ENVIRONMENTAL ASSESSMENT AND REVIEW DIVISION

Anita Laremont, *Director*
Department of City Planning

Eric Schlameuss
c/o Giovanni Gioia
Goldman Harris, LLC
475 Park Avenue South, Suite 2803
New York, NY 10016

Re:	**Starrett-Lehigh + Terminal Warehouse Rezoning**
CEQR No.	21DCP103M
ULURP No(s).	C210408ZMM, N210409ZRM
SEQRA Classification:	Type I
Manhattan Community District:	MN04

Dear Giovanni Gioia,

Enclosed is the Technical Memorandum for CEQR No. 21DCP103M, Starrett-Lehigh and Terminal Warehouse Rezoning, in connection with the modifications being considered by City Council. The Technical Memorandum analyzes whether the proposed modifications would result in any significant adverse environmental impacts not already identified in the Final Environmental Impact Statement (FEIS) for the proposed actions. The Technical Memorandum concludes that the proposed modifications would not result in any significant adverse environmental impacts not already identified in the FEIS for the proposed actions, and was issued on 11/30/2021

Sincerely,

Stephanie Shellooe, AICP, *Deputy Director*

November 30, 2021
Date

cc: Project File
Anita Laremont, Chair
City Planning Commissioners
Raju Mann, Director, City Council Land Use Division
Gale Brewer, Manhattan Borough President
Manhattan Community Board MN04

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Starrett Lehigh Terminal Warehouse Rezoning

CEQR No. 21DCP103M

ULURP Nos.: C 210408ZMM, N 210409ZRM

November 30, 2021

Technical Memorandum

Introduction

This Technical Memorandum summarizes the potential environmental effects related to modifications, proposed by the City Council, to the Starrett-Lehigh Terminal Warehouse Rezoning Project that was previously analyzed in the October 22, 2021 Starrett-Lehigh and Terminal Warehouse Rezoning Final Environmental Impact Statement (FEIS) —specifically, the modification from the originally proposed 15 percent cap on Use Group 10A uses in the proposed Subarea K subdistrict of the West Chelsea Special District (WCh) to a 10 percent cap on such uses. As set forth below, this technical memorandum concludes that the application with the modification to the Use Group 10A cap would not result in any significant adverse impacts and would not change the conclusions in the October 22, 2021 FEIS.

Background

The project area consists of the Starrett-Lehigh and Terminal Warehouse buildings that occupy Manhattan Block 672, Lot 1 and Block 673, Lot 1, which is the area subject to the Proposed Actions. RXR SL Owner, LLC and Terminal Fee Owner LP, LLC (the Applicants) proposed zoning map and zoning text amendments that would extend the WCh over the project area, create a new subarea (Subarea K), and change the underlying district from M2-3 to M2-4. Subarea K would allow certain additional uses within the following Use Groups (Use Group K uses) to be located within the Starrett-Lehigh and Terminal Warehouse buildings: Use Groups 3A, 4A, 6A (food stores greater than 10,000 sf), 6C, 9A, 10A, and 12B. At present, these uses are either not permitted or are permitted with restrictions in the underlying M2-3 and proposed M2-4 districts. The total maximum floor area of all Use Group K uses that are not already allowed in the M2 district will not be permitted to be greater than 25 percent of the floor area of the existing buildings (uses listed both in Use Group K and permitted in M2-4 districts shall not be counted towards the maximum floor area of all Use Group K uses). Originally the Proposed Actions also proposed that the maximum floor area for all Use Group 10A uses on any zoning lot will not be permitted to be greater than 15 percent of the existing floor area of the existing buildings. This would facilitate the conversion of a maximum of approximately 275,273 gsf in the Starrett-Lehigh Building and approximately 171,058 gsf in the Terminal Warehouse building to Use Group 10A uses.

The Department of City Planning (DCP), on behalf of CPC, determined that the Proposed Project as analyzed in an FEIS dated October 22, 2021 would have significant adverse impacts to transportation, specifically in

the areas of traffic, pedestrians, buses, and subway station elements at select locations. A Notice of Completion for a Final Environmental Impact Statement was issued on October 22, 2021. Following the publication of the FEIS, the CPC adopted the Proposed Actions on November 3, 2021 (the Approved Application) and referred the application to the City Council.

Since the CPC's adoption of the Approved Application, the City Council requested that the Applicants' proposal be modified to reduce the maximum convertible floor area of Use Group 10A uses, as discussed below (Potential Modification). This technical memorandum examines whether the Potential Modification would result in any new or different significant adverse environmental impacts not already identified in the FEIS as pertains to the Approved Application.

Description of Potential City Council Modification

The Potential Modification consists of a limitation of the maximum floor area for all Use Group 10A uses (also referred to as "destination retail") on any zoning lot within Subarea K to no greater than 10 percent of the existing floor area of the existing buildings. The total maximum floor area of all Use Group K uses that are not already allowed in the M2 district would remain the same as in the Proposed Actions and will not be permitted to be greater than 25 percent of the existing floor area of the existing buildings.

