



IN THE MATTER OF an application submitted by Catholic Health Care System pursuant to Sections 197-c and 201 of the New York City Charter for an amendment to the Zoning Map, Section No. 6b, by changing from an R7-2 District to an R8 District property bounded by East 106th Street, Madison Avenue, East 105th Street and a line 150 feet easterly of Fifth Avenue - Museum Mile, Borough of Manhattan, Community District 11, as shown on a diagram (for illustrative purposes only) dated April 8, 2019, and subject to the conditions of CEQR Declaration E-531, Borough of Manhattan, Community District 11.

The application for an amendment to the Zoning Map was filed by Catholic Health Care System (d/b/a ArchCare) on October 19, 2018. The applicant proposes to change an existing R7-2 zoning district to an R8 zoning district and to designate the rezoning area as a Mandatory Inclusionary Housing (MIH) area on a site generally bounded by East 106th Street, Madison Avenue, East 105th Street, and a line 150 feet easterly of Fifth Avenue in the East Harlem neighborhood of Community District 11 in Manhattan. The existing C1-5 commercial overlay is proposed to remain along the Madison Avenue frontage. This application, along with the related action, would facilitate a mixed-use development that would include community facility and residential uses.

RELATED ACTIONS

In addition to the zoning map amendment (C 190158 ZMM) that is the subject of this report, implementation of the proposed development also requires action by the City Planning Commission on the following application, which is being considered concurrently with this application:

N 190156 ZRM Zoning text amendment to designate the rezoning area as a Mandatory Inclusionary Housing area.

BACKGROUND

ArchCare, the Archdiocese of New York's health services division, is the owner of the full block bound by East 106th Street, Madison Avenue, East 105th Street, and Fifth Avenue (Block 1611, Lots 1 and 15). The site contains ArchCare's Terence Cardinal Cooke Health Care Center (TCC),

a specialty hospital and skilled nursing facility serving approximately 600 patients. TCC specializes in treating patients with multiple, compounding conditions and hosts the only remaining HIV/AIDS skilled nursing facility in New York City. Most patients are low-income and many lack health insurance. ArchCare, faced with both new federal and state policies that emphasize home-based care and a deteriorating physical plant, is seeking to rebalance operations, renovate the hospital building, and construct a new supportive housing building. This modernization would be partially financed through a partnership with a private developer, whereby a portion of the site would be redeveloped with a 32-story residential building.

The blocks surrounding TCC are primarily developed with residential and institutional uses. Carver Houses, a New York City Housing Authority development with 13 residential buildings ranging from six- to 15-stories, is located directly east of TCC. The LakeView Apartments, a Mitchell-Lama development with five residential buildings of up to 24-stories are directly north. South of TCC are a handful of five- and six-story residential buildings, some with ground-floor retail, and El Museo del Barrio. Central Park, a designated National Scenic Landmark, is directly to the west. The area along Central Park is zoned R9 within the Special Park Improvement (PI) District. This area generally features large residential buildings or institutional uses, some of which are 40-stories or taller. The area to the east is primarily zoned R7-2, with commercial overlays along Madison Avenue. This section of the neighborhood is characterized by midrise five- to seven-story residential buildings and taller seven- to 15-story “tower-in-the-park” style developments.

Educational and institutional uses in the surrounding area include the Museum of the City of New York, Central Park East High School, Cristo Rey High School, Young Women’s Leadership School, the New York Academy of Medicine, and El Museo del Barrio. The campus of Mt. Sinai Hospital begins four blocks south of the project area and includes a number of large institutional buildings and laboratories. The closest subway is the 6 train with stations at East 103rd Street and East 110th Street. North-south buses run along Fifth Avenue and Madison Avenue.

The surrounding area has been the subject of a number of land use actions in recent years. In 2017, as part of the East Harlem Neighborhood Rezoning, a large area east of TCC was designated as

the Special East Harlem Corridors District. Also in 2017, a series of land use actions, including a zoning map change, was approved to facilitate the construction of Sendero Verde—a 37-story mixed-use development proposed for a site five blocks north of TCC. In 2016, a series of land use actions, again including a zoning map change, were approved to facilitate the construction of a 12-story mixed-use building two blocks east of TCC at Lexington Gardens.

