1

Project Description

This section provides descriptive information about the requested discretionary land use action(s) and the development project that could be facilitated by the requested actions. The purpose of this chapter is to convey project information relevant to the environmental review.

Introduction

The applicants, RXR SL Owner LLC and Terminal Fee Owner LP, are seeking a zoning map amendment that would extend the Special West Chelsea District (WCh) over the two blocks bounded by West 28th Street to the north, Eleventh Avenue to the east, West 26th Street to the south, and Twelfth Avenue/Route 9A to the west (Block 672, Lot 1 and Block 673, Lot 1); these blocks contain the Starrett-Lehigh Building and the Terminal Warehouse (the project area) (See **Figure 1-1**. The zoning map amendment would change the underlying district from M2-3 to M2-4. The applicants are also seeking zoning text amendments to create new subarea (Subarea K) in WCh and, within such subarea, modify certain use, signage, sidewalk café, and loading requirements. Together, the zoning map and text amendments are the Proposed Actions.

The Proposed Actions would allow the applicants to lease space in the Starrett-Lehigh Building and Terminal Warehouse to a more diverse range of tenant types, giving the applicants the flexibility needed to respond to changes in the economy over the long term. Both buildings are currently occupied by a number of different types of businesses—including eating and drinking establishments, office, showroom and studio space (Use Groups 6, 7, and 9) and warehouse and storage space (Use Group 16). Additionally, the Starrett-Lehigh Building contains manufacturing uses (Use Groups 16 and 17). Subarea K would allow uses (Use Group K uses) within the following Use Groups to be located within the Starrett-Lehigh and Terminal

Warehouse buildings: Use Groups 3A, 4A, 6A (food stores, including supermarkets, grocery stores or delicatessen stores without limitation to 10,000 square feet of floor area per establishment), 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. Together, these new uses fall within the categories of community facilities, such as academic or university space, and medical offices, and commercial uses, such as local and destination retail. Retail tenants could include a mix of tenant types, such as boutique clothing stores, "urban format" variety stores, "clicks-to-bricks" locations, specialty, and other retail stores. No residential uses, community facility uses that provide living or sleeping accommodations of any kind, or hotels would be permitted. The Proposed Actions would not result in increased floor area or construction (other than tenant fit out).

This chapter provides a description of the project area, the area surrounding the project area, the Proposed Actions, the purpose and need for the Proposed Actions, and the reasonable worst-case development scenario (RWCDS) under the No-Action and With-Action conditions. It also discusses the public review process required for approval of the Proposed Actions. The analyses following this chapter examine the potential for the Proposed Actions to result in significant adverse environmental impacts in accordance with the appropriate guidance provided in the *2020 New York City Environmental Quality Review Technical Manual (CEQR Technical Manual)*.

Project Area, Project Area History, and Description of Surrounding Area

The project area includes the Starrett-Lehigh Building and Terminal Warehouse, which are located on the two blocks bounded by West 28th Street to the north, Eleventh Avenue to the east, West 26th Street to the south, and Twelfth Avenue/Route 9A to the west (Block 672, Lot 1 and Block 673, Lot 1). Both blocks are located within an M2-3 zoning district. The project area is located within the West Chelsea Historic District (WCHD), which was designated on July 15, 2008 (LP-02302).

Starrett-Lehigh Building

Block 672 is occupied by the existing Starrett-Lehigh Building (601 West 26th Street), which was constructed between 1930 and 1931 (see **Photo 1-1**). The Starrett-Lehigh Building has an existing built floor area ratio (FAR) of approximately 14.79 and contains approximately 1.8 million gross square feet of space (1,835,150 gsf). It varies in height from 11 stories (approximately 140 feet) on the western portion of the building to 19 stories (plus bulkhead) at the eastern portion (approximately 219 feet). Current building tenants include design firms, multimedia agencies, directors, photographers, artists, and publishers. The Starrett-Lehigh Building is an individually designated landmark structure (designated on October 7, 1986 [LP-1295]) within the WCHD and is also eligible for listing on the State and National Register of Historic Places, according to the State Historic Preservation Office's Cultural Resource Information System.

RXR SL Owner LLC is undertaking an as-of-right project that will transform approximately 43,000 square feet of the Starrett-Lehigh Building's ground floor into the Starrett-Lehigh food market (see **Photo 1-2**). The renovated space will include approximately 40,000 sf of commercial space, including 13,000 sf of food hall use and 5,000 sf of exposition space. Two new entrances will be provided on West 26th Street and on Eleventh Avenue. As part of this project, new storefronts will be opened at the ground-floor on the Eleventh Avenue frontage, as approved by the New York City Landmarks Preservation Commission (LPC).