The Potential Modification would limit Use Group 10A uses to a maximum of 183,515 gsf (10%) of the Starrett-Lehigh building and 114,039 gsf (10%) of the Terminal Warehouse building for a total of 297,554 gsf (10%) across the two buildings.

Analysis Framework

The Potential Modification has implications for the Reasonable Worst Case Development Scenario (RWCDS) analyzed in the FEIS because it would include less destination retail square footage and therefore, would result in more floor area being used for other Subarea K uses.

As described in the RWCDS of the FEIS, the Subarea K uses fall into four main categories—local retail, destination retail, academic or university space, and medical office. These main categories represent a range of uses with varying trip generation characteristics. Based on these main categories, a RWCDS was identified to provide the framework for analysis in the FEIS (see **0**). Specifically, the RWCDS shows the mix of the four main use categories to be analyzed in the environmental review. The RWCDS analyzed in the FEIS considers the full amount of destination retail that could be included in each building, as shown in **0**.

The Potential Modification would result in a decrease in the amount of Subarea K Use Group 10A uses that could be included in each building, and an increase in the amount of other types of Subarea K use group retail that could be provided in the building (see **0**). Examples of retail proposed for Subarea K Uses in the original Application that would not be allowed as-of-right in an M2 district include the following:

- Use Group 6C: book stores, flooring stores (under 10,000 sf), clothing and clothing rental stores (under 10,000 sf), florist shops, furniture stores (under 10,000 sf), gift shops, record stores, garden supply stores, athletic shops, toy stores
- Use Group 9A: automobile showrooms, catering establishments,
- Use Group 10A: flooring stores (over 10,000 sf), clothing stores (over 10,000 sf), department stores, dry goods or fabric stores (over 10,000 sf), furniture stores (over 10,000 sf), variety stores (over 10,000 sf)

Therefore, under the Proposed Modification, the Use Group 10A uses such as those listed above would be capped at 10 percent of the floor area and other uses, such as those in 6C and 9A listed above, would likely replace them. It is important to note that there are some Use Group 10A uses that are allowed as-of-right in M2 districts and are not included in the Subarea K Use Group. These include office or business machine stores and photographic or motion picture production studios, among others.

Reasonable Worst-Case Development Scenario -- Comparison of Uses in the FEIS No-Action and With-Action Conditions (in gsf) [Based on Table 4-1 in FEIS]

	No-Action (gsf)			With-Action (gsf)			
	S-L	TW	N-A Total	S-L	TW	W-A Total	Increment
Commercial Office	1,465,150	1,004,387	2,469,537	1,189,876	855,290	2,045,166	(424,371)
Retail (Local) [1]	43,000	136,000	179,000	43,000	0	43,000	(136,000)
Retail (Destination)	0	0	0	275,273	171,058	446,331	446,331
Manufacturing	327,000	0	327,000	143,485	0	143,485	(183,515)
Academic	0	0	0	165,164	102,635	267,799	267,799
Medical Office	0	0	0	18,352	11,404	29,756	29,756
Total Per Building	**1,835,150**	**1,140,387**	**2,975,537**	**1,835,150**	**1,140,387**	**2,975,437**	**0**

Reasonable Worst Case Development Scenario Comparison of Commercial Uses in No-Action Conditions with the Potential Modification (Subarea K Retail – UG 10A limited to 10%)

	No-Action (gsf)			Potential Modification (gsf)			
	S-L	TW	N-A Total	S-L	TW	W-A Total	Increment
As-of-Right Retail	43,000	136,000	179,000	43,000	0	43,000	(136,000)
Subarea K Retail (Local)[2]	0	0	0	91,758	57,019	148,777	148,777
Subarea K Retail (Use Group 10A)	0	0	0	183,515	114,039	297,554	297,554

Notes

[1] As-of-Right Retail includes retail allowed in M2 districts in Use groups 6, 7, 8, 9, 10, 11, 12, 13, 14, and 15.

[2] Subarea K retail, excluding UG 10A uses, includes additional retail uses in Use Groups 6 and 9 that are not allowed in M2 districts.

Environmental Assessment of Potential Modification

The Potential Modification does not change the type of uses permitted in the buildings. Rather, the Potential Modification only decreases the amount of Use Group 10A retail that could be included in each building, thereby increasing the amount of other types of Subarea K use group retail that could be provided. Therefore, the Potential Modification would not have the potential to result in new or different significant adverse impacts in the CEQR analyses for historic and cultural resources; hazardous materials; air quality; noise; public health; or neighborhood character, as summarized below[1]:

[1] In the December 11, 2020 EAS and June 21, 2021 Final Scope of Work, the following areas were screened out of the need for further analysis in the EIS: land use, zoning, and public policy; socioeconomic conditions; open space; community facilities;