The TCC campus (Block 1611, Lots 1 and 15) is a single zoning lot with a lot area of approximately 85,000 square feet. The campus consists of an architecturally significant 11-story hospital building (the “Flower Hill Building”), an eight-story addition (the “Annex”), an 11-story medical services building (the “Cohen Building”), and a parking garage that is closed due to disrepair. The buildings were constructed at different times but are connected and share services. Between 1982, 1987, and 2000, TCC was granted a series of special permits related to the number of beds in its campus. As part of the Zoning for Quality and Affordability (ZQA) citywide text amendment in 2016, the applicable provisions (which required special permits for nursing homes and related facilities in R3 through R10 districts) were removed from the Zoning Resolution.

The TCC campus is zoned R9/PI within 150 feet of Fifth Avenue and R7-2 on the remainder of the site with a C1-5 commercial overlay within 100 feet of Madison Avenue. The R9 zoning district is a high-density height-factor residential district with a maximum residential Floor Area Ratio (FAR) of 7.52 and a maximum community facility FAR of 10.0. The PI District carries additional use and bulk restrictions meant to preserve the character of Central Park. The R7-2 zoning district is a medium-density height-factor residential district with a maximum residential FAR of 3.44 and a maximum community facility FAR of 6.5. The C1-5 commercial overlay permits retail establishments that serve local retail needs and has a maximum commercial FAR of 2.0. The applicant proposes to rezone the R7-2 district to R8 and to retain the C1-5 commercial overlay. The R8 zoning district is a medium-density height-factor residential district with a maximum residential FAR of 6.02 and a maximum community facility FAR of 6.5.

The applicant plans to consolidate its specialty hospital and skilled nursing facility into the Flower Hill Building, and to demolish the Annex, the Cohen Building, and the garage. The proposed development would include the renovation and modernization of the Flower Hill Building and the

construction of three new buildings: (1) a 150-bed supportive housing senior residence, (2) a Program for All-Inclusive Care of the Elderly (PACE) center, and (3) a residential building.

The rezoned portion of the site has an area of approximately 55,000 square feet and the overall zoning lot has an area of approximately 85,000 square feet. The overall project would contain approximately 657,000 square feet of built area. The new residential building would be approximately 330,000 square feet and contain approximately 379 units. The approximately 32-story, 350-foot building would be located on the northeast corner of the site, fronting on Madison Avenue and East 106th Street, both of which are wide streets. In the midblock, a seven-story portion of the residential building would extend from East 106th Street to East 105th Street. The supportive housing building would be 10 stories and located at the intersection of Madison Avenue and East 105th Street. The PACE center would be a two-story, approximately 139,000 square-foot building, located midblock between East 106th Street to East 105th Street. The Flower Hill Building would remain and be renovated to hold approximately 400 skilled nursing and specialty hospital beds.

Following the consolidation, the number of beds at TCC would be reduced from approximately 600 to approximately 400, with some patients moving into the new supportive housing building and others transitioning to home-based care. The development would be phased to reduce disruption to patients. The modernization of the Flower Hill Building would take place first, followed by the construction of the supportive housing building. At that point, all patients would be moved out of the Annex and Cohen Building, which would be redeveloped by a private developer into a mixed-use complex containing the residential building and the PACE center.

The zoning lot would have an FAR of 7.75—reflecting a combination of the existing R9/PI district and the proposed R8 district. Required parking (approximately 106 spaces) would be provided below-grade and accessed from East 105th Street. The development site would be mapped with MIH Option 2, which requires 30 percent of the residential floor area to be affordable at an average of 80 percent of the area median income (AMI). The supportive housing building would contain the affordable units. The residential building is anticipated to contain additional affordable units pursuant to New York State’s 421-a program.

ENVIRONMENTAL REVIEW

This application C 190158 ZMM, in conjunction with the related application (N 190156 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 Executive Order No. 91 of 1977. The designated CEQR number is 19DCP070M. The lead is the City Planning Commission.

