

CITY OF NEW YORK MANHATTAN COMMUNITY BOARD 10

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June 6, 2018

RE: Resolution of Non-Support for Proposed M1 Hotel Zoning Text Amendment

Whereas, The New York City Department of City Planning (DCP) is proposing a zoning text amendment to establish a new Special Permit under the jurisdiction of the City Planning Commission for new hotels, motels, tourist cabins, and boatels in light manufacturing (M1) districts citywide. A Special Permit is a discretionary action by the City Planning Commission (CPC), subject to the public review process (ULURP), which may modify use regulations if certain conditions specified in the Zoning Resolution are met. The public review process includes Community Board, Borough President, and CPC review. The City Council may elect to review a Special Permit application and Mayoral review is also optional. Because there are very few motels, tourist cabins, or boatels in NYC, the term "hotel" is used here to refer to all of these transient accommodations.

Whereas, DCP needs to ensure that sufficient opportunities for industrial, commercial, and institutional growth remain, and believes it would be beneficial to revisit the zoning framework for M1 districts. However, since 2010, there has been a rapid increase in hotels in M1 districts, particularly in areas near transit. A market analysis of the City's hotel conditions, produced by a real estate and economics consultant team engaged by DCP, assessed current and anticipated future conditions in the City's hotel industry,

Whereas, The increase in hotels is due to a combination of rapid growth in tourism in New York City over the last decade and the current zoning framework. DCP has recognized that the following aspects of the zoning of M1 districts make it especially well-suited for hotel development:

- I. Hotels are commonly developed to the maximum permitted FAR, often at odds with surrounding lower scale industrial uses in many M1 districts.
- II. The height and setback regulations allow for tower development, and these tall, slender buildings often provide for efficient hotel layouts
- III. Hotels can be developed on small, narrow lots, which are more widely available than large lots. Lot assemblages are not usually needed.
- IV. The zoning has low parking and loading requirements for hotels.

Whereas, By establishing a new CPC special permit, DCP proposes a case-by-case, site-specific review process to ensure that hotel development occurs only on appropriate sites, based on reasonable considerations regarding whether a hotel presents the potential for conflicts with the surrounding uses and how well a hotel reflects the general character of the surrounding area. A CPC special permit would allow for the consideration of appropriateness of hotel development in

both the actively light industrial areas, where hotels and existing uses are potentially incompatible, and the more mixed-use areas within M1 districts, where the City may want to direct growth towards various other employment sectors. A CPC special permit would also still allow for hotels to serve the needs of the tourism industry when appropriate,

Whereas, Transient hotels operated for a public purpose by the City of New York or organizations under contract with City will be exempt from the Special Permit requirement. Hotels operated for a public purpose are primarily used to provide temporary housing assistance, or shelter, to homeless individuals and families. It is a legal obligation of the City to provide shelter to all eligible persons within the five boroughs, and the City must maintain the existing flexibility in zoning that permits temporary housing for the homeless in all M1 districts to ensure it has sufficient capacity to meet census demand for temporary accommodations,

Whereas, The proposed CPC Special Permit would apply to all M1 districts, excluding MX or paired M1/R districts, except for:

- M1 districts that include airport property and non-residential M1 districts adjacent to airports. These M1 districts have a unique economic function in NYC and provide essential airport services, and options for accommodations are among those necessary services.
- M1 districts with existing hotel Special Permit provisions, since appropriate controls for hotel development have already been implemented for these areas.

Whereas, Any hotel existing within M1 districts on the date of adoption of the proposed zoning text amendment would be considered a conforming use, meaning that any enlargement or extension would be permitted so long as it does not exceed 20% of the existing floor area and the zoning lot is not enlarged. Any enlargement or extension that does exceed 20% would require the proposed Special Permit. Additionally, hotel developments with a building permit or partial permit issued by the Department of Buildings before the referral date of the proposed action would be permitted to start or continue construction as long as they complete their construction and obtain a certificate of occupancy within three years of the date of adoption of the proposed zoning text amendment,

Whereas, DCP presented the proposed M1 Hotel Zoning Text Amendment at Community Board 10 Land Use Meeting on Thursday May 17, 2018

Whereas, The CB10 Land Use committee voted against the text amendment. Partially due to the CB10 moratorium on special interest housing, the committee was not in favor of the "grandfathering" of the construction of transient hotels.

Whereas, M1 zoning districts are widely located far away from commercial business districts, where hotels are typically located.

Whereas, Instead of building transient housing such as motels, we urge the Mayor and DCP to collaborate with HPD to build permanent housing for low-income and formerly homeless households. NYC is facing an affordable housing crisis which acutely affects the ever-growing

homeless population of approximately 75,000 individuals and children. These formerly homeless families should be provided permanent affordable housing rather than transient housing in ill-suited enclaves used primarily for manufacturing purposes. Furthermore, the zoning text amendment facilitates the development of transient housing which costs about \$170 per day per person for tens of thousands of New Yorkers in the shelter system. This policy is an ineffective, costly mechanism which fails to provide long-term solutions to housing families and individuals in the shelter system.

Whereas, Manufacturing districts are not appropriate for developing transient hotels to house the homeless. We need more permanent housing for the homeless and low-income communities, which will not be accomplished by this zoning text amendment. We recommend the that any zoning action for residential use in manufacturing districts include permanent housing and long-term comprehensive planning to make these areas more suitable for permanent residential uses.

Therefore, be it resolved that, At its regularly scheduled General Board meeting held on Wednesday, June 6, 2018, Community Board 10 approved the following resolution **RE:** Non-Support for Proposed M1 Hotel Zoning Text Amendment by a vote of <u>31</u> in favor, <u>1</u> opposed, and 2 abstention.