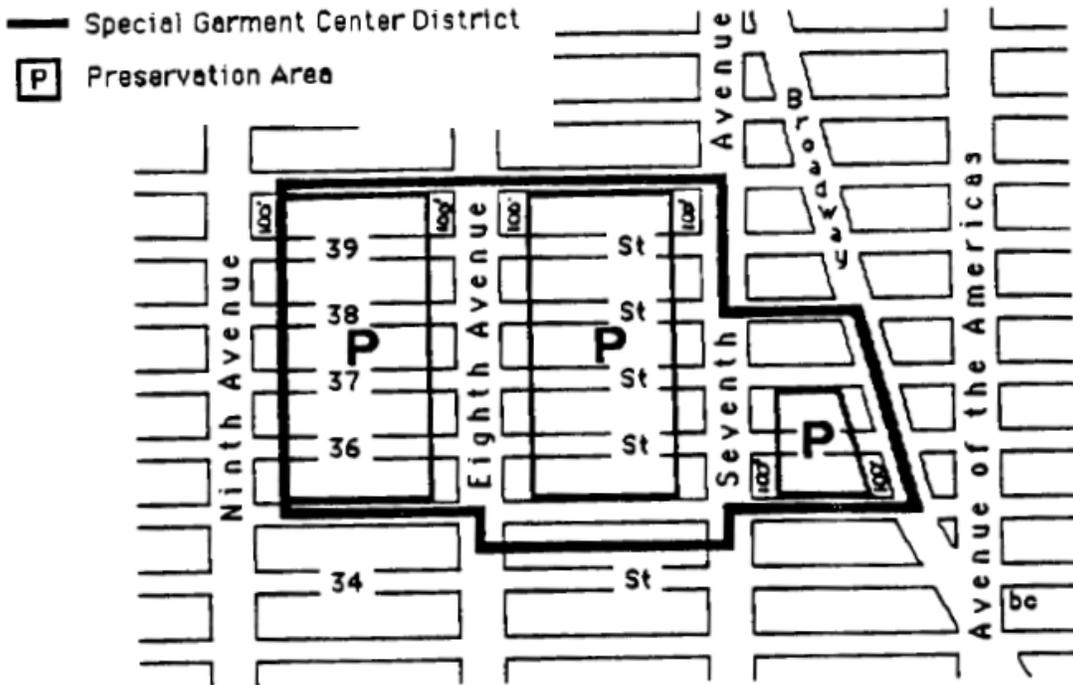
Burt Lazarin  
Chair  
Manhattan Community Board 4



Jean-Daniel Noland  
Chair  
Clinton/Hell's Kitchen Land Use Committee

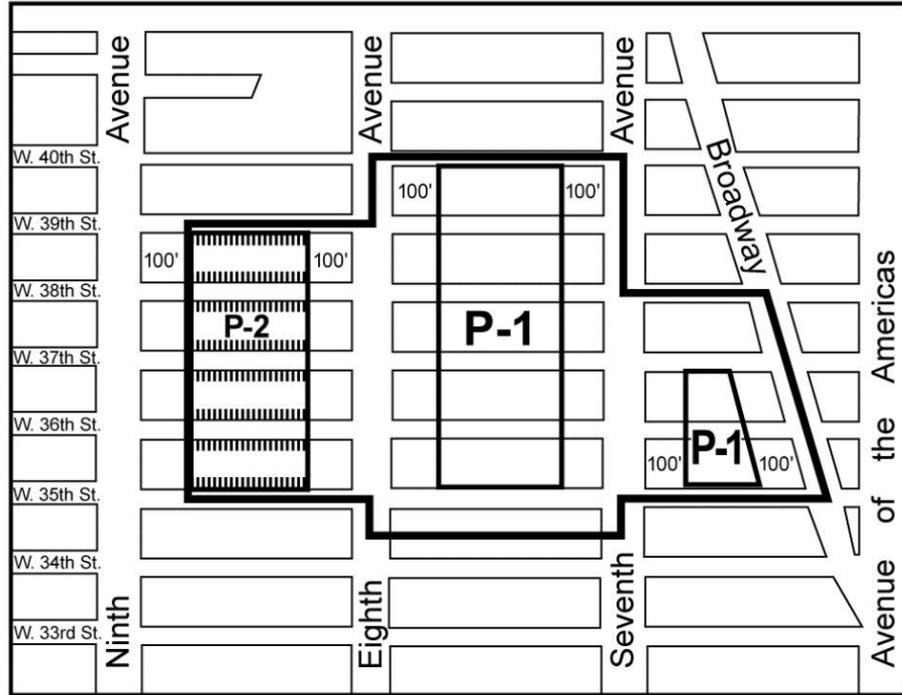
cc: Hon. Jerry Nadler, U.S. Congress  
Hon. Brad Hoylman, New York State Senate  
Hon. Richard Gottfried, New York State Assembly  
Hon. Corey Johnson, Speaker, City Council  
Hon. Gale A. Brewer, Manhattan Borough President  
Lydia Downing, NYC EDC  
Morgan Jones, NYC EDC  
Barry Dinerstein, NYC DCP  
Annie White, NYC DCP  
Vikki Barbero, Chair Manhattan Community Board 5

Attachment A: SGCD Boundaries, 1987



See Attachment B: Current SGCD Map

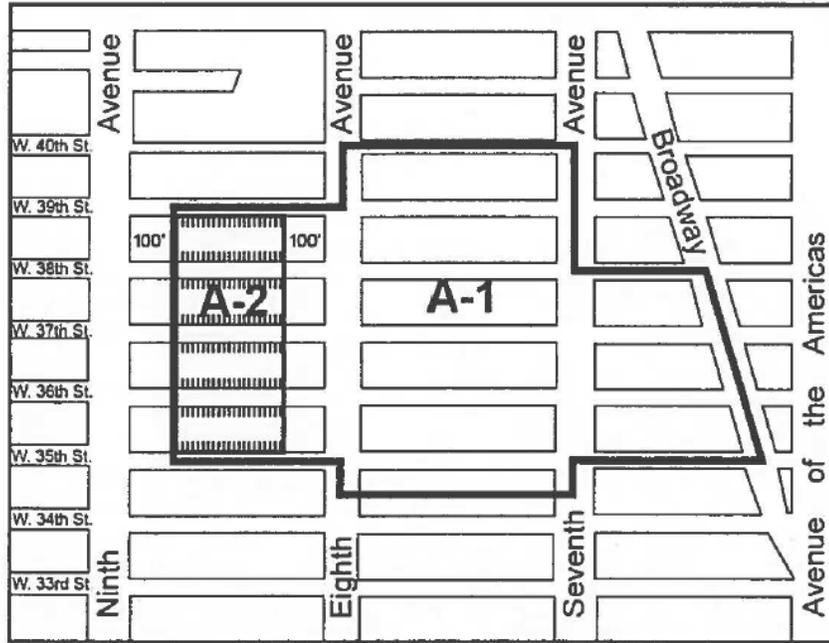
Special Garment Center District Plan



-  Special Garment Center District
-  Preservation Area
-  Street Wall required pursuant to 121-32(a)

# Attachment C: Proposed SGCD Map

## Special Garment Center District and Subdistricts



— #Special Garment Center District#

A-1 Garment Center Subdistrict A-1

A-2 Garment Center Subdistrict A-2

|||||||||||| #Street Wall# required pursuant to 121-42 (a)

See Attachment D: MCB5 Resolution, dated July 13, 2018

MANHATTAN COMMUNITY BOARD FIVE

Vikki Barbero, Chair

450 Seventh Avenue, Suite 2109  
New York, NY 10123-2199  
212.465.0907 f-212.465.1628

Wally Rubin, District Manager

July 13, 2018

Hon. Marisa Lago  
Chair of the City Planning Commission  
22 Reade Street  
New York, NY 10007

Re: *Application by the Department of City Planning (DCP) and the Economic Development Corporation to amend the zoning text for the Garment District*

Dear Chair Lago:

At the regularly scheduled monthly Community Board Five meeting on Thursday, July 12, 2018, the following resolution passed with a vote of 31 in favor; 1 opposed; 1 abstaining:

WHEREAS, The Department of City Planning (DCP) and the NYC Economic Development Corporation (EDC) propose to change zoning requirements to the Special Garment Center District (SGCD) which is located generally from West 35th Street to West 40th Street (south/north) and from Broadway to just east of 9th Ave (east/west); and

WHEREAS, The SGCD is further subdivided into subdistricts P-1 and P-2, with subdistrict P-1 located within the borders of Community District Five, and subdistrict P-2 located entirely within Community District Four; and

WHEREAS, The 1916 Zoning Resolution established what is now known as the Garment District, and was amended in 1987 to establish the Special Garment Center District due to concerns that Manhattan real estate pressures would accelerate manufacturing job losses in the Garment District; and

WHEREAS, The primary purpose of the amendment was to slow the conversion of manufacturing space into office space on side streets in the district; and

WHEREAS, The conversion to office use in the special district's "preservation" area was prohibited unless an equivalent amount of floor area was set aside for designated preferred uses; and

