

ULURP Application Attachment 2, LR Form Item 3

DESCRIPTION OF PROPOSAL AND ZONING ANALYSIS

South Street Seaport C6-2A Rezoning Proposal

(Revised 12-04-01)

South Street Seaport Rezoning Proposal
ULURP Application Attachment 2 (LR Form Item 3):
DESCRIPTION OF PROPOSAL AND ZONING ANALYSIS

1. Description of Proposal:

Rezoning Ten Blocks in the South Street Seaport Historic District from C6-4 to C6-2A

This proposal is for a zoning map change and text amendment for the portion of the South Street Seaport Historic District that is presently zoned C6-4. This 10-block area, bounded by Dover, Pearl, Fulton and South Streets, includes the following tax blocks: 95, 96W, 96E, 97W and 97E, 98, 106, 107W, 107E, 107 (see Figure 1). This rezoning area encompasses all but two blocks and three piers of the Historic District: the two blocks of the Historic District south of Fulton Street zoned C5-3, and the piers east of South Street zoned C2-8 (see Figure 2, South Street Seaport Historic District Map, Figure 3, Zoning Sections, and Figure 3A, Detailed Zoning Map indicating area to be rezoned). The proposed zoning designation is C6-2A (see Figure 3B, Proposed Zoning).

These 10 blocks have been selected for rezoning because they represent the only C6-4 blocks in the historic district. Most of the C5-3 zoning lies outside the historic district, with the exception of the historic Schermerhorn Row block and One Seaport Plaza, a 35-story office tower built with air rights from the Seaport District. The blocks to the east of South Street, along the waterfront, are controlled by waterfront district regulations, per Section 62-00 of the zoning resolution. These waterfront regulations are restrictive as to FAR.

The 10-block rezoning area is characterized predominantly by four- and five-story 19-century commercial structures representative of the New York City's mercantile history (see Photos in Rezoning Area Block Descriptions, Attachment 3, LR Form Item 3). The objective of this rezoning proposal is to adjust the underlying zoning of this area to be more consistent with the low-scale character and architectural value of the Seaport Historic District, while at the same time allowing sufficient density to encourage new development.

In 1961 the area was zoned C6-4, a medium bulk office district allowing a Floor Area Ratio (FAR) of up to 10.0. Subsequently, in 1977, the Landmarks Preservation Commission designated a substantial portion of the Seaport as the South Street Seaport Historic District, including the area zoned C6-4. This historic district designation requires that any building demolitions, alterations and/or new construction are subject to review by the Landmarks Preservation Commission, which must grant a Certificate of Appropriateness.

Today, 40 years later, this 10-block area of the Seaport remains zoned C6-4. It is located within the Special Lower Manhattan District's South Street Seaport Subdistrict, a special purpose zoning district intended to restore, preserve, and assure the use of the South Street Seaport Subdistrict as an area of small historic and restored buildings, and provide for transfers of air rights from certain granting blocks, thereby preserving those low scale, historic blocks from future development. By adjusting the underlying zoning, the proposed rezoning would ensure that these goals are achieved, while simultaneously allowing sufficient density to encourage new development. See Figures 4A and 4B.

Since September 11th and the destruction of the World Trade Center, there is clearly a need to reexamine the office market downtown and the need for commercial office space. However, the Seaport's contribution to the downtown economy is more closely linked to tourism than to providing commercial office space, and to this end it is essential to preserve the existing historic, low scale character through the proposed rezoning.

Over the past several decades, the preservation of this historic, low scale neighborhood has helped create a significant tourist destination in lower Manhattan that includes such attractions as the Seaport Museum, artists galleries, restaurants, taverns and shops, and a hotel, all in renovated 19th century buildings, in addition to the 1983 Rouse Marketplace, which was built to conform to the scale of the district. The proposed rezoning would ensure that all new construction within the South Street Seaport historic district conforms to the scale and context of the existing historic structures, thereby reinforcing the distinctive nature and value of this district, both as an historic resource and as a tourist destination.

2. History of Zoning and Public Policy in the Seaport

The following section reviews the history of zoning in this area of Manhattan over the past four decades, including the 1966 Lower Manhattan Plan and the current Special Lower Manhattan District. Since 1961, when the Seaport area was originally zoned C6-4, planning goals and public policy for the Seaport have evolved, and the proposed C6-2A zoning is more suitable for existing conditions and future development. The rezoning area is located within the city- and federally-designated South Street Seaport Historic District, and is also within the Brooklyn Bridge Southeast Urban Renewal Area, and is part of the South Street Seaport Subdistrict, a zoning subdistrict within the larger Special Lower Manhattan District (LMD).