- **Historic and Cultural Resources**: No impacts were identified in the FEIS for historic and cultural resources, and the Potential Modification would not alter these findings.
- **Hazardous Materials**: Changing the amount of different retail types in the RWCDS as a result of the Potential Modification would not change the amount of ground disturbance anticipated in the buildings and, therefore, would not affect the analysis included in the FEIS. The text for the (E) Designation (E-625) related to hazardous materials would not change.
- **Air Quality**: No impacts were identified in the FEIS for air quality, and the analysis provided in the FEIS would not change. The Potential Modification would not alter these findings.
- **Noise**: Changing the zoning designation would not affect the analysis or screening included in the EIS, as development of the same uses is still projected to occur and all findings from the EIS are still applicable. The text for the (E) Designation (E-607) related to noise would not change.
- **Public Health**: The analysis areas taken into consideration in the Public Health analysis would not be affected. Therefore, further analysis is not necessary.
- **Neighborhood Character**: The Potential Modification, like the Proposed Actions, would not result in significant adverse impacts in the contributing technical areas of land use, zoning, and public policy; socioeconomic conditions; open space; shadows; historic and cultural resources; urban design and visual resources; or noise. Furthermore, the adverse impacts to transportation would not change under the Potential Modification, and, therefore, the conclusion in the FEIS for neighborhood character would not change.

However, because the Subarea K uses have varying trip generation characteristics, this Technical Memorandum considers whether a change in the distribution of these uses would result in any new or different significant adverse impacts to Transportation as compared to the FEIS. As described in detail below, the mix of uses assessed in the FEIS remains the RWCDS for traffic, pedestrian and transit trips and the conclusions in the FEIS would not change as a result of the Potential Modification.

Transportation

The transportation analyses included in the FEIS reflected the RWCDS presented in **0**. Under the proposed rezoning, which included a 25 percent cap on Subarea K Uses, only 15%, i.e., up to 275,273 sf of existing space in the Starrett-Lehigh Building and 171,058 sf in the Terminal Warehouse Building (total 446,331 sf) would have been allowed to be converted to UG10A destination retail under Subarea K. Under the Proposed Modification, only 10%, i.e., up to 183,515 sf of existing space in the Starrett-Lehigh Building and 114,039 sf in the Terminal Warehouse Building (total 297,554 sf) would be allowed to be converted to UG 10A destination retail under Subarea K.

For travel demand forecasts, the local retail category is defined as retail establishments typically located on ground floor levels, that are small to moderate in size (less than 10,000 sf), and that provide goods or services targeted to the regular daily needs of a community. Bank branches, coffee shops, delicatessens, bakeries, tailors, and laundromats are examples of local retail establishments that are allowed as-of-right in M2 districts; clothing stores of any size and grocery stores greater than 10,000 sf are examples of local retail establishments that are not permitted in M2 districts, but would be allowed in Subarea K. The primary

shadows; urban design and visual resources; natural resources, water and sewer infrastructure, solid waste and sanitation, energy, greenhouse gas emissions, and construction. The change in the type of retail in the buildings as a result of the Proposed Modification would not change the conclusions, and the areas noted above would screen out of the need for analyses.

patrons of these establishments are local area residents or workers traveling on foot. These patrons typically conduct quick visits and often link their trip to establishments at multiple locations when retail businesses are not concentrated at a central location—e.g., a local resident may deposit cash at a bank ATM, then walk two blocks to a grocery store, and then pick up a coffee at their favorite coffee shop across the street before returning home. In contrast, destination retail uses typically refer to retail establishments that serve a market beyond just the local neighborhood. In Use Group 10A, this category of commercial use includes large (greater than 10,000 sf) clothing, furniture, dry goods or fabric, television, radio, phonograph, household appliance, and variety stores, and department stores . These uses typically serve consumers from extended areas and produce longer visits than local retail uses. A grouping of a substantial number of local retail stores can also serve as a destination, even if they are not necessarily comprised of UG 10A uses, since they may also manifest as multi-store marketplaces when their layout and offerings, although composed of smaller stores, also serve a market beyond the neighborhood—e.g., Chelsea Market and Brookfield Place.

The travel demand forecast included in the FEIS assumes that the projected amount of UG 6 local retail spaces would function, for the purposes of transportation analysis, as destination retail with destination retail trip generation rates, temporal (hourly) distributions, mode splits, and average vehicle occupancies. This assumption is appropriate considering the projected amount of floor area and the location of retail on the second floor. Shifting a substantial amount (5 percent of the overall floor area) of previously categorized Use Group 10A destination retail space (with larger individual store footprints) to an equal amount of smaller-format retail space (but with many more such local stores, as the overall amount of retail space is not changing) would still result, for transportation analysis purposes, in a mix of local and destination retail space that, when aggregated, would have the same travel demand factors as the RWCDS analyzed in the FEIS. Therefore, a RWCDS reflecting the Potential Modification would not result in different traffic, transit, and pedestrian travel demand and distribution forecasts than that of the With-Action Condition of the Proposed Project. There would, consequently, not be any material difference in the transportation analysis under the Potential Modification versus the With-Action condition of the Proposed Project. Therefore, the analysis reflected in the FEIS transportation chapter and the scope of transportation impacts reported in the FEIS would not be affected by the Potential Modification.