WHEREAS, The conversion to office use requires certification by the chair of the CPC and a deed restriction on the preserved space; and

WHEREAS, Since the establishment of the SGCD in 1987, there have been ten certifications for conversion of approximately 180,000 SF of space total; and

WHEREAS, Few property owners have conformed to the preservation requirements applicable to the conversion of new office space; and

WHEREAS, Of the 9.9 million SF in the preservation area, currently 900,000 SF is manufacturing space, 560,000 SF is warehouse space, and 1.6 million SF is showroom use, with about 2.76 million SF either not documented, vacant or retail use); and

WHEREAS, Currently, 4 million SF out of the 9.9 million SF of the preservation area are non-conforming office space; and

WHEREAS, The buildings that are a part of this 4 million SF still have certificates of occupancy for factory and warehousing uses, and therefore cannot obtain building permits for major capital renovations because they have not complied with zoning ordinances; and

WHEREAS, The proposed change would allow many current buildings owners to update the Certificates of Occupancy for their existing buildings after failing to comply with city requirements; and

WHEREAS, The proposed zoning changes would reinstate M1-6 zoning specifications for the A-1 subdistrict and lift the existing manufacturing preservation requirements; and

WHEREAS, The proposal would modify height and setback regulations for A-1 subdistrict buildings by requiring buildings to have their street wall on the street line; and

WHEREAS, These modifications would allow for denser buildings with more shadows at street level and does not provide a maximum height restriction; and

WHEREAS, Existing M1-6 regulations would be replaced by new rules similar to height and setback rules found in M1-6D districts, which are more in keeping with the existing context of loft districts in Manhattan; and

WHEREAS, M1-6 zoning permits commercial, manufacturing and community facility uses having a maximum base FAR of 10 and maximum bonus FAR of 12 through the provision of a public plaza; and

WHEREAS, The proposal would subject the entire SGCD to C6-4 zoning restrictions on sign regulations; and

WHEREAS, The proposal would subject the entire SGCD to permit a building to operate a new Hotel Use only by City Planning Commission Special Permit (a modified ULURP procedure); and

WHEREAS, The proposed Hotel Special Permit would not apply to Transient Facilities operated for a Public Purpose and would require the City Planning Commission to find whether or not a proposed hotel in the A-1 subdistrict would “facilitate a diverse business district”; and

WHEREAS, The EDC with their subsidiary, the Industrial Development Agency (IDA), propose to support the fashion ecosystem by providing rent stability to fashion manufacturers and to continue and bolster the Made in NY fashion programs while giving new priority to Garment District businesses; and

WHEREAS, Fashion manufacturers include companies that transform raw materials into fashion-related products on-site and companies that provide a service along the supply chain of garment production; and

WHEREAS, IDA is instituting a new tax abatement program for building owners in the Garment District who choose to participate that would cap the rent of fashion manufacturers in program-buildings to a maximum of \$35 per square foot gross rent, mandate fashion manufacturers to exercise lease options for at least 15 years, and the fashion manufacturers and the building owner must comply with visits and an annual review by IDA; and

WHEREAS, Landlords of four Garment District buildings comprising a total of nearly 300,000 square feet have already been identified as willing to enter into this tax abatement program with NYCIDA; and

WHEREAS, The City will release a competitive procurement for a new Public-Private partnership in September 2018, committing up to \$20 million in city capital for a non-profit developer to purchase, operate, and manage a building located in the Garment District for the purpose of preserving garment manufacturing in the Garment District; and

WHEREAS, EDC has committed \$15 million over ten years through their Fashion Manufacturing Initiative, public-private partnerships, apprenticeship grants, business grants, planning assistance, and industry events and EDC will now prioritize Garment District businesses for these programs; and

WHEREAS, CB5 participated in the 2017 Garment Center Steering Committee co-chaired by Borough President Gale Brewer and current Council Speaker Corey Johnson and CB5 continues to support all of the Steering Committee's Report Recommendations; and

WHEREAS, CB5 is highly concerned about the enforcement of landlord and manufacturer compliance and public oversight of NYCIDA because of the acknowledged neglectful and ineffective enforcement history by Department of Buildings under the current Garment District zoning; and

WHEREAS, Although the EDC maintains that a detailed assessment of the proposed action's potential direct and indirect impacts on the apparel manufacturing industry and the broader fashion industry is warranted, a specific analysis of impact to the current apparel manufacturing industry supply chain has not been performed including, but not limited to, wholesalers, notions, and fabric suppliers; and

WHEREAS, The proposal's inclusion of a new Workforce Development Program, which is stated to include "business plan development" and "technical assistance" to businesses in the garment industry, while admirable in the abstract, is not specific in regard to the mechanism for public input into the most critical needs facing small businesses, or the eligibility requirements for businesses who seek to gain support; and

WHEREAS, Community Board Five believes that robust outreach to small businesses, individual designers, seamstresses and workhouses that serve other small businesses is absolutely mandatory and must be an explicit part of the proposal, including efforts to overcome language barriers, in order to help that part of the ecosystem and supply chain not only survive but thrive; and

WHEREAS, CB5 is supportive of any efforts by public or private entities to work with community stakeholders to maintain a robust fashion manufacturing ecosystem in the Garment District; and

WHEREAS, As CB5 is fully aware that the Garment District's manufacturing model is based on high quality, not high volume, we support the training of highly skilled garment production specialists, craftsmen, and artisans; and

WHEREAS, CB5 is extremely concerned about unintended consequences of restricting hotel development through a Hotel Special Permit, and that the City Planning Commission could formulate a metric for evaluating hotel development without sufficient deference to the opinions of the community board regarding new hotel projects; and

WHEREAS, CB5 has considerable concern about proceeding with the rezoning prior to the new protections and programs being put into place; therefore, be it

**RESOLVED**, Community Board Five **denies** the proposed rezoning for the Special Garment Center District **unless**:

1. Real-time easily-accessible data are made available to the public to see and tabulate that NYCIDA is reviewing leases and enforcing compliance under the terms of the public-private partnership and the tax-abatement program;
2. The lease renewal options for fashion manufacturers in the tax abatement program are permanent, just as it is in the public-private partnership for the acquisition of a building devoted to garment industry use;
3. The city makes a concerted effort to find additional building owners who will agree to be a part of the tax-abatement program so that *at least* 500,000 square feet of permanently affordable fashion manufacturing space will remain in the Garment District;

4. Greater efforts by EDC and IDA to partner with additional workforce talent pipelines, educational institutions, and community organizations for vocational training, job recruitment, and continuing education through multiple languages;
5. Any increase to the permitted height of the street wall be implemented in concert with a cap on the maximum height of buildings in the area;
6. The proposed language in section 121-32 (a) of the SGCD allows buildings with a public plaza to not have to abide by the street wall requirements be revised to prohibit the creation of midblock plazas;
7. The proposed language in section 121-30 of the SGCD regarding the prohibition of flashing lights be revised to include Subdistrict A2;
8. More detailed and clear parameters be established to determine whether a hotel development seeking a special permit in the special district enhances the diversity of businesses in the area;
9. The application process before the IDA proceed at the timeline presently stated by the EDC, namely, that the application appear before the board of the IDA at the September 2018 public hearing, with the board's vote to take place on September 18, 2018.

Thank you for the opportunity to comment on this matter.

Sincerely,



Vikki Barbero  
Chair

Charles Jordan  
Chair, Land Use, Housing & Zoning Committee

## See Attachment E: Historic Properties and Landmarks

Please see below information prepared by the NYC Landmarks Commission in relation to historic properties in and around the SGCD extracted from the 2005 Hudson Yards Environmental Impact Statement and the 2018 Garment Center Text Amendment Environmental Assessment Statement.

Name or Building Type	Address	NYCL-Eligible	S/NR-Eligible	Citation
Manhattan Opera House	311 West 34 <sup>th</sup> Street	x	x	2005 HY EIS pg 9-46 2018 GCTA EAS pg E-11
New Yorker Hotel	481 8 <sup>th</sup> Avenue	x	x	2005 HY EIS pg 9-55 2018 GCTA EAS pg E-10
Sloan House Y	360 West 34 <sup>th</sup> Street	x	x	2005 HY EIS pg 9-41 2018 GCTA EAS pg E-11
Commercial Building	300 West 38 <sup>th</sup> Street	x	-	2005 HY EIS pg 9-13
Former Co-Edison building	308-312 West 36 <sup>th</sup> Street	-	x	2005 HY EIS pg 9-47
Barbour House	330 West 36 <sup>th</sup> Street	-	x	2005 HY EIS pg 9-40
Webster Apartments	419 West 34 <sup>th</sup> Street.	-	x	2005 HY EIS pg 9-42



### Manhattan Opera House

Designed by William E. Mowbray to resemble an Italian palazzo, the former Manhattan Opera House (S/NR-eligible, NYCL-eligible) at 311 West 34<sup>th</sup> Street was constructed between 1901 and 1907 for producer Oscar Hammerstein, who sought to compete with the Metropolitan Opera. The nine-story, brick-and-stone building is set on a two-story rusticated stone base. Five arched entrances with pronounced keystones and voussoirs are located on the ground floor. The main body of the building, in keeping with its original function as a performance space, is largely solid surface. There are, however, five bays of small windows in the center of the façade. The third-floor windows are arched, with stone enframements. The sixth-floor windows are arched double-windows with stone colonnette mullions and stone tympanums. Stone balconies with decorative panels are located below each of the double-windows. The top portion of the building is designed as an attic story punctured with small, square window openings and adorned with stone band courses, cartouches, and a cornice. In 1923, the building was altered for the New York Freemason group, the Ancient Accepted Scottish Rite of Free Masonry. Their name is still inscribed in the frieze above the base. A modern canopy is attached to the ground floor. In a letter dated November 18, 2003, the LPC determined that the former opera house also appears to be eligible for LPC designation. The Manhattan Opera House was built in a low-rise

residential area that included an adjacent church at 305-309 West 34th Street and the New York Institute for the Blind across the street. The context now consists of the tall Hotel New Yorker adjacent to the east, Madison Square Garden, and the 57-story, metal and glass 1 Penn Plaza building.