After a study of the potential environmental impact of the proposed actions, a Negative Declaration was issued on April 8, 2019. To support the Negative Declaration, an (E) Designation (E-531) related to air quality, noise and hazardous materials would be established in connection with the proposed actions. The requirements of the (E) designation are described in the Environmental Assessment Statement and Negative Declaration. Additionally, the applicant entered into a Restrictive Declaration to ensure the implementation of best management practices relating to construction as Project Components Related to the Environment. With the incorporation of these measures, the proposed actions will have no significant effect on the quality of the environment.

UNIFORM LAND USE REVIEW PROCEDURE

This application (C 190158 ZMM) was certified as complete by the Department of City Planning on April 8, 2019 and was duly referred to Manhattan Community Board 11 and the Manhattan Borough President in accordance with Title 62 of the Rules of the City of New York, Section 2-02 (b), along with the related application for a zoning text amendment (N 190156 ZRM), which was referred for review in accordance with the procedures for non-ULURP actions.

Community Board Public Hearing

Manhattan Community Board 11 held a public hearing on this application (C 190158 ZMM) on May 21, 2019 and on June 18, 2019, by a vote of 32 in favor, two opposed, and six abstentions, adopted a resolution recommending approval of the application with the condition that “the project team utilize a local nonprofit developer.”

Borough President Recommendation

This application (C 190158 ZMM) was considered by the Manhattan Borough President, who issued a recommendation on August 8, 2019 to approve the application.

City Planning Commission Public Hearing

On July 31, 2019 (Calendar No. 2), the City Planning Commission scheduled August 14, 2019, for a public hearing on this application (C 190158 ZMM). The hearing was duly held on August 14, 2019 (Calendar No. 62), in conjunction with the public hearing on the related application (N 190156 ZRM). There were 15 speakers in favor of the application and none in opposition.

The applicant team, composed of three speakers, provided an overview of the proposed development program, the operational needs of the specialty hospital and skilled nursing facility, and the land use rationale that informed the requested actions. The applicant described a need for the modernization of the campus, which serves predominantly low-income patients with complex medical conditions. Further, it was noted that a shift in federal and state policy is discouraging the expansion of long term inpatient care and encouraging growth in home and community based services. The applicant described its intent to sell or lease a portion of the site for residential use in order to raise funds needed for modernization. The applicant also discussed its programming intentions, which involve an initial phase of consolidating the specialty hospital and skilled nursing facility operations and infrastructure into a renovated Flower Hill Building. The remainder of the site would then be freed up to undergo development, minimizing operational disruption. A second phase would involve construction of a supportive housing building on the current site of a parking garage. A third and final phase of the project would involve either a ground lease or sale of the remainder of the site to a third party for residential development, with the inclusion of a PACE center, which TCC intends to operate and maintain. The applicant noted that in accommodating this program, there would be no increase in maximum floor area proposed on the site; only a shift of 145,000 square feet of residential floor area would be enabled through the proposed change. This floor area is presently only available on the site for community facility uses. It was also reiterated there is no development partner at this point, with illustrative figures shown to demonstrate what a maximum building envelope could resemble. The applicant noted its intention to establish an MIH area through the proposal and revised the certified application to include both

MIH Options 1 and 2, following discussion with the Borough President's Office. Additionally, the applicant stated that it expects that the proposed residential development on the site would make use of New York State's 421-a Affordable New York Housing Program. The applicant described how the ground plans of the supportive housing building and residential building might relate to the streetscape. Illustrative renderings were shown to demonstrate how the applicant anticipates a future development might interact with the streetscape. The applicant stated that, although the C1-5 overlay on Madison Avenue would remain, it is more likely that the supportive housing building's ground floor would feature spaces programed for the building's residents rather than retail establishments. The applicant noted that the opportunity for retail uses would be more likely at the residential building fronting on Madison Avenue.

The majority of the speakers, including a Representative of the Assembly Member for the 68th District, TCC residents, patients and volunteers, and East Harlem residents, stated that TCC provides necessary services, especially to low income patients of the East Harlem community, at a convenient location. The project was described as critical to helping to restructure and revitalize the services that TCC can provide to that community. A representative of Mount Sinai Hospital also noted support due to the essential role TCC plays as clinical partner to Mount Sinai's facilities. Additionally, the President of the tenant's association at Lakeview Apartments, located immediately to the north of TCC, and several residents of the area noted that TCC is a good neighbor that has provided significant support to the community.