Figure 1-1 Project Area Location



Terminal Warehouse

Block 673 is occupied by the existing Terminal Warehouse (261 Eleventh Avenue). Terminal Warehouse has an existing FAR of approximately 7.3 and contains approximately 1.14 million gsf (1,140,387 gsf) (see **Photo 1-3**). It was originally constructed in 1891 as a shipping and warehousing center and is now occupied by a mix of retail, restaurants, office space and self-storage. The building is 7 to 9 stories (85 feet) in height. The Terminal Warehouse is located within the WCHD and eligible for listing on the State and National Register of Historic Places, according to the State Historic Preservation Office's Cultural Resource Information System.

Currently, the Terminal Warehouse is being altered by converting approximately 500,000 square feet of storage into new office space and repositioning the ground floor to include food and beverage retail uses permitted under current zoning. As part of this full-building repositioning, approximately 200,000 square feet is being carved out of the building to create a double height space and a courtyard and added back as a rooftop addition on the western portion of the building (see **Photo 1-4**). The re-allocation of floor area will not result in an increase in zoning floor area. The owner is undertaking a restoration of the building—including façade repairs, window replacement, cornice repairs, fire escape removal, and reintroduction of historic details, such as window shutters.

Photo 1-1 Starrett-Lehigh Building



Photo 1-2 No-Action Condition: Starrett-Lehigh Building



Photo 1-3 Terminal Warehouse



Photo 1-4 No-Action Condition: Terminal Warehouse



Project Area History and Description of Surrounding Area

The Starrett-Lehigh Building was designed by Yasuo Matsui and built in 1931 as one of the first full-block freight terminals of its scale, which included multiple floors for warehouses, manufacturing and office uses. Terminal Warehouse was designed by George Mallory and constructed in 1890, and consisted of an exterior wall that enclosed 25 separate compartments. The building was used for shipping, warehousing, and moving and packing spaces, and it offered cold storage. In 1961, with the adoption of New York City's Zoning Resolution, the project area was mapped with an M2-3 zoning district, which allows development of 2 FAR. Both the Starrett-Lehigh Building and Terminal Warehouse are overbuilt but legally non-complying.

The area surrounding the project area was historically a manufacturing and commercial neighborhood that has more recently undergone substantial change. In 2005, the WCh District was adopted—this rezoning included blocks between Tenth and Eleventh Avenues extending from West 16th Street to West 30th Street. Also in 2005, the Special Hudson Yards District (HY) was established to the north of West 30th Street, extending north to West 41st Street. In 2018, the Special Hudson River Park District (HRPD) was mapped to include the eastern half of the block between Eleventh and Twelfth Avenues, extending from West 29th Street to West 30th Street.

The goals of the WCh were to facilitate new residential and commercial development, facilitate the reuse of the High Line, and enhance the neighborhood's art gallery district. WCh contains ten subareas (A-J) with different bulk regulations as well as other modifications relating to properties next to the High Line. Consistent with this rezoning, and with trends in the area between 2005 and 2013, there has been substantial new construction in West Chelsea, including 2.1 million square feet of built floor area and approximately 1,100 new dwelling units. The goals of HY were to foster a mix of uses and densities, provide new publicly accessible open space, extend the Midtown central business district by providing

opportunities for substantial new office and hotel development, reinforce existing residential neighborhoods, and encourage new housing on Manhattan's Far West Side. To support the new district, the 7 line was extended and a new station (Hudson Yards) was opened in 2015. Construction of Hudson Yards began in 2012 with 10 Hudson Yards (office building) opening in 2016, and most of the remainder of Hudson Yards east of Eleventh Avenue—consisting of another five buildings containing a mix of office, hotel, retail, cultural, and residential uses—opening in 2019.

In 2012, DCP studied the potential of expanding the WCh into three new areas: (i) Area A, located at the southern portion of the district (Chelsea Market); (ii) Area B, located at the southwest portion of the district; and (iii) Area C, located west of the district between Eleventh and Twelfth Avenues from West 24th to West 30th Streets (this area includes the Starrett-Lehigh and Terminal Warehouse buildings). Only Area A was rezoned.