### **New Yorker Hotel**

The New Yorker Hotel (S/NR-eligible, NYCL-eligible) at 481-497 Eighth Avenue was constructed in 1928–1930 to designs by Sugarman & Berger. The bold massing of the 43-story, brick-and-stone building is the most significant feature of its design. Corner towers rise in a series of deep setbacks to the central tower, which has a form accented by deep light courts on each of its façades. On the north and south façades, there are two light courts that create a central pavilion flanked by the corner towers; on the Eighth Avenue façade, there is only one central light court. Most of the brick wall surface, above the stone base, is simply articulated with vertical bands of windows. Art Deco ornamentation is found in carved stone blocks at the parapet

of each setback, in panels above the fourth-floor windows, and on the base. From 1975 until recently, the building housed the national headquarters of the Holy Spirit Association for the Unification of World Christianity (Unification Church). It now functions again as a hotel. In a letter dated November 18, 2003, the LPC determined that the hotel building also appears to be eligible for LPC designation. The hotel was constructed adjacent to the east of the Manhattan Opera House. Other surrounding buildings in 1930 included numerous garment loft buildings, and some low-rise residential buildings across the street to the south at 304-328 West 34th Street. Currently, the immediate context primarily consists of non-descript, low-rise retail stores and heavily altered, low-rise commercial buildings. One Penn Plaza is located across Eighth Avenue to the southwest.



### **William F. Sloan Memorial Branch of the YMCA**

Cross & Cross designed the William F. Sloan Memorial Branch of the YMCA (S/NR-eligible, NYCL-eligible) at 360 West 34th Street. Built in 1929-1930 and named for William Sloan, the chairman of the National War Council of the YMCA during the First World War, the building originally functioned to provide, for men in the armed services, social facilities and sleeping accommodations for more than 1,600. It aimed to address the lack of centrally located facilities for the service men quartered in and passing through the City. Sleeping accommodations were also provided for transient civilians on a secondary basis. Also fronting on West 33rd Street, the 14-story brick

building is designed in the neo-Georgian style. The two-story base has a limestone ground floor that contains entrances with broken segmental pediments and a second floor with round-arched windows with stone keystones. A central light court on the West 34th Street façade creates corner pavilions that are set back above the ninth floor. Stone detailing includes quoins, string courses, window keystones and voussoirs, balustrades, cartouches, and pediments that form the crowns of the corner pavilions. The south façade does not use setbacks. Abutting a three story building on Ninth Avenue, the west façade carries the design of the north and south façades and also utilizes the corner pavilion motif. In a letter dated November 18, 2003, the LPC determined that this building also appears to be eligible for LPC designation. When the YMCA was completed, the 18-story J.C. Penney office building (described below) was located adjacent to the east. Other defining features of the immediate vicinity were the portion of the Penn Station rail yard, on the west half of the block that contained the U.S. General Post Office, and low-rise residential buildings across Ninth Avenue. The existing context is similar, although there are fewer low-rise residential buildings. A large parking lot is located across West 33rd Street to the north.



### **300 West 38th Street**

The three-story building (NYCL-eligible) at 300 West 38th Street and 557 Eighth Avenue is a unique, brick-and-terra-cotta, Beaux Arts structure built in 1902-1903 that originally housed offices on the ground floor and dwellings on the upper floors. Stein, Cohen & Roth designed the small rectangular building with a profusion of ornamentation. Although

the ground floor has been altered with modern storefronts, the upper two floors retain their original features. Filling the majority of the east and north façades are two rows of windows with terra cotta architraves. The windows are also carried across the angled northeast corner of the building. On the second floor, the window architraves have cornices and friezes decorated with floral reliefs. On the third floor, the architraves lack cornices, but are more elaborately molded. At each end of the north façade, there are two double-height, metal bay windows. Brick piers articulate the spaces between the windows. Except at the corners, the piers are only the height of the second floor, but are capped with terra cotta heads set on a base of floral reliefs that, with the sills of the adjacent windows, create a terra cotta course across the base of the third floor. A deeply projecting, sheet metal cornice caps the building. Supported on brackets that are attached to the double-height corner piers, the cornice has a frieze with panels of geometric reliefs and a parapet decorated with roundels, cartouches, and relief panels. In a letter dated November 18, 2003, the LPC determined that this building appears to be eligible for LPC designation. This small commercial and residential building was constructed in a primarily residential district composed of buildings of comparable height. Several movie theaters and factories were also located nearby. It is now completely surrounded by tall garment loft buildings.



### **New York Edison Company**

The four-story brick Beaux Arts building at 308-312 West 36th Street is a former New York Edison Company electrical distribution station (S/NR-eligible). Designed by William Whitehill and constructed in 1925–1926, it is divided into two bays and set on a large base. The central bay is largely clad in stone, with the base dominated by a large round-arched entrance and the upper stories designed with wall arcades. At the entrance, small pilasters support the arch, which is flanked by double-height recessed pilasters with stylized capitals. A stone cornice with stylized dentils is set above the base. The central bay above the base consists of two wall arcades of three round-arched window bays and four stone pilasters each. The lower arcade is two stories, and stone spandrel panels separate the second and third floor windows. The upper arcade is compressed in detail. The side bay consists of a largely blank brick wall surface, relieved only with recessed central sections and narrow, round-arched lancet windows demarcating each floor. At the base, there are round-arched entrances in each bay. A stone cornice caps the building. Several alterations have been made to the base—the enframing of the east entrance has been removed and the central entrance has been partially filled with modern glass, and the doors and sash removed (although an original metal spandrel remains). Low-rise residential buildings were adjacent to the Con Ed building when it was constructed in 1925. Numerous garment loft buildings were also located nearby. The context is largely similar.



### **Barbour Dormitory**

Adjacent to the east of the Christ Church Memorial (see below), the former Barbour Dormitory (S/NR-eligible) at 330 West 36th Street is a seven-story, brick-and-stone English Gothic building designed by Hill & Stout. Built in 1915–1916 as a memorial to William D. Barbour, who was associated with the Brick Presbyterian Church, the Barbour Dormitory served as a settlement house for working girls. It is divided into three bays, which contain, at the base, a central entrance flanked by windows. The entrance and windows are recessed and framed in stone. A terra cotta band carved with floral patterns runs above the base. On the third through sixth floors, the bays contain windows with stone enframements spaced by stone spandrels with Gothic tracery. Resting on a stone entablature with quatrefoil designs, the top floor is ornamented with panels of stone lancet windows and stone spires. When the Barbour Dormitory was constructed, West 36th Street between Eighth and Ninth Avenues was defined by Christ Church Memorial, a school, a cemetery, and low-rise residential buildings. Although Christ Church

Memorial remains, the street is currently characterized by tall garment loft buildings, a few non-descript low-rise commercial structures, and two parking garages, one of which is adjacent to and east of the dormitory building.



### **Webster Apartments**

Parish & Schroeder designed the 14-story Webster Apartments (S/NR-eligible) at 419 West 34th Street. It was built in 1922–1923 from a gift of Charles B. Webster, a former senior partner of R. H. Macy & Company, as an apartment hotel for working women. The fund set up by Webster specified that the apartment hotel was to cater to working women with modest salaries. Also meant to provide the services of a social club, the building originally contained a lounge, a dance and lecture hall, a kitchen and dining room, a library, an infirmary, ten small reception rooms, and sewing rooms and laundries on the residential floors, in addition to 360 bedrooms. The permanent staff included a woman manager, housekeeper, dietician, nurse, chef, and associated help. Designed in a respectable, austere neo-Georgian style, as thought to befit an apartment for working women in the early 20th century, the building is organized in a U-plan with a large central light court fronting on West 34th Street above the three-story base. Below the light court is a large stone entrance porch composed of columns supporting an entablature. Above the entablature is a three light stone window and broken segmental pediment. Segmental tympanums with carved decorations are set above the first-floor windows. The top two floors have the form of a pilastered loggia set on a stone balustrade and ornamented with carved stone spandrel panels. Stone cornices are located above the base and at the roofline. The Webster Apartments were constructed on a block of mostly low-rise residential buildings. Mary's Hospital for Children (built in 1901 and non-extant) was located to the east at 405-411 West 34th Street and 435-437 Ninth Avenue. St. Michael's RC Church Complex (described below) was located directly across the street to the south. The Ninth Avenue elevated train also ran nearby the apartment building. Within a few years, two large apartment buildings and the Master Printers Building were located in the immediate vicinity. Construction of Dyer Avenue demolished many buildings in the area. An entrance to the tunnel approach is now adjacent to the west of the apartment building. A boxy eight-story building with strip windows is located on this resource's east side on the site of the children's hospital.