The 1966 Lower Manhattan Plan

The 1966 “Lower Manhattan Plan,” a document commissioned by the Department of City Planning, called for high-density development along the Lower Manhattan waterfront, but also recognized the historic potential of the South Street Seaport area. The first step toward the preservation of the Seaport occurred in 1966, when State legislation created the South Street Maritime Museum Association to develop the Schermerhorn Row block as a state maritime museum. Concurrent private efforts to create an historic Seaport district lead to the creation of the South Street Seaport Museum as a private nonprofit corporation in 1967. The Schermerhorn Row buildings were designated a New York City landmark block in 1968.

1968 Brooklyn Bridge Southeast Urban Renewal Plan

In 1968 the City Planning Commission adopted the Brooklyn Bridge Southeast Urban Renewal Plan, which designated an urban renewal area bounded by the Brooklyn Bridge to the north, the East River to the east, John Street to the south, and Pearl and Water Streets to the west. The plan’s objectives were cited as the following: to redevelop the area, to remove blight, substandard structures, and impediments to land assemblage and orderly development, encourage development and employment opportunities, provide new housing, appropriate community facilities, parks and recreational uses, retail shopping, and parking. The design objectives stated that the area should be developed in a manner compatible with or beneficial to the surrounding community, harmonizing in scale, configuration, and materials to the prevailing neighborhood pattern. Several blocks of old lofts in the Seaport area were to be preserved and restored.

The urban renewal plan was amended in 1970 to set forth the Seaport redevelopment plans in greater detail. The plan approved by the City Planning Commission included a Seaport restoration project to be undertaken by the South Street Seaport Museum in the blocks bounded by Peck Slip to the north and John Street to the south, and Water and Front Streets to the west. The rest of the renewal area was to be developed with high rise apartments and commercial buildings. There have been a total of eight amendments to the plan since 1969. Most recently, the plan was amended in 1998 to reflect zoning changes connected with the creation of the Special Lower Manhattan District (LMD). The Urban Renewal Area presently extends from Manhattan Bridge to Battery Park (see Figure 5).

Creation of Special South Street Seaport District in 1972

The 1968 Brooklyn Bridge Southeast Urban Renewal Plan envisioned a mixture of historic preservation, pedestrian areas, and new commercial and residential uses in the area. The “Special South Street Seaport District” was created in 1972 as a special purpose zoning district to help implement these provisions, specifically encouraging “preservation, restoration, and in certain cases, redevelopment of certain properties” as part of a Seaport “environmental museum,” and assuring that the Seaport area remain a distinct area of small historic buildings.

The goals of the Special South Street Seaport District were to preserve the scale and character of the Seaport area, and to allow for the transfer of excess development rights from specific lots in the historic core of the district (“granting lots,” which included certain streets) to designated “receiving lots.” The air rights transfer plan, as incorporated in Section 89.00 of the Zoning Resolution, was initially designed to prevent the demolition of Schermerhorn Row, which had been designated a landmark block in 1968.

This original “Seaport restoration air rights transfer” plan was developed by the Office of Lower Manhattan Development in 1973, and was subsequently incorporated as part of the special district zoning regulations for the South Street Seaport Subdistrict in 1998 (see Figures 4A and 4B). The transfer plan indicated which lots from which air rights could be transferred (“granting lots”); these included the blocks between Fulton, Beekman, Water and South Streets, and the Schermerhorn Row Block (these are indicated as blocks 6, 7, 9 on the figure on the following page), as well as portions of Fulton, Front, and Water Streets that had been closed and demapped, and designated as “pedestrian-ways.” Blocks that could utilize the transferred air rights (“receiving lots”) included the three blocks north of Peck Slip, between Pearl and South Street (Receiving Lot 1), as well as the blocks immediately south and west of Schermerhorn Row block, bounded by Fulton, John, Water, and Front Streets (Receiving Lots 8, 20, 21), and Piers 9, 11, 13 (Receiving Lots 15 and 16).