In 2018, a rezoning application for a portion of the block two blocks north of the project area was approved. This application included a variety of actions, one of which was a zoning map change to the eastern half of Block 675 to map the HRPD and rezone this area from a M2-3 District to a C6-4X District. The western half of the block remained an M1-6 district. The actions were requested to facilitate new mixed-use development of up to 1,196 new dwelling units and some commercial retail space.

Now that significant portions of Hudson Yards are developed, pedestrian traffic is expected to extend south to the project area. The Proposed Actions would establish a connection from a planning perspective for pedestrians traveling between West Chelsea, Hudson Yards, the High Line and Hudson River Park, supporting their respective goals.

Proposed Actions

The Proposed Actions would consist of the extension of the WCh over the project area, the creation of a new subarea (Subarea K), and a change in the underlying district from M2-3 to M2-4. Subarea K would allow 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, 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. No residential use (Use Group 2), uses that include living or sleeping accommodations of any kind in Use Group 3 and Use Group 4, or hotels (Use Group 5) would be permitted.

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 existing floor area of the existing buildings (uses both listed 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). 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. The text amendment would also permit sidewalk cafes on West 27th Street.

The proposed subarea text would also allow certain modifications to the M2 signage regulations, regarding height and angle, at the corners of Eleventh Avenue and West 26th, West 27th, and West 28th Streets:

› The portion of the street frontage of the zoning lot along Eleventh Avenue and within 15 feet of the intersection of two streets shall be referred to as the corner zone.

› Section 42-562 of the Zoning Resolution (restriction on angle and height above curb level) shall not apply to signage within the proposed corner zone.

However, Section 42-543 of the Zoning Resolution would still be applicable to the corner zone. This would result in a signage height allowance of 75 feet above the curb level within the corner zone and the allowance for signs to be oriented within 90 degrees of a commercial district boundary.

The Proposed Actions would permit sidewalk cafés on West 27th Street (they are currently permitted and will remain permitted on Eleventh and Twelfth Avenues). In addition, the Proposed Actions would eliminate any required loading berths associated with changes of use of any floor area. No construction related to loading berths would occur at either building in the With-Action condition**.**

The change in the underlying district of the subarea from M2-3 to M2-4 would make the buildings more complying in terms of FAR and bulk regulations. The text would increase the maximum floor area ratio from 2.0 FAR to 5.0 FAR and would allow the applicants to reconstruct their buildings up to 5.0 FAR in case of a catastrophic loss.

Purpose and Need for the Proposed Actions

Currently, the project area is mapped within an M2-3 District, which has use regulations geared towards traditional medium-performance manufacturing uses prevalent in the 1960s, including industrial and semi-industrial uses; the M2-3 District has severely limited retail options. These limitations on retail do not serve the needs of current and prospective tenants of the buildings or the needs of existing residents and workers in the neighborhood. In addition, they limit the potential pool of tenants. The Proposed Actions would allow the applicants to lease space in the existing Starrett-Lehigh and Terminal Warehouse buildings to a more diverse range of tenant types, such as academic or university space, medical offices, local and destination retail, (Use Groups 3A, 4A, 6A, 6C, 10A, and 12B). In addition, the large number of the recent mixed-use developments and projected mixed-use residential developments in the surrounding West Chelsea area will result in a large increase in residents and workers that will require such increased local goods and services to support their needs. The Proposed Actions would also establish a connection, from a planning perspective, for pedestrians traveling between West Chelsea, Hudson Yards, the High Line, and Hudson River Park.

Analysis Framework and Reasonable Worst-Case Development Scenario

For the purpose of the environmental analyses, the No-Action condition represents the future absent the Proposed Actions and serves as the baseline by which the future with the Proposed Actions (or With-Action condition) is compared to determine the potential for significant environment impacts. The difference between the No-Action and With-Action conditions represents the increment to be analyzed in the CEQR process.

Analysis Year

An analysis year of 2024 will be used in the EIS. This accounts for overall project approval through the Uniform Land Use Review Procedure (ULURP) in 2021 and approximately 18 months to two years thereafter for the applicants to lease space in their respective buildings to a more diverse range of tenant types. For the purposes of environmental review, the conservative 18 to 24-month lease up and occupancy is assumed. In reality, the applicants expect a more gradual re-tenanting of the buildings with the new uses. Terminal Warehouse, with its as-of-right renovation (see **The Future Without the Proposed Actions (No-Action Condition)**), is expected to have new tenants in the short term, including the more diverse tenants allowed under the Proposed Actions; the Starrett-Lehigh Building, due to existing leases, is expected to have new tenants with new uses over time as leases expire. In both buildings, there is no construction period to account for in determining the build year, since any construction needed would be interior construction to fit out tenant space, typical of any building that changes tenants.