# MANHATTAN COMMUNITY BOARD FIVE

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Vikki Barbero, Chair

450 Seventh Avenue, Suite 2109  
New York, NY 10123-2199  
212.465.0907 f-212.465.1628

Wally Rubin, District Manager

July 13, 2018

Hon. Marisa Lago  
Chair of the City Planning Commission  
22 Reade Street  
New York, NY 10007

Re: *Application by the Department of City Planning (DCP) and the Economic Development Corporation to amend the zoning text for the Garment District*

Dear Chair Lago:

At the regularly scheduled monthly Community Board Five meeting on Thursday, July 12, 2018, the following resolution passed with a vote of 31 in favor; 1 opposed; 1 abstaining:

WHEREAS, The Department of City Planning (DCP) and the NYC Economic Development Corporation (EDC) propose to change zoning requirements to the Special Garment Center District (SGCD) which is located generally from West 35th Street to West 40th Street (south/north) and from Broadway to just east of 9th Ave (east/west); and

WHEREAS, The SGCD is further subdivided into subdistricts P-1 and P-2, with subdistrict P-1 located within the borders of Community District Five, and subdistrict P-2 located entirely within Community District Four; and

WHEREAS, The 1916 Zoning Resolution established what is now known as the Garment District, and was amended in 1987 to establish the Special Garment Center District due to concerns that Manhattan real estate pressures would accelerate manufacturing job losses in the Garment District; and

WHEREAS, The primary purpose of the amendment was to slow the conversion of manufacturing space into office space on side streets in the district; and

WHEREAS, The conversion to office use in the special district's "preservation" area was prohibited unless an equivalent amount of floor area was set aside for designated preferred uses; and

WHEREAS, The conversion to office use requires certification by the chair of the CPC and a deed restriction on the preserved space; and

WHEREAS, Since the establishment of the SGCD in 1987, there have been ten certifications for conversion of approximately 180,000 SF of space total; and

WHEREAS, Few property owners have conformed to the preservation requirements applicable to the conversion of new office space; and

WHEREAS, Of the 9.9 million SF in the preservation area, currently 900,000 SF is manufacturing space, 560,000 SF is warehouse space, and 1.6 million SF is showroom use, with about 2.76 million SF either not documented, vacant or retail use); and

WHEREAS, Currently, 4 million SF out of the 9.9 million SF of the preservation area are non-conforming office space; and

WHEREAS, The buildings that are a part of this 4 million SF still have certificates of occupancy for factory and warehousing uses, and therefore cannot obtain building permits for major capital renovations because they have not complied with zoning ordinances; and

WHEREAS, The proposed change would allow many current buildings owners to update the Certificates of Occupancy for their existing buildings after failing to comply with city requirements; and

WHEREAS, The proposed zoning changes would reinstate M1-6 zoning specifications for the A-1 subdistrict and lift the existing manufacturing preservation requirements; and

WHEREAS, The proposal would modify height and setback regulations for A-1 subdistrict buildings by requiring buildings to have their street wall on the street line; and

WHEREAS, These modifications would allow for denser buildings with more shadows at street level and does not provide a maximum height restriction; and

WHEREAS, Existing M1-6 regulations would be replaced by new rules similar to height and setback rules found in M1-6D districts, which are more in keeping with the existing context of loft districts in Manhattan; and

WHEREAS, M1-6 zoning permits commercial, manufacturing and community facility uses having a maximum base FAR of 10 and maximum bonus FAR of 12 through the provision of a public plaza; and

WHEREAS, The proposal would subject the entire SGCD to C6-4 zoning restrictions on sign regulations; and

WHEREAS, The proposal would subject the entire SGCD to permit a building to operate a new Hotel Use only by City Planning Commission Special Permit (a modified ULURP procedure); and

WHEREAS, The proposed Hotel Special Permit would not apply to Transient Facilities operated for a Public Purpose and would require the City Planning Commission to find whether or not a proposed hotel in the A-1 subdistrict would “facilitate a diverse business district”; and

WHEREAS, The EDC with their subsidiary, the Industrial Development Agency (IDA), propose to support the fashion ecosystem by providing rent stability to fashion manufacturers and to continue and bolster the Made in NY fashion programs while giving new priority to Garment District businesses; and

WHEREAS, Fashion manufacturers include companies that transform raw materials into fashion-related products on-site and companies that provide a service along the supply chain of garment production; and

WHEREAS, IDA is instituting a new tax abatement program for building owners in the Garment District who choose to participate that would cap the rent of fashion manufacturers in program-buildings to a maximum of \$35 per square foot gross rent, mandate fashion manufacturers to exercise lease options for at least 15 years, and the fashion manufacturers and the building owner must comply with visits and an annual review by IDA; and

WHEREAS, Landlords of four Garment District buildings comprising a total of nearly 300,000 square feet have already been identified as willing to enter into this tax abatement program with NYCIDA; and

WHEREAS, The City will release a competitive procurement for a new Public-Private partnership in September 2018, committing up to \$20 million in city capital for a non-profit developer to purchase, operate, and manage a building located in the Garment District for the purpose of preserving garment manufacturing in the Garment District; and

WHEREAS, EDC has committed \$15 million over ten years through their Fashion Manufacturing Initiative, public-private partnerships, apprenticeship grants, business grants, planning assistance, and industry events and EDC will now prioritize Garment District businesses for these programs; and

WHEREAS, CB5 participated in the 2017 Garment Center Steering Committee co-chaired by Borough President Gale Brewer and current Council Speaker Corey Johnson and CB5 continues to support all of the Steering Committee's Report Recommendations; and

WHEREAS, CB5 is highly concerned about the enforcement of landlord and manufacturer compliance and public oversight of NYCIDA because of the acknowledged neglectful and ineffective enforcement history by Department of Buildings under the current Garment District zoning; and

WHEREAS, Although the EDC maintains that a detailed assessment of the proposed action's potential direct and indirect impacts on the apparel manufacturing industry and the broader fashion industry is warranted, a specific analysis of impact to the current apparel manufacturing industry supply chain has not been performed including, but not limited to, wholesalers, notions, and fabric suppliers; and

WHEREAS, The proposal's inclusion of a new Workforce Development Program, which is stated to include "business plan development" and "technical assistance" to businesses in the garment industry, while admirable in the abstract, is not specific in regard to the mechanism for public input into the most critical needs facing small businesses, or the eligibility requirements for businesses who seek to gain support; and

WHEREAS, Community Board Five believes that robust outreach to small businesses, individual designers, seamstresses and workhouses that serve other small businesses is absolutely mandatory and must be an explicit part of the proposal, including efforts to overcome language barriers, in order to help that part of the ecosystem and supply chain not only survive but thrive; and

WHEREAS, CB5 is supportive of any efforts by public or private entities to work with community stakeholders to maintain a robust fashion manufacturing ecosystem in the Garment District; and

WHEREAS, As CB5 is fully aware that the Garment District's manufacturing model is based on high quality, not high volume, we support the training of highly skilled garment production specialists, craftsmen, and artisans; and

WHEREAS, CB5 is extremely concerned about unintended consequences of restricting hotel development through a Hotel Special Permit, and that the City Planning Commission could formulate a metric for evaluating hotel development without sufficient deference to the opinions of the community board regarding new hotel projects; and

WHEREAS, CB5 has considerable concern about proceeding with the rezoning prior to the new protections and programs being put into place; therefore, be it

**RESOLVED**, Community Board Five **denies** the proposed rezoning for the Special Garment Center District **unless**:

1. Real-time easily-accessible data are made available to the public to see and tabulate that NYCIDA is reviewing leases and enforcing compliance under the terms of the public-private partnership and the tax-abatement program;
2. The lease renewal options for fashion manufacturers in the tax abatement program are permanent, just as it is in the public-private partnership for the acquisition of a building devoted to garment industry use;
3. The city makes a concerted effort to find additional building owners who will agree to be a part of the tax-abatement program so that *at least* 500,000 square feet of permanently affordable fashion manufacturing space will remain in the Garment District;

4. Greater efforts by EDC and IDA to partner with additional workforce talent pipelines, educational institutions, and community organizations for vocational training, job recruitment, and continuing education through multiple languages;
5. Any increase to the permitted height of the street wall be implemented in concert with a cap on the maximum height of buildings in the area;
6. The proposed language in section 121-32 (a) of the SGCD allows buildings with a public plaza to not have to abide by the street wall requirements be revised to prohibit the creation of midblock plazas;
7. The proposed language in section 121-30 of the SGCD regarding the prohibition of flashing lights be revised to include Subdistrict A2;
8. More detailed and clear parameters be established to determine whether a hotel development seeking a special permit in the special district enhances the diversity of businesses in the area;
9. The application process before the IDA proceed at the timeline presently stated by the EDC, namely, that the application appear before the board of the IDA at the September 2018 public hearing, with the board's vote to take place on September 18, 2018.

