



CITY PLANNING COMMISSION  
CITY OF NEW YORK

OFFICE OF THE CHAIRMAN

**REVISED NEGATIVE DECLARATION**

**Supersedes the Negative Declaration Issued on January 19, 2016 and the Revised Negative Declaration Issued on April 25, 2016**

**Project Identification**

CEQR No. 16DCP084M

ULURP Nos. N160166ZRM

SEQRA Classification: Type I

**Lead Agency**

City Planning Commission

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New York, NY 10271

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**Name, Description and Location of Proposal:**

**Water Street Upgrades Text Amendment**

The New York City Economic Development Corporation (NYC EDC), the Alliance for Downtown New York (ADNY), and the New York City Department of City Planning (NYC DCP) propose a zoning text amendment to Section 91-80 (Public Access Areas) and Appendix A of the Special Lower Manhattan District, Section 37-625 (Design changes), and Section 37-73 (Kiosks and Open Air Cafes) of the New York City Zoning Resolution (ZR). The proposed action would facilitate the infill of existing arcades for retail use and the improvement of existing plazas by CPC certification and authorization in the Water Street commercial corridor in Community District 1, Manhattan. The directly affected area is comprised of portions of 13 blocks located in C6-9, C5-3, C5-5, and C6-4 zoning districts within the Special Lower Manhattan District (SLMD.) The directly affected area contains two designated New York City historic districts that are also listed on the State and National Register of Historic Places — the Fraunces Tavern Block Historic District and the Stone Street Historic District. The directly affected area is also contiguous to the State and National Register listed Wall Street Historic District and the New York City designated South Street Seaport Historic District.

This Revised Negative Declaration reflects several modifications proposed by the City Council to the Water Street Upgrades Text Amendment since the Revised Negative Declaration was published on April 25, 2016. These proposed modifications are discussed further below under the section, “Proposed City Council Modifications.”

The proposed text amendment would allow the elimination and infill of existing arcades for retail use and the improvement of existing plazas by CPC Chairperson certification and CPC authorization. In cases exceeding 7,500 sf, excluding the area of an indoor public space, a special permit would also be required (per Section 91-85). The proposed zoning text amendment would also allow the placement of publicly-accessible tables and

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chairs within plazas and arcades on an as-of-right basis and would continue to allow cafes within arcades by CPC Chairperson certification. Events would be allowed on as-of-right basis, but notification would be required to be given to the Community Board, Borough President, and Council Member 30 days prior to the scheduled date. All Chairperson certification applications will be submitted to and reviewed by the affected Community Board and local Council member for a maximum period of 45 days. The CPC Chairperson shall not issue a certification for the application during the Community Board review period, unless the Community Board has submitted to the CPC Chairperson comments regarding such proposal or informed the Chairperson that the Community Board has no comments (91-836(c)).

Additionally, the Special Lower Manhattan District would be modified to eliminate the existing, "Public Space Activation Area," and, "Arcades Modification Area," to create a single, simplified, "Water Street Subdistrict." The provisions of the proposed zoning text amendment would apply to this area; an area generally bounded by Pearl Street and South William Street to the west, Fulton Street to the north, South Street to the east, and Whitehall Street to the south. That "Project Area" includes the following 20 parcels in Manhattan: (Block 4, Lot 7501); (Block 5, Lot 7501); (Block 5, Lot 10); (Block 30, Lot 19); (Block 32, Lot 7501); (Block 33, Lot 1); (Block 35, Lot 1); (Block 33, Lot 11); (Block 31, Lot 7501); (Block 38, Lot 1); (Block 37, Lot 8); (Block 70, Lot 43); (Block 70, Lot 32); (Block 75, Lot 1); (Block 71, Lot 7501); (Block 29, Lot 1); (Block 35, Lot 10); (Block 31, Lot 1); (Block 38, Lot 17); and (Block 37, Lot 23). The purpose of the text amendment is to improve the street's pedestrian experience, provide useful services and amenities for nearby residents and employees, and to improve the quality of the public spaces.