1973 Special Manhattan Landing District

The waterfront development principles envisioned by the Lower Manhattan Plan and the Brooklyn Bridge Southeast Urban Renewal Plan were subsequently codified in the Zoning Resolution in 1973 by the creation of the Special Manhattan Landing District (MLD). At that time, the Special South Street Seaport District was incorporated within the MLD, and renamed the South Street Seaport Special District. The MLD proposed high density development along the East River, with two levels of retail and pedestrian connections, and upland connections from the waterfront. With the exception of a limited number of projects, little development envisioned by the 1966 Lower Manhattan Plan or the 1973 MLD took place. The Zoning Resolution was amended in 1998 to eliminate the Special Manhattan Landing District, and create the Special Lower Manhattan District.

Creation of South Street Seaport Subdistrict of Special Lower Manhattan District in 1998

In 1998 the Special South Street Seaport District was incorporated as part of the new Special Lower Manhattan District. The Special Lower Manhattan District as described in

the New York City Zoning Resolution (Article IX – Special Purpose Districts, Chapter 1) creates more flexible use and bulk regulations for the area. It eliminated sky exposure planes and open space ratios and replaced them with new controls for lot coverage, and height and setback.

Section 91-60 details the “special controls and incentives” created to “preserve and protect the character of the South Street Seaport Subdistrict and to implement the provisions of the Brooklyn Bridge Southeast Urban Renewal Plan, as amended.” These include the transfer of development rights from granting lots to receiving lots designated within the subdistrict. These controls are discussed in Section 4, Existing Zoning.

South Street Seaport Development Rights Bank

Pursuant to the 1973 air rights transfer plan and the subsequent air rights plan incorporated in the 1998 South Street Seaport Special Subdistrict, a total of 1,400,000 square feet of excess development rights from the Seaport granting lots have been transferred to the Chase Manhattan South Street Seaport Development Rights Bank for future use. Since 1973, the City Planning Commission has certified the transfer of approximately 866,687 square feet of these 1,400,000 development rights to three sites: One Seaport Plaza (199 Water Street), Ronson Condos (175 Water Street), and Continental Center (180 Maiden Lane). All of these sites are located south of Fulton Street, and are not located in the proposed rezoning area. Approximately 479,075 square feet of air rights available for future transfers remain in the Bank as of August 2001 (including 400,000 square feet proposed for transfer to 55 Water Street), as illustrated in the table below (see also map illustrating air rights transfers within the subdistrict on the following page):

Total Development Rights from Seaport Granting Lots: 1,400,000 sf

<u>Receiving Site</u>	<u>Amount Transferred (sf)</u>	<u>Year Transferred</u>
Continental Center (180 Maiden Lane)	303,919 sf	1979
Ronson Condos (175 Water Street)	286,000 sf	1981
One Seaport Plaza (199 Water Street)	276,768 sf	1981
80 South Street	54,238 sf	2001
<u>Total transferred</u>	<u>920,925 sf</u>	
55 Water Street	400,000 sf	(proposed, pending approval)
<u>Total pending</u>	<u>400,000 sf</u>	

Balance remaining

79,075 sf

3. Landmarks Policy and Historic Districts

The South Street Seaport Historic District contains the largest concentration of early 19th century commercial buildings in New York City, some of which are among the oldest standing in the city. In 1968 the New York City Landmarks Preservation Commission designated Schermerhorn Row as a landmark. The Landmarks Preservation Commission later designated the South Street Seaport area as an Historic District in 1977. In 1989 the Historic District was extended to include Block 106 at the northwest corner of the District. The National Register South Street Seaport Historic District, designated in 1972, originally included Schermerhorn Row and the four blocks bounded by Fulton Street, Water Street, South Street and Peck Slip, as well as Piers 15 and 16 (see attached figure). In 1978 the National Register district was extended to include the area west to Pearl Street and north to the Brooklyn Bridge, to include Blocks 106, 107W, 107E, and 98.

The New York City Landmarks Preservation Commission (NYCLPC) must grant a Certificate of Appropriateness for the demolition, renovation or construction of any buildings within the Historic District. As evidenced by the history of development proposals for 250 Water Street, the bulk permitted under C6-4 zoning has long conflicted with the findings of NYCLPC review of proposed developments in the historic district.

4. Current Zoning

The proposed rezoning area is currently zoned C6-4. The following summarizes the zoning controls governing this area, which include the C6-4 underlying zoning and the specific controls of the South Street Seaport Subdistrict.

Use

C6-4 is a general central commercial district allowing a full range of residential, community facility, retail and commercial uses.

Bulk Regulations

C6-4 is a general central commercial zone which allows a base FAR of 10 for commercial, residential, and community facility uses.