Thank you for the opportunity to comment on this matter.

Sincerely,



Vikki Barbero  
Chair

Charles Jordan  
Chair, Land Use, Housing & Zoning Committee



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**Gale A. Brewer, Borough President**

August 20, 2018

**Recommendation on the Garment Center Text Amendment  
Application No. N 180373 ZRM  
by the New York City Department of City Planning and  
the New York City Economic Development Corporation**

**BOROUGH PRESIDENT'S COMMENTS**

The Garment Center has been one of my top priorities for almost two years. When the plan to lift the zoning restrictions first circulated in 2017, I was – to be honest – horrified. The garment and fashion industry is an iconic cornerstone of our city, an irreplaceable part of our history, and the lifeblood of a variety of other related industries. Its dynamism and creativity animate a unique part of our borough, where young men and women carry rolls of fabric through the streets at all hours of the day while navigating within a rich, interdependent ecosystem of designers, suppliers, and manufacturers. The Garment Center is a truly distinctive neighborhood in a time when economic pressures are making our neighborhoods more and more the same.

The 2017 plan called for a lifting of the zoning restriction requiring property owners to preserve one square foot of garment manufacturing space for each square foot converted in return for little more than some relocation assistance for manufacturing firms that could no longer afford to stay in the district. There was nothing else to support and bolster the industry against mounting real estate demands, which were only likely to increase with the lifting of the preservation restrictions. Besides my deep personal aversion to this, there were also tremendous doubts about the potential relocation of such an intricate and complicated industry. The central position of the Garment Center in mid-Manhattan near major regional transportation hubs and related, dependent uses such as the Broadway theaters seemed integral to its competitiveness and viability. This ecosystem, which developed naturally over the course of decades, seemed fantastically complex, and we did not think that the City's plan adequately took into account this complexity.

My office spoke first to dozens, and then over time to hundreds of businesses and workers from the Garment District. They told us over and over that the proximity and concentration of related uses in the Manhattan Garment Center were fundamental to their operations. They stressed to us

that transportation options to potential relocation sites such as Sunset Park in Brooklyn simply did not work for them and for their employees. We came to firmly believe that keeping a long-term core of manufacturing firms in the Garment Center was essential to preserve the foundation of New York’s garment and fashion industry. This core in Manhattan would be the hub, and while there can and should be spokes in other parts of the city, the hub should remain in the Garment Center.

I insisted on the formation of a pre-planning “Garment Center Steering Committee,” together with Council Speaker Corey Johnson, the other elected officials, the relevant community boards, EDC, representatives of manufacturers, unions, real estate and experts in order to come up with a set of recommendations that would stabilize and strengthen the garment and fashion industry in the Garment Center. What followed was one of the most complicated and nuanced initiatives that I have undertaken during my Borough Presidency, as we worked hard throughout the original three-month duration of the Steering Committee process and far beyond to advance a comprehensive plan.

We quickly came to appreciate the difficulties of prognosticating for an industry that has undergone massive global change over the past few decades. While there are property owners who have rented to garment and fashion manufacturing uses all this time, and are enthusiastic about continuing to do so in the future, it seems sensible that they be afforded some degree of flexibility over the long term.

Meanwhile, it has never been clear how we should evaluate the effects of the zoning restrictions given their inadequate and negligent enforcement. According to DCP, there are more than 4 million square feet of non-conforming office use in Preservation Areas P1 and P2. One can say that zoning is a blunt and imperfect tool, and that it was wholly inadequate against the global forces that transformed the industry. However, coming in as policymakers after the fact, it would have nevertheless been significantly more helpful if the rules in place had actually been enforced.

However, the driving force for us is the continued difficulties facing garment manufacturers and businesses. A year has passed since the start of the Steering Committee process, during which time the lifting of the zoning restrictions were put on hold as EDC staff worked diligently on alternate ways to preserve long-term manufacturing space. I had hoped that stopping the zoning change might somewhat stabilize the situation in the Garment Center, but I continued to hear anecdotally of firms having difficulty renewing leases, and rising rents forcing firms out of the Garment District. I started to believe that the status quo – even with the zoning restriction in place – was not going to work.

All of this brings us to the task at hand. Working with Steering Committee members and taking into account our recommendations, the Administration has presented a significantly improved plan for the Garment Center. Rather than just providing relocation assistance for businesses to leave the Garment Center, this new plan includes thoughtfully negotiated incentives to keep garment manufacturing in place in Manhattan, and significant City capital investment to acquire permanent space for the industry.

What we must do now is to properly address this commendable new plan, to work diligently toward every benchmark, and to make sure that the promise contained herein is fully realized. The current zoning restrictions, however imperfect, represent a decades-long attempt to support this iconic industry and unique neighborhood. The lifting of these restrictions should be done in conjunction with the proposed preservation programs. The de Blasio administration and EDC have kept their commitments to remain on schedule, and I will continue working to ensure that these vital components of the plan come to fruition.

#### *NYCIDA Garment Center Program*

A key recommendation of the Garment Center Steering Committee report was to establish a custom NYC Industrial Development Agency (IDA) program to retain long-term garment production space in the Garment Center. Such a program would abate property taxes for Garment Center landlords to incentivize long-term affordable leases for garment manufacturers and other supportive services in the garment production supply chain.

Along with the reintroduction of the text amendment to lift the zoning restrictions earlier in May of this year, EDC announced that they have secured the commitment of 300,000 square feet over four different properties into the IDA program through executed term sheets. According to the latest update from EDC, two of the executed term sheets, representing about 200,000 square feet of space will be ready to be heard and voted on by the IDA Board in September.

Approximately 180,000 square feet of space in the preservation areas were preserved in accordance with the requirements of the current zoning restriction. However, it is my understanding that as of today, most of this space is not currently used for garment manufacturing. If it were, this would be a great boost to the effort to preserve a substantial core of manufacturing space in the Garment Center and provides further evidence of the deleterious effects that the lack of enforcement has had. EDC and the Administration should make up for this loss in their efforts to preserve additional space for manufacturing.

In addition, since certification of the current text amendment, EDC has persistently re-engaged with additional property owners who might opt into the program, including a few owners who were slightly below the 25,000 square feet threshold originally set by the program. As a result of these continuing efforts and increased flexibility, EDC tentatively estimates that it has a 50

percent or better chance of obtaining some level of space commitment to the IDA program from an additional four buildings.

The program would require property owners to offer 15-year leases with a maximum gross rent of \$35 per square foot, which includes utilities and other expenses, and are subject to a penalty schedule and annual compliance review, including substantial clawback provisions during the first five years.

In exchange, the participating property owners will receive discretionary tax benefits from the IDA that increase with the amount of manufacturing space preserved with an additional \$1 in per square foot benefit per 25,000 square feet preserved. Thus a 25,000 square foot space would receive \$1.00 per square foot in benefits and a 100,000 square foot space would receive \$4.00 in benefits per square foot of manufacturing space preserved.

In terms of the timeline of approval for the IDA program, the information package for the public hearing for the first two applications comprising approximately 200,000 square feet, will be prepared and posted to the IDA website by August 30<sup>th</sup>. The projects for approval would be sent to the IDA Board of Directors during the week of September 3<sup>rd</sup>, the public hearing will be on September 13<sup>th</sup>, and the projects would officially be up for approval at the IDA Board meeting on September 19<sup>th</sup>.

### *Building Acquisition*

The Garment Center Steering Committee agreed on the necessity of an IDA program. However, most members including myself believed that the IDA alone was not enough. Early this spring, Speaker Corey Johnson and I met with the President of EDC. The Speaker was instrumental in conveying the need for an additional way to secure affordable space through the purchase of a building. We viewed this as even more important because the 15 year lease requirements contained in the IDA program – while necessary because owners would not commit to longer given the trends in garment manufacturing – were not as long as we would have liked. Recognizing this as well, EDC agreed to provide up to \$20 million to facilitate the purchase of a Garment Center building with a non-profit partner to operate and manage as permanent, dedicated garment production space.

EDC plans to release a Request for Expressions of Interest (RFEI) to identify the nonprofit partner, who would leverage the City funding and additional equity in order to obtain debt financing. According to the latest update, EDC is in the midst of performing due diligence and drafting language with the intent of releasing the RFEI in September 2018.

*BID Assessment*

Initially the Garment District Alliance had agreed with the de Blasio administration to raise up to \$25 million to relocate garment manufacturers elsewhere in the city. After discussions with EDC, the City, and the Garment District Alliance, it has been agreed that funds raised via an additional assessment will be used for technical assistance and other programming that would be available to garment manufacturers, suppliers, and designers in the area.