In order to achieve the goals of the text amendment, specific actions of the text amendment include:

- *Creation of the Water Street Subdistrict:* Map 8 of the Special Lower Manhattan District would be modified to eliminate the existing, "Public Space Activation Area," and, "Arcades Modification Area," to create a single, simplified, "Water Street Subdistrict." The provisions of Section 91-80 would apply to this new area.
- *Events and Publicly Accessible Tables & Chairs (Sections 91-81 and 91-82)* Events that are open to the public would be permitted as-of-right within any plaza or arcade, subject to requirements relating to storage, pedestrian access, and operations (new Section 91-81). However, notification must be given to the Community Board, Borough President, and Council Member at least 30 days prior to the scheduled date. Publicly-accessible tables and chairs, shade umbrellas, and heat lamps will be allowed as-of-right pursuant to new Section 91-82; new Section 91-822 would set forth basic standards for seating, circulation, and storage.
- *Cafes within Existing Arcades (Section 91-821)* The provisions for a CPC Chairperson certification to allow an outdoor café within an existing arcade (existing Section 91-81) would generally remain (as new Section 9-821), although the zoning text and provisions will be revised for clarity.
- *Retail Infill of Arcades; Certification (Section 91-83), Authorization (Section 91-841), and Text Map (Map 9)* The proposed zoning text will allow arcade infill by CPC Chairperson certification (new Section 91-83) and CPC authorization (new Section 91-841). As part of the proposed zoning text

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amendment, a new text map (Map 9) will be added to Appendix A of the Special Lower Manhattan District that will delineate which portions of the Water Street arcades may infill by certification (Area A), those that may infill by authorization (Area B), and those that would not be permitted to infill by either certification or authorization (Area C). The new building area within the arcade would be exempt from the definition of floor area, and the zoning text would state that the elimination and addition of building area within the arcade and would not reduce the amount of permitted floor area on the zoning lot. The certification applications would be subject to a 45 day Community Board and local Council member review period.

- *Ground Floor Use and Design Requirements (Section 91-831)* As part of a certification or authorization for arcade infill, the use and design requirements would need to be met. Infill that would be permitted by the zoning text amendment would extend for the full length, depth, and height of an arcade except where there is an existing parking or loading entrance. The uses permitted within an arcade infill would be those uses permitted by Section 91-12 for designated retail streets within the Special Lower Manhattan District. Residential and hotel uses as part of the arcade infill will be limited to lobbies (Use Groups 2B and 5B). In addition to the uses that are already excluded by Section 91-12 in the Special Lower Manhattan District, hotel rooms (Use Group 5A) will not be permitted within the arcade infill nor will as Use Groups 7A, 7B, 9A, 10A, 12A, 12B and 12C, except that bike rental repair shops and art, music dance and theatre space are permitted. Furthermore, permitted banks are limited to 30 feet of frontage and drug stores are limited to 50 feet of frontage. At least 70 percent of the surface area of the ground floor level street wall, between a height above grade of two feet and 14 feet or the height of the ground floor ceiling will be glazed with transparent materials. Finally, for buildings with multiple arcade frontages, if any portion of the arcade remains open (and the other portions infilled), requirements for lighting, transparency and the treatment of building walls apply.
- *Compensating Amenity (Sections 91-832, 91-833, 91-834, and 91-835)* An upgrade to all existing plazas or urban plazas on a zoning lot would be required as a compensating amenity for arcade infill permitted by certification or authorization. Alternatively, a permanent amenity other than improvements of an existing publicly accessible open space or the provision of an indoor public space may be available as explained in Section 91-835 and is identified as Alternative Improvements. Also, public space signage will be provided at each point of pedestrian entry to the indoor public space; signage for through block arcades will also include the name of the street to which the through block connection passes.
- *Reporting Requirements-* Periodic compliance reporting is required with the added requirement that such reports be sent to the Council Member (Section 91-832(k) for plazas and Section 91-834(l) for indoor public spaces).

### **Proposed City Council Modifications**

- Infill of 7,500 square feet or greater (excluding the area of an indoor public space) will now also require a special permit in addition to certification pursuant to Section 91-83 or an authorization pursuant to Section 91-841.