Pursuant to ZR Section 91-23, bonuses for plazas, arcades or other amenities are not applicable in the South Street Seaport Subdistrict. However, pursuant to Section 91-60, with a transfer of development rights, the maximum FAR may be increased to 12 on designated receiving lots within the C6-4 portion of the Seaport.

Pursuant to Section 91-31 (Street Wall Regulations), the maximum base height either 85 feet or 1.5 times the width of the street upon which the building fronts, whichever is greater. Along Fulton Street, which bounds the proposed rezoning area to the south, a 60-foot minimum street wall is required. Pursuant to Section 91-32 (Setback Regulations), the depth of the setback is determined by lot size as follows:

Lot of area of zoning lot**Minimum setback depth**

Less than 15,000 square feet	10 feet
15,001 to 30,000 square feet	15 feet
Greater than 30,000 square feet	20 feet

For predominantly residential buildings in a C6-4 district within the South Street Seaport Subdistrict, the minimum setback depth may be 10 feet.

Section 91-33 states that the maximum lot coverage above the maximum base height is 65 percent of the lot up to a height of 300 feet. Above 300 feet, the maximum lot coverage is 60 percent. Pursuant to Section 91-30, the provisions of Section 33-432 (in other commercial districts) may be applied as an alternative to the height and setback and lot coverage regulations of the Lower Manhattan District.

Additional regulations

Section 91-40 sets forth mandatory district plan elements including a requirement for designated retail uses along Fulton Street and pedestrian circulation requirements. Section 91-50 prohibits curb cuts along Fulton Street.

South Street Seaport Subdistrict regulations

Section 91-60 details the “special controls and incentives” created to “preserve and protect the character of the South Street Seaport Subdistrict and to implement the provisions of the Brooklyn Bridge Southeast Urban Renewal Plan, as amended.” These include the transfer of development rights from granting lots to receiving lots designated within the subdistrict, or to a person for subsequent disposition to a receiving lots (the Chase Manhattan Bank purchased development rights and banked them for future sale and use). The zoning regulations for the subdistrict designate sections of Fulton, Water, Front, and South Street as pedestrian ways (Section 91-68).

City Planning Commission Certification is required for all developments that utilized transfer of development rights; in addition all such projects must also go through a full environmental review under CEQR. Modifications of bulk regulations (such as height and setback and lot coverage) can be made by City Planning Commission special permit (Section 91-66), provided that the City Planning Commission finds that the location of the development and distribution of bulk permits adequate access to light and air for surrounding streets and properties, modification of height and setback provides for a better distribution of bulk on the zoning lot, and the special permit achieves the general purpose of the subdistrict.

5. Proposed Zoning

The proposed rezoning to C6-2A requires a text amendment to Sections 91-212, 91-23, 91-30, 91-32, 91-42(e) (and possibly 91-61) of the Special Lower Manhattan District Regulations (see ULURP Application Attachment 4, LR Form Item 3).

C6-2A districts are contextual commercial zones equivalent to R8A districts, and are typically located outside the central business district. Contextual districts are designed to maintain the built form of an existing neighborhood, requiring that buildings be placed near the street line and are within a prescribed building envelope. C6-2A zoning is mapped in Manhattan in such older, historic neighborhoods as Tribeca, Union Square, and Greenwich Village, where it has successfully functioned to keep the size of new buildings consistent with scale of historic buildings.

Use

Similar to C6-4 districts, the proposed C6-2A zoning is a general central commercial district allowing a full range of residential, community facility, retail and commercial uses (Use Groups 1 through 11).

The proposed zoning revision from C6-4 to C6-2A would not change the permitted uses. C6 districts are zoned for wide range of medium to high-bulk commercial uses requiring central location (corporation headquarters, hotels, entertainment facilities, retail stores, and some residential development in mixed buildings). C6-4 allows for medium to high bulk office, high density residential, and community facilities intended for the Central Business District. All C6-2 districts are characterized as medium density general central commercial districts, and also allow a full range of commercial, residential, and community facility uses.

Bulk

The proposed C6-2A zoning designation is defined as contextual commercial district which allows up to 6.02 commercial FAR and up to 6.0 residential FAR. The proposed contextual rezoning would decrease the maximum allowable FAR in the rezoning area from 10.0 (under C6-4) to 6.0 for commercial, 6.02 for residential (under C6-2A), and 6.50 for community facility. The C6-2A zone allows base height of 60-85 feet, with a maximum height of no greater than 120 feet. (C6-4 districts have no maximum building height.) C6-2A rezoning would also reduce the scale of potential new buildings in receiving lots, by reducing the maximum base FAR (onto which transferred air rights could be added) from 10.0 to 6.0. Only three blocks ("Receiving Lot 1") are located within the rezoning area, as described below.