*Fashion Manufacturing Initiative*

FMI is a partnership between EDC and the Council of Fashion Designers of America (CFDA) to preserve and strengthen garment production in New York City. The FMI Grant Program is a partial matching fund for acquisition of innovative equipment, advanced technology, workforce training, business consulting services, relocation costs, and capital improvements. Each Grant Recipient must match 33 cents to each dollar of the total investment amount requested. Since 2013, the FMI Grant Program has awarded \$2.8 million to 25 different businesses through 34 grants, with an average award amount of \$85,000. More than \$4 million have been raised for the program by the CFDA and the industry. Grant applications for Year 6 of the Fashion Manufacturing Initiative (FMI) is now live through September 4th.

I strongly believe that this is our last opportunity to meaningfully preserve long-term garment manufacturing space in the Garment Center and to do so with very significant City resources at our disposal. Were I not so strong in this conviction, I would have let the status quo continue with the restriction in place as it has been in the year since the Steering Committee issued its report. While the IDA program is not as long-term as I would have liked, I am convinced that EDC did the best they could do and that owners are being rational in their refusal to sign up for a longer term program given the trends over the last several years. That is why the building purchase is so critical. I have been convinced that EDC has made the success of the building purchase a priority as well, but more progress must be made on this critical step. Having already seen the creation of the custom IDA program with 300,000 square feet of space on its way to approval, witnessed EDC's continuing efforts to sign up additional space and their commitment to a building acquisition to be run by a not-for-profit, I believe that the principle goals of the Steering Committee are being addressed.

## **BOROUGH PRESIDENT’S RECOMMENDATION**

Therefore, the Manhattan Borough President recommends **approval** of Application No. N 180373 ZRM if the following conditions are met:

- (1) The administration must show substantial progress toward the acquisition of a Garment Center building. Specifically, EDC must be able to demonstrate that it has or expects to receive one or more credible responses to the RFEI and feasible sites must have been identified or that it is making any necessary changes to the RFEI to accomplish those goals. In order to receive as many responses as possible, EDC should show flexibility in its geography, as suitable buildings may exist near, if not in, the traditional Garment Center. Additionally, EDC should be flexible in terms of what existing uses are in the building, as the best building may be one that already contains a certain amount of garment manufacturing.
- (2) The City must also commit to a reasonable amount of additional funding beyond \$20 million should that amount prove inadequate.
- (3) The IDA must have approved, or have pending before it, applications for the 300,000 square feet of space for which EDC currently has signed letters of intent and EDC with the assistance of the Garment District Alliance must make every conceivable effort to obtain as much additional square footage for the IDA program so that at a minimum, 500,000 total square feet is preserved as per the recommendations of the Steering Committee.
- (4) EDC and the Administration should make every effort to preserve an additional 180,000 square feet of manufacturing space in the Garment Center to make up for space preserved under the current zoning restriction, including, but not limited to, seeking to include the portion of the currently preserved space that is still used as manufacturing space in the IDA program.
- (5) That EDC, IDA and the City ensure that adequate monitoring and enforcement of the lease terms and tax abatement program is occurring consistently throughout the term of the program.
- (6) The IDA program shall be extendable after the 15 year term if the owners agree.
- (7) EDC and the City will partner with additional workforce pipelines, institutions and community organizations to increase vocational training, education and job placement in the Garment Center.
- (8) EDC should file an A-text to grandfather two sites - containing partially demolished buildings which were erroneously granted demolition permits by DOB - from the SGCD Hotel Special Permit requirement and allow residential use below commercial use at these sites in cases where the owner is providing permanently affordable housing. This A-text should address other issues raised by the community boards, including illuminated signage, mid-block plazas, and refined special permit findings.

- (9) The Landmarks Preservation Commission should begin the process of landmark designation by calendaring the following properties as recommended by Community Board 4: 300 West 38th Street, the Manhattan Opera House, the New Yorker Hotel, and the Sloan House Y.

Recommendations 1, 2, and 3 must be accomplished prior to approval of the zoning text amendment by the City Planning Commission.

A handwritten signature in black ink that reads "Gale A. Brewer". The signature is written in a cursive, flowing style.

Gale A. Brewer

Manhattan Borough President

## APPENDIX

### PROPOSED ACTIONS

The New York City Department of City Planning (DCP) and the New York City Economic Development Corporation (EDC), together as the “applicants,” are seeking a **zoning text amendment** to certain regulations governing the Special Garment Center District (SGCD), set forth in Article XII, Chapter 1 of the New York City Zoning Resolution (ZR). The application includes six modifications to the SGCD zoning text:

1. Lifting of Preservation Requirements Text Amendment
2. C6-4M Conversion Text Amendment
3. Hotel Special Permit Text Amendment
4. Contextual Bulk Text Amendment
5. Use Group 18 Prohibition Text Amendment
6. Sign Text Amendment

These modifications will be discussed in greater detail below under Project Description.

In evaluating the text amendment, this office must consider if the proposed language meets the underlying premise of the Zoning Resolution of promoting the general health, safety and welfare of the city and whether the developments it will facilitate would be appropriate to the neighborhood.

### BACKGROUND

#### *Special Garment Center District*

The garment industry was the largest industry in New York City for decades and a major economic engine throughout the first half of the twentieth century. It has historically been concentrated in midtown Manhattan. Known as the Garment Center, this area was formalized in 1987 through the establishment of the Special Garment Center District, with boundaries that stretch roughly from 35<sup>th</sup> Street to 40<sup>th</sup> Street and from Broadway to Ninth Avenue.

By the 1980s, global economic forces had irrevocably changed the garment industry. From 1967 to 1982, employment in the sector fell by 18 percent nationally, while Manhattan’s employment fell by 45 percent. Additionally, Manhattan’s share of national apparel wholesale sales dropped from over 60 percent of the national total to 45 percent. Concurrently, demand for commercial office space from other sectors such as services, finance, and communications increased dramatically, as a variety of companies were drawn by the central location of the district and its access to transportation.

The establishment of the SGCD in 1987 aimed to slow the conversion of manufacturing space into office space on the side streets of the district. In these Preservation Areas, conversion to office use was prohibited unless an equivalent amount of floor area was set aside for designated preferred uses that were related to the industry. This preservation would be pursuant to a CPC Chair's Certification and would require a deed restriction on the space. Alternatively, building could be converted without the preservation requirement if the building had been vacant for 3 years, pursuant to a CPC Authorization. At that time, the Garment Center employed approximately 61,000 workers in the garment industry in approximately 20 million square feet of space, with approximately 25,200 workers in manufacturing in approximately eight million square feet of space.

In 2005, as part of the Hudson Yards Rezoning (040499A ZMM), the midblocks west of Eighth Avenue within the SGCD were rezoned from M1-5 to C6-4M. Under a related text amendment (040500A ZRM) this portion of the special district was designated Preservation Area P2 with as-of-right residential, commercial, and community facility conversions allowed in buildings with less than 70,000 square feet of floor area. Conversion of existing buildings larger than 70,000 square feet was also permitted provided the one-for-one preservation requirement of the original SGCD regulations was met.

Ever since the establishment of the preservation requirements, there has been little success with properly enforcing and administering the rules. Since the establishment of the SGCD in 1987, there have been ten certifications for conversion and preservation of approximately 180,000 square feet, with the two most recent approved in 2003 and 2011, and one authorization for conversion without the preservation approved in 2009. According to DCP, there is now over 4 million square feet of non-conforming office use in Preservation Areas P1 and P2. So it appears that an amount equal to roughly 22 times the square footage of space lawfully converted has been converted in violation of the zoning restrictions.

### *Proposed 2017 Changes*

In March of 2017, EDC proposed a package of changes to the SGCD that included text amendments to lift the manufacturing preservation requirements of the SGCD in order to provide more flexibility for office space development. The other major component of the plan involved funding to help facilitate the relocation of garment manufacturing businesses to Sunset Park, Brooklyn, where the City had significant land holdings and where there was also a cluster of garment manufacturing businesses.

*Garment Center Steering Committee*

The Proposed 2017 Changes were met with a strong negative reaction from this office, other elected officials' offices, Community Boards 4 and 5, and numerous industry stakeholders including union representatives and individual designers and manufacturers. Following this backlash, the City agreed to the formation of the Garment Center Steering Committee (GCSC) to engage stakeholders in the Garment District and New York's fashion and garment industries.

The GCSC was formed by Manhattan Borough President Gale A. Brewer, Council Member Corey Johnson, and Deputy Mayor for Housing and Economic Development Alicia Glen. The GCSC participated in six Steering Committee meetings over a three-month period, during which committee members discussed, developed and debated a set of guiding principles and recommendations to inform the City's strategy. EDC and DCP provided technical support to the Steering Committee and attended every meeting. The GCSC was formed to deliberate and develop recommendations focused on and for the garment industry in the Garment Center in Manhattan and purposefully did not discuss recommendations pertaining to the industry at large or for other areas outside of the Garment Center. The GCSC, facilitated by Celeste Frye of Public Works Partners with independent consultant Ben Margolis, established a strong commitment, expressed by all committee members, to support the garment industry and specifically garment manufacturers to maintain a core presence in mid-Manhattan. This core—defined as a critical mass of garment-related businesses serving as a hub for the industry citywide—will serve as a vital part of the garment and fashion ecosystem, which is needed for garment-related businesses to produce garments from concept through to design and ultimately finished product in New York City.