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- Infill at 200 Water Street and 75 Wall Street, which was previously permitted by certification (Area A) is now permitted by authorization (Area B). This change is reflected in a modification to Map 9 of Appendix A.
- In addition to the uses that are already excluded by Section 91-12 in the Special Lower Manhattan District and hotel rooms (Use Group 5A), the proposed modifications now also restrict within the arcade infill: Use Groups 7A (Transient Accommodations), 7B (Retail or Service Establishments), 8B (Retail or Service Establishments), 9A (Retail or Service Establishments), 10A (Retail or Service Establishments), 12A (Amusements), 12B (Retail Establishments), or 12C (Public Service Establishments), except for that bike rental repair shops and art, music dance and theatre space are permitted. Furthermore, permitted banks are limited to 30 feet of frontage and drug stores are limited to 50 feet of frontage.
- For buildings with multiple arcade frontages, if any portion of the arcade remains open (and the other portions infilled), requirements for lighting, transparency, and the treatment of building walls apply.
- Notification must be given to the Community Board, Borough President, and Council Member of any events at least 30 days prior to the scheduled date.
- Applications for certifications must now also be referred by the applicant to the Council Member.
- Requirements for periodic compliance reporting with the added requirement that such reports be sent to the Council Member.
- Addition of a finding to the authorization to modify design requirements (Section 91-842).
- Minor clarifying edits throughout, including a change in the title of a Section of the zoning text.

Currently, the Project Area contains building frontages set back from sidewalk as well as arcades that are too narrow or too wide and do not serve a useful pedestrian circulation function. Additionally, the Project Area contains a high concentration of plazas that are too large or too narrow, barren, and lack useful amenities.

To determine the effects of the Proposed Action, 20 projected development sites in the Project Area were analyzed. The projected development sites are anticipated to generate 167,357 gsf of retail space, approximately 26,967 gsf of office space, and approximately 2,016 gsf of residential space. Accessory residential use would be limited to lobbies on the ground floor and no new dwelling units are anticipated to be generated. The Proposed Action would likely lead to a reduction of 105,411 sf of total arcade space. However, although there is a quantitative loss, there would be a qualitative gain as the use and functionality of 190,800 sf of plaza area would be improved with amenities such as seating and planting and activated with events, cultural programming, and temporary amenities.

Absent the proposed action, the Project Area would conform to the underlying zoning district and existing plaza and arcade regulations. The existing plaza regulations do not permit additional amenities (such as tables and chairs), kiosks, and temporary outdoor structures in public plazas without a Chairperson certification. Arcades must remain free and clear of obstructions, except that outdoor cafes may be permitted by Chairperson certification. Additionally, given the overbuilt nature of the buildings within the Project Area, it is unlikely that any building could fully eliminate and infill an arcade using the existing certification (Section 33-124(a)) or special permit (Section 74-761) mechanisms available in the Zoning

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Resolution. The No-Action Condition would be identical to the existing conditions pursuant to the underlying zoning regulations.

The effects of the proposed action will first be felt in the summer of 2016 with public events and programming allowed within the Project Area. The full effects of the elimination and infill of existing arcades for retail use and improvements to the existing plazas within the Project Area are expected to be realized by 2026.

**Statement of No Significant Effect:**

The Environmental Assessment and Review Division of the Department of City Planning, on behalf of the City Planning Commission, has completed its technical review of the Environmental Assessment Statement dated January 15, 2016 as well as the Revised Environmental Assessment Statement dated April 22, 2016 which analyzed the following modifications: clarifying edits to the language and wording throughout the proposal; addition of a community board referral for certifications; clarification that permitted residential uses on the ground floor are limited to lobbies; clarification of the periodic compliance reporting requirement for plazas; clarification of the signage requirements for indoor public spaces; expansion of the requirement for multiple establishments for the longest frontage of infill to apply to all arcades; and removal of Use Group 5A (hotel rooms) from the uses permitted within arcade infill.

The Environmental Assessment and Review Division of the Department of City Planning, on behalf of the City Planning Commission, has also completed its technical review of the Revised Environmental Assessment Statement dated June 17, 2016, which analyzed proposed City Council modification prepared in connection with the ULURP Application (No. N160166ZRM). The City Planning Commission has determined that the proposed action will have no significant effect on the quality of the environment.

**Supporting Statement:**

The above determination is based on an environmental assessment which finds that:

1. No significant effects on the environment which would require an Environmental Impact Statement are foreseeable.
2. The Revised Environmental Assessment Statement dated June 17, 2016 reflects modifications under consideration by the City Council and concluded that the modifications would not result in any significant adverse impacts.

This Revised Negative Declaration has been prepared in accordance with Article 8 of the Environmental Conservation Law 6NYCRR part 617.

Should you have any questions pertaining to this Revised Negative Declaration, you may contact Lisa Blake (212) 720-3621.

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Robert Dobruski

**Date: June 17, 2016**

Robert Dobruski, AICP, Director  
Environmental Assessment & Review Division  
Department of City Planning

**Date: June 20, 2016**

Carl Weisbrod, Chairman  
City Planning Commission