Several speakers from the East Harlem community expressed support for the creation of affordable senior housing as an important part of the project. They noted that this housing could serve the increasingly aging population within East Harlem, which they noted is a naturally occurring retirement community. Speakers stated that this component of the program would be desirable since it would collocate support services with the hospital's operations.

A representative of Service Union 1199 SEIU and several nurses from TCC testified in favor, noting their endorsement for the project as it would support the retention and further creation of jobs at the hospital and in the community.

East Harlem residents who have a personal affiliation with the Flower Hill Building also endorsed the project, urging that it be retained and refurbished as proposed.

There were no other speakers and the hearing was closed.

CONSIDERATION

The Commission believes that this zoning map amendment (C 190158 ZMM), in conjunction with the related zoning text amendment (N 190156 ZRM), is appropriate.

This application, along with the related application, will facilitate the renovation of the Flower Hill Building and redevelopment of the remainder of the TCC campus. The redevelopment will include the construction of a supportive housing building of 94 feet in height (10 stories) and 150 supportive housing units that will meet the applicant's MIH commitment. Also included is a residential building of up to 356 feet in height (32 stories), comprising private housing and a PACE center. The proposed residential development on the site is expected to make use of New York State's Affordable New York Housing Program.

The Commission believes that the proposed zoning district is appropriate for the area and consistent with the City's policy objectives for promoting housing production and affordability across the city. The mapping of an R8 district on the eastern portion of the site will provide a suitable transition between the surrounding medium-density R7-2 districts and the high-density R9 districts that are mapped on the full block to the north and to the west. The resulting increase in residential density will also be appropriate because it is located at the intersection of East 106th Street and Madison Avenue, both wide streets, in addition to being accessible to large amounts of open space.

The Commission further notes that the total blended FAR and overall square footage available on the site does not change through the rezoning. The rezoning would allow 145,000 square feet of floor area that is currently available to the site only as community facility use to be used for a residential use.

The proposed zoning text amendment (N 190156 ZRM) will designate an MIH area coterminous with the rezoning area. This will require any new residential development to provide permanent affordability for 25 percent of the residential floor area, pursuant to Option 1 in ZR Section 23-154, or 30 percent of residential floor area, pursuant to Option 2 in ZR Section 23-154. Designation of this MIH area is consistent with the City's objective of promoting affordable housing.

The Commission supports the applicant's intention to retain the existing C1-5 commercial overlay along the Madison Avenue frontage, which allows for a range of retail and service establishments that serve local shopping needs. The Commission notes that the introduction of retail establishments could improve the existing condition on Madison Avenue while providing necessary services to neighborhood residents. While the Commission acknowledges that it is beyond the scope of this application to require retail establishments, it commends the applicant for its commitment to explore the possibility of retail with the future developer of the residential building.

The Commission recognizes that TCC provides an essential health service to a high-need patient population and that the campus must continue to adapt to changing healthcare paradigms. The Commission notes that the proposal will facilitate the modernization of the skilled hospital and specialty nursing home facility, provide a new supportive housing environment for existing patients who are eligible for home-based care, and ensure permanent affordability for a portion of the housing units on the site.

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, that the City Planning Commission, pursuant to Sections 197-c and 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 by changing the Zoning Map, Section No. 6b, by changing from an R7-2 District to an R8 District property bounded by East 106th Street,

Madison Avenue, East 105th Street and a line 150 feet easterly of Fifth Avenue - Museum Mile, Borough of Manhattan, Community District 11, as shown on a diagram (for illustrative purposes only) dated April 8, 2019, and subject to the conditions of CEQR Declaration E-531.

The above resolution (C 190158 ZMM), duly adopted by the City Planning Commission on September 11, 2019 (Calendar No. 2), 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*

DAVID J BURNEY, ALLEN P. CAPPELLI, ALFRED C. CERULLO, III,

MICHELLE R. DE LA UZ, JOSEPH I. DOUEK, RICHARD W. EADDY,

HOPE KNIGHT, ANNA HAYES LEVIN, ORLANDO MARIN,

LARISA ORTIZ, RAJ RAMPERSHAD, *Commissioners*