The GCSC released the Garment Center Steering Committee Report on August 18, 2017. This report articulated eleven recommendations grouped into three sections, and then two areas for further exploration:

Section I. Real Estate

1. Create a custom NYCIDA program to retain long-term garment production space in the Garment Center;
2. Advance a framework for a public-private building purchase for dedicated garment production space in mid-Manhattan;
3. Create a mechanism in the zoning text to phase out the Preservation Requirements in sub-areas P-1 and P-2 of the Special Garment Center District with the condition that some space continues to be preserved for garment manufacturing;
4. Institute hotel restrictions in the Garment Center as part of the Special Garment Center District zoning changes;

5. Support the role of nonprofit partner(s) in efforts to preserve a core of garment manufacturers in mid-Manhattan;

## Section II. Workforce Development and Business Support

6. Support and develop new and existing talent pipelines for the garment-related workforce in mid-Manhattan;
7. Support business planning and marketing among garment manufacturers;
8. Develop communications platform to elevate garment manufacturers;

## Section III. Placemaking

9. Enhance neighborhood and commercial circulation and streetscape in the Garment Center;
10. Strengthen visibility of garment businesses and their workforce in the Garment Center;
11. Preserve the Garment Center's unique identity;

## Section IV. Further Areas to Explore

12. Develop a multilingual approach across programs to preserve a core of garment production and support the larger garment ecosystem in mid-Manhattan; and
13. Support the garment-related retail presence in the Garment Center.

In the first Steering Committee Meeting, GCSC members agreed to strive for consensus when discussing proposed recommendations. Consensus was defined as broad agreement, which may not consist of 100% unanimity among Committee members. The level of consensus and specific areas of dissent were noted within the recommendations to reflect an accurate picture of the Steering Committee's nuanced discussions, including when unanimity was not achieved as the GCSC evaluated recommendations. By far the biggest area of disagreement was recommendation 3 of the Real Estate section, which called for a mechanism to phase out the Preservation Requirements that was tied to the securing of long-term affordable manufacturing space. While elected officials, representatives of the Community Boards, businesses, designers and unions supported this recommendation, members representing property owners strongly objected to the square footage approach, citing concerns over predictability and feasibility of achieving such a goal.

The recommendations of the GCSC helped inform the Proposed Actions that are currently before us, which includes some significant differences from the Proposed 2017 Changes.

## **PROJECT DESCRIPTION**

The amendment to the text of the SGCD consists of modifications in six areas:

Lifting of Preservation Requirements – the zoning text amendment to ZR 121-10 would lift the SCGD’s preservation requirements by removing restrictions on the conversion of manufacturing and warehousing uses to office uses. The existing zoning in area P1 and in buildings of more than 70,000 square feet in area P2 requires that before a space in existing buildings can be converted to office use, an equal amount of space must be permanently preserved exclusively for industrial use elsewhere in the special district. This reserved space must be certified by the Chair of the City Planning Commission and requires a deed restriction on the preserved space. The proposed action would remove the requirement to preserve industrial space through a deed restriction and Chairperson’s Certification. Likewise, a rule in area P2 allowing conversion without preservation, pursuant to a zoning authorization, if a manufacturing, wholesale, or showroom space has been vacant for three or more years, would also be eliminated. It would restore the underlying zoning which allows office uses as-of-right. Manufacturing uses and wholesale showroom spaces would continue to be permitted by the special district. This would allow properties with non-conforming office conversions, presently subject to existing preservation requirements, to obtain updated Certificates of Occupancy, address outstanding violations, and facilitate future improvements pursuant to a building permit.

### C6-4M Conversion

Under the current zoning, properties of more than 70,000 square feet can be converted from manufacturing use to residential, hotel, or office uses per a Chairperson’s Certification if an equal amount of floor area is permanently preserved for industrial uses elsewhere in the special district. With the lifting of the Preservation Requirements, there would no longer be a need for a one-for-one replacement of manufacturing for the conversion of buildings of 70,000 square feet or more in area P2, and therefore the P2 designation would be eliminated. Instead, this portion of the SGCD would be designated as Subdistrict A-2. In order to maintain the larger buildings as locations for office and manufacturing use, Subdistrict A-2’s special regulations would be amended to prohibit the conversion of manufacturing and warehousing space in buildings of 70,000 square feet or larger to residential or dormitory facility use.

### Hotel Special Permit

A provision of the proposed zoning text amendment to the SGCD would make hotels no longer allowed as-of-right, but instead would create a new discretionary mechanism, namely a City Planning Commission special permit for Transient Hotels. The special permit would be applicable to the entire special district and would require the City Planning Commission to consider if the proposed sites of new, expanded, and converted hotels would be appropriate. Consistent with City policy, transient hotels operated by or for the City or State for a public

purpose, including facilities that provide temporary housing assistance or shelter to homeless individuals and families and related transient occupancy social services facilities, would continue to be permitted in the special district as-of-right.

### Contextual Bulk Changes

Presently, new buildings in M1-6 districts may choose a number of massing options, with some requiring a streetwall to rise up to a certain height without setback, and a tower option that allows setback from the street line given a certain lot coverage and a certain building size. These existing M1-6 regulations would be replaced by new rules similar to height and setback rules found in M1-6D districts. Buildings would be required to have their street wall on the street line. On wide streets, buildings would be required to rise from 125 to 155 feet before a setback of 10 feet, with flexibility to go higher depending on the height of the adjacent street walls. These wide street base height regulations may be applied along intersecting narrow streets to a depth of either 50 or 100 feet from the wide street. Along any portion of a narrow street which is not subject to wide street regulations, buildings would be required to rise to a height between 85 and 135 feet before a setback of 15 feet.

It is proposed that new buildings on eligible sites would be permitted to use the existing bonus for a privately owned public space, pursuant to ZR 43-13. However, these public spaces would not be permitted within 100 feet of a wide street. The existing Floor Area Bonus for arcades is proposed to be removed (ZR 43-13, ZR 43-14).

### Use Group 18 Prohibition

The SGCD would specifically prohibit Use Group 18 uses in Subdistrict A-1. Use Group 18 consists of heavy industrial uses that are considered incompatible with high density commercial areas such as the Garment Center. The underlying C6-4M prohibition of Use Group 18 uses would remain in effect in Subdistrict A-2.

### Sign Regulations

Presently, the SGCD is subject to multiple sign regulations. The proposed amendment would standardize those regulations by creating the following provisions for signs:

- Both illuminated and non-illuminated signs are allowed to be up to five times street frontage, but no more than 500 square feet per sign.
- No sign may be more than 40 feet in height.
- No signs are permitted on roofs except that a vertical sign attached to a wall no more than 28 inches wide may extend no higher than 15 feet above roof level.
- Advertising signs are not permitted.

In addition, existing regulations pertaining to marquees, flags, and pennants on wide streets within the special district would be removed under the proposal.

## COMMUNITY BOARD RECOMMENDATIONS

### *Manhattan Community Board 4*

Community Board 4 (CB 4) returned a recommendation of no with conditions on July 25, 2018. Specifically, the Board, while acknowledging its support of the IDA program and building purchase commitments, recommended that certain conditions, including the following, should be met: (1) a total of 500,000 square feet of manufacturing space should be preserved through the IDA tax abatement program; (2) the 180,000 square feet of garment manufacturing space preserved between 1987 and 2011 pursuant to the special district zoning requirements should be maintained as garment manufacturing space; (3) the City should commit to more funding for a building purchase than the previously committed \$20 million; and (4) that these conditions should all be accomplished prior to the adoption of the zoning text amendment eliminating the preservation requirement.

In addition, CB 4 included a number of conditions on portions of the text amendment unrelated to the lifting of the manufacturing restriction including additional findings for the hotel special permit that consider impacts such as congestion, neighborhood character and surrounding uses and concentration of hotels; additional restrictions on illuminated signage; the addition of 300 West 38<sup>th</sup> Street to the eligible historical resources enumerated in the Environmental Assessment Statement; and the designation of 300 West 38<sup>th</sup> Street, the Manhattan Opera House, the New Yorker Hotel, and the Sloan House Y as New York City Landmarks.

Finally, CB 4 called for an “A-Text” to grandfather two sites - containing partially demolished buildings which were erroneously granted demolition permits by DOB - from the SGCD Hotel Special Permit requirement and allow residential use below commercial use at these sites in cases where the owner is providing permanently affordable housing.

### *Manhattan Community Board 5*

Community Board 5 returned a recommendation of no with conditions on July 12, 2018. Specifically, the Board recommended that certain conditions, including the following, should be met: (1) the City needs to make a concerted effort to sign up more building owners for the IDA program so that at least 500,000 square feet of permanently affordable fashion manufacturing space remains in the Garment Center; (2) the lease renewal options for garment manufacturers in the IDA program should be made permanent so that the preserved space is permanent; (3) real-time accessible data should be made available to ensure adequate monitoring and enforcement of the IDA requirements and leases; (4) EDC and the City should partner with additional workforce pipelines, institutions, and community-based organizations to increase vocational training, education, and job placement in the Garment Center; and (5) that the application process before

the IDA proceed at the timeline provided by EDC with a vote of the IDA board to occur on September 18, 2018.