The bulk and massing permitted under the C6-2A district regulations are more responsive to the area's existing built environment than the present zoning. Most of the structures in the rezoning area consist of 5-story residential lofts and warehouses with commercial or retail activities on the ground floor levels. Thus the proposed C6-2A zoning district would allow new residential and commercial development at an appropriate scale and design, consistent with the existing streetscapes and roofscapes.

As shown on the attached FAR Conformance Chart, FAR of almost all the existing structures on the rezoning area blocks is comparable to that permitted under the proposed C6-2A, and thus well under the present C6-4 zoning FAR. Only three buildings in the rezoning area, one residential with 6.6 FAR, one with 6.4 FAR, and one commercial with 8.4 FAR, exceed the C6-2A FAR requirements.

6. Air Rights Transfers

The proposed rezoning area includes only one receiving lot for air rights transfers (three blocks designated as Receiving Lot 1: Blocks 106 and 107 North and 107 South, located between Peck Slip and Dover Street). It also includes Granting Lots 6 and 7 (Blocks 96 North and South, bounded by Beekman, Water, Fulton and South Street). Receiving Lot 1 is also the only receiving site in the historic district.

As previously described, all of the excess development rights from the Seaport granting lots are held by Chase Manhattan Bank; therefore the remaining 479,075 square feet of development rights not used to date would not be affected by the proposed rezoning, since these are all in the bank.

The proposed reduction of allowable scale in the receiving lots north of Peck Slip would reduce the amount of development rights that could be utilized on receiving blocks in the historic district. The new zoning allows the same amount bonus of 2.0 FAR as the existing zoning. However, since C6-2a zoning allows a maximum base FAR of up to 6.02 for commercial use, revisions of the zoning would reduce the maximum FAR from a total of 12 (base 10.0 FAR with bonus of up to 2.0 FAR), to 8.02 (base FAR 6.02 plus bonus of 2.0 FAR).

Other than a portion of receiving lot 21, the only receiving lots in the historic district are the three blocks that make up receiving lot 1, north of Peck Slip. Therefore, the proposed rezoning could potentially encourage the use of air rights at receiving sites within the South Street Seaport Subdistrict but outside of the historic district. With air rights development located at a further distance from the historic district, this would also serve to reduce potential impacts of large scale development on the historic buildings and overall low scale character and urban design context of the Seaport Historic District.

Future location for air rights outside the historic district

Receiving lots 8, and 20 are built out; receiving lot 21 is partly developed. Therefore the only lots the remaining 479,075 square feet of air rights could be transferred to would be: the remaining portion of receiving lot 21, and Piers 9, 11, and 13. In addition, it is expected that 55 Water Street will be a new designated receiving site.

7. Conclusions

The purpose of the rezoning proposal is to make the underlying zoning more consistent with the public policy for the Seaport historic district. Rezoning this area for C6-2A would result in underlying zoning more compatible with existing scale and land use patterns in the area. The proposed rezoning would not change the uses that could be permitted, and thus would be consistent with the land use trend that the area has experienced over the last 30 years, including renovation and repair of existing buildings for residential and commercial uses, and construction of new buildings that fit the context of the historic district. C6-2A contextual rezoning would not significantly increase density in the area, in contrast to potential development under the existing zoning. The significantly higher densities and greater scale of residential or commercial developments proposed under the existing zoning (for example, 250 Water Street proposals) do not conform to the public policy for the historic district.

In summary, the proposed C6-2A rezoning designation is appropriate to the area, and would result in development more compatible in scale and density with the historic district, and thus consistent with NYC Landmarks Preservation Commission's history of approvals in the historic district. As previously described, the requirement that NYCLPC approve all renovation and new development in the area has placed a de facto cap on the bulk and height that can be built in the rezoning area and the historic district. C6-2A zoning, with lower FAR than C6-4, and a height limitation, would be more compatible with NYCLPC approvals.

The proposed rezoning would thus support public policy on the preservation of the Seaport historic district as a distinct area of a certain scale and urban form, as well as maintain the features of the district that make it a unique historic resource, as well as a valuable tourist destination in Lower Manhattan.