In addition, CB 5 included a number of conditions on portions of the text amendment unrelated to the lifting of the manufacturing restriction including refinement of the findings for the hotel special permit that consider the diversity of businesses in the area; extension of restrictions on illuminated signage; a prohibition on midblock plazas; and a tying of the permitted street wall heights to a maximum height cap.

### **BOROUGH BOARD RECOMMENDATION**

The Manhattan Borough Board held a joint hearing with the Manhattan Borough President and Community Board 5 on June 27, 2018.

The Manhattan Borough Board returned a recommendation of yes with conditions on July 26, 2018. The Borough Board acknowledged the work done by the staff of EDC and their continuing efforts to engage with property owners to get additional space enrolled in the IDA program. However, the Borough Board still recommended that the following conditions be met prior to the adoption of the zoning text amendment: (1) 300,000 square feet of garment manufacturing space should be the subject of approved applications for IDA tax abatements or be the subject of applications for IDA tax abatements awaiting final approval by the IDA; (2) the building purchase should be as close to realized as possible, including a commitment by the City to add a reasonable amount of money above the aforementioned \$20 million if necessary; (3) the total garment manufacturing space preserved through the IDA and building purchase should be no less than 500,000 square feet; (4) EDC, IDA, and the City should ensure that adequate monitoring and enforcement of the lease terms and tax abatement program is occurring consistently throughout the term of the program; and (5) EDC and the City should partner with additional workforce pipelines, institutions, and community-based organizations to increase vocational training, education, and job placement in the Garment Center.

Additionally, the Borough Board recommended that the Department of City Planning should work with CBs 4 and 5 on the zoning issues discussed in their respective resolutions, including but not limited to the hotel special permit, demolition and anti-harassment restrictions, illuminated signage requirements, and street wall and building heights.



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**Gale A. Brewer, Borough President**

**MANHATTAN BOROUGH BOARD  
RESOLUTION**

**RECOMMENDING APPROVAL WITH CONDITIONS OF AN APPLICATION BY THE NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION AND DEPARTMENT OF CITY PLANNING PURSUANT TO SECTION 201 OF THE NEW YORK CITY CHARTER FOR AN AMENDMENT TO THE ZONING RESOLUTION: APPLICATION NUMBER (N180373ZRM) – SPECIAL GARMENT CENTER TEXT AMENDMENT**

WHEREAS, The City's Economic Development Corporation (EDC) and Department of City Planning (DCP) seeks a text amendment to the Special Garment Center provisions of the Zoning Resolution (N180373ZRM) to, among other things, remove a preservation requirement that prohibits the conversion of manufacturing space in two designated areas of the Garment Center (currently P1 and P2) unless an equal amount of floor area for manufacturing use is maintained in perpetuity; and

WHEREAS, The Administration originally circulated this proposal approximately 18 months ago but the proposal was met with concerns that lifting the restrictions that preserve garment manufacturing space in the Garment Center could result in the destabilization and break-up of the eco-system of manufacturers, designers, wholesalers and garment-related institutions that form the backbone of New York City's fashion industry; and

WHEREAS, The Manhattan Borough President, together with the local Council Member and now Council Speaker convened a Garment Center Steering Committee comprised of the City's Economic Development Corporation, representatives of garment manufacturers, the Council for Fashion Design Association, fashion designers, the Garment Center Alliance (the Business Improvement District of the Garment Center), Community Boards 4 and 5, the Real Estate Board of New York, representatives of unions representing garment workers and costume-maker workers, the other State and federal elected officials representing the Garment District and other stakeholders to discuss and make recommendations on supporting garment manufacturing and the garment industry's continued long-term presence in the historic garment center and the transition of the area to a mixed-use neighborhood that includes the garment center; and

WHEREAS, The Steering Committee spent the vast majority of its three-month existence attempting to craft a solution to the issue of maintaining a core of affordable space for garment manufacturers in the historic Garment Center; and

WHEREAS, The Steering Committee Report, issued in August, 2017 recommended: (1) A custom Industrial Development Agency (IDA) program offering property tax abatements to maintain a substantial core of manufacturing space in the Garment Center; (2) A framework for a public-private partnership for

the purpose of purchasing a building dedicated to garment manufacturing in the district; (3) a mechanism to ensure the zoning restrictions requiring preservation of manufacturing space are not lifted before preservation goals are substantially met; and (4) Support the role of a not-for-profit to assist in the preservation of long-term manufacturing space; and

WHEREAS, Following the issuance of the report, the City's EDC focused its efforts on creating a custom IDA tax abatement program to preserve manufacturing space in the Garment Center created a 15 year program and received letters of intent from owners willing to preserve approximately 300,000 square feet of manufacturing space in the context of the program and were hopeful that additional space could be signed up once the program was announced; and

WHEREAS, The Manhattan Borough President and Council Speaker acknowledged that EDC had made a significant effort to persuade property owners in the Garment Center to commit to the preservation of manufacturing space through an IDA program but were adamant that 300,000 square feet of space preserved through the IDA program was insufficient to satisfy the recommendations of the Steering Committee and urged EDC to commit to the purchase of a building; and

WHEREAS, EDC subsequently agreed with the Manhattan Borough President and Council Speaker and brought a proposal to the Garment Center Steering Committee (referred out by the City Planning Commission on June 11, 2018) that includes: (1) the creation of the custom IDA tax abatement program to preserve garment manufacturing space for 15 years with a maximum rent of \$35 per square foot (gross) with escalations, while exploring the possibility of further extending the program at the request of property owners; (2) the commitment by the City of up to \$20 million to purchase a building in partnership with a not-for-profit to be used for garment manufacturing which will also contain an affordability requirement akin to that in the IDA program; (3) a partnership between the Council of Fashion Designers of America, the Garment District Alliance (BID), and the City offering programs to support garment manufacturers in the Garment District and citywide including workforce development, technical assistance and technology investments; and (4) a lifting of the preservation requirement in the preservation areas of the Garment Center; and

WHEREAS, On July 12, 2018, Manhattan Community Board 5 adopted a resolution recommending denial of the Special Garment Center Text Amendment unless certain conditions, including the following, were met: (1) the City make a concerted effort to sign up more owners for the IDA program so that at least 500,000 square feet of permanently affordable fashion manufacturing space remains in the Garment Center; (2) the lease renewal options for garment manufacturers in the IDA program be made permanent so that the preserved space is permanent; (3) real time accessible data be made available to ensure adequate monitoring and enforcement of the IDA requirements and leases; and (4) EDC and the City partner with additional workforce pipelines, institutions, and community organizations to increase vocational training, education and job placement in the Garment Center; and

WHEREAS, On July 25, 2018, Community Board 4 adopted a resolution acknowledging that it supports the IDA program and building purchase but also recommending disapproval of the Special Garment Center Text Amendment unless certain conditions, including the following, were met: (1) a total of 500,000 square feet of manufacturing space be preserved through the IDA tax abatement program; (2) the 180,000 square feet of garment manufacturing space already preserved between 1987 and 2011 pursuant to the preservation requirement be maintained as garment manufacturing space; (3) funding over and

above the committed \$20 million be made available by the City to purchase a building if needed; and (4) that these conditions be accomplished prior to the adoption of the text amendment eliminating the preservation requirement; and

WHEREAS, The Manhattan Borough Board acknowledges that work that EDC has done and their continuing efforts to work with property owners to sign up additional space for the IDA program, even entering into discussions with owners who may not initially meet all of the requirements to see if they can nevertheless be included in the program; and the Borough Board stresses the importance of owners and their representatives making every effort to maximize commitments to the program in order for this program to be effectuated; now,

THEREFORE, BE IT RESOLVED, The Manhattan Borough Board recommends approval of application (N180373ZRM), Special Garment Center Text Amendment, but lists the following conditions which it believes must be met before the final adoption of the text amendment:

1. That the 300,000 square feet of garment center manufacturing space be the subject of approved applications for IDA tax abatements or the subject of applications for IDA tax abatements awaiting final approval by the IDA, prior to the final approval of the text amendment; and
2. That the building purchase be as close to realized as possible by the final approval of the text amendment, including a commitment on the part of the City to add a reasonable amount of additional resources (above the \$20 million) if that is necessary to accomplish the purchase;
3. That the total amount of garment center manufacturing space preserved through the IDA program and building purchase or other mechanism combined not be less than 500,000 square feet; and
4. That EDC, IDA and the City ensure that adequate monitoring and enforcement of the lease terms and tax abatement program is occurring consistently throughout the term of the program and that EDC and the City partner with additional workforce pipelines, institutions, and community organizations to increase vocational training, education and job placement in the Garment Center

BE IT FURTHER RESOLVED, That the Department of City Planning work with Community Boards 4 and 5 on the zoning issues discussed in their respective resolutions, including, but not limited to, those relating to the hotel special permit, demolition and anti-harassment restrictions, illuminated signage requirements and street wall and building heights.

Adopted by the Manhattan Borough Board on the 26th day of July 2018.



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Gale A. Brewer  
Manhattan Borough President  
Chair of the Manhattan Borough Board