Reasonable Worst-Case Development Scenario (RWCDS)

The Proposed Actions would allow the following:

- Within the Starrett-Lehigh Building, up to 25 percent (or approximately 459,000 sf) of the building to contain tenants consistent with the Use Groups 3A, 4A, 6C, 9A, 10A, and 12B (Subarea K uses that are not already allowed in the M2 district). All Use Group 10A uses shall not be greater than 15 percent of floor area (or approximately 275,000 sf).
- Within the Terminal Warehouse building, up to 25 percent (or approximately 282,000 sf) of the building to contain tenants consistent with the Use Groups 3A, 4A, 6C, 9A, 10A, and 12B (Subarea K uses that are not already allowed in the M2 district). All Use Group 10A uses shall not be greater than 15 percent of floor area (or approximately 171,000 sf).

Generally, the Use Groups listed above fall into four main categories of uses—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 EIS (see **Table 1-1**). Specifically, it shows the mix of the four main use categories to be analyzed in the environmental review. The RWCDS considers the full amount of destination retail that could be included in each building; all retail in the RWCDS is treated as destination retail, since destination retail generates a higher number of vehicle trips. The RWCDS also considers academic and medical office space. Taken together, this mix provide a reasonable estimation of both vehicular and pedestrian/subway trip generation such that the potential for significant adverse transportation impacts across modes is studied.

Table 1-1 Comparison of Uses in the With-Action and No-Action Conditions (RWCDS for Analysis) in GSF

	No-Action			With-Action			
	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)	43,000	136,000	179,000	43,000	-	43,000	(136,000)
Retail (Destination)				275,273	171,058	446,331	446,331
Manufacturing	327,000	-	327,000	143,485	-	143,485	(183,515)
Academic	-	-	-	165,164	102,635	267,799	267,799
Medical Office	-	-	-	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**

Identification of Development Sites

As discussed above, the Proposed Actions would affect just the project area, which includes the Starrett-Lehigh Building and Terminal Warehouse—located on the two blocks bounded by West 28th Street to the north, Eleventh Avenue to the east, West 26th Street to the south, and Twelfth Avenue/Route 9A to the west. No other sites would be affected. The Proposed Actions would not result in new construction, demolition, or significant physical alteration of either building.

Future Without the Proposed Actions (No-Action Condition)

The No-Action scenario conforms to existing zoning and reflects completion of RXR SL Owner LLC's ongoing interior fit-out of the Starrett-Lehigh Building's ground floor (Starrett-Lehigh Market) and Terminal Fee Owner LP's completion of its conversion and repositioning plans, which will both occur absent the Proposed Actions.

Starrett-Lehigh Building

Absent the Proposed Actions, the Starrett-Lehigh Building will remain in its existing condition and will continue to be tenanted with businesses permitted in M2 districts in accordance with Section 42-10 of the ZR. The as-of-right Starrett-Lehigh food market project (i.e., the transformation of approximately 43,000 square feet of the Starrett-Lehigh Building's ground floor into commercial space, including food hall use and exposition space) will be completed in 2021.

Terminal Warehouse

Absent the Proposed Actions, the Terminal Warehouse will be altered by converting approximately 500,000 square feet of storage into new office space and repositioning the ground floor to include food and beverage retail uses permitted under current zoning. As part of this full-building repositioning, approximately 200,000 square feet will be carved out of the building to create a double height space and a courtyard and will be added back as a rooftop addition on the western portion of the building. The re-allocation of floor area will not result in an increase in zoning floor area. The owner will introduce interior loading and undertake a restoration of the building—including façade repairs, window replacement,

cornice repairs, fire escape removal, and reintroduction of historic details, such as window shutters.

Future With the Proposed Actions (With-Action Condition)

In the future with the Proposed Actions, broader uses than currently allowed under existing zoning would be permitted within the project area, and the applicants would be able to lease space in the existing Starrett-Lehigh Building and Terminal Warehouse to a more diverse range of tenant types. Because specific tenants have not been identified, the EIS will consider a mix of uses consistent with the RWCDS described above.

Public Review Process

The Proposed Actions are subject to both ULURP and CEQR.

The City's ULURP process, mandated by Sections 197-c and 197-d of the New York City Charter, is designed to allow public review of ULURP applications at four levels: Community Board, Borough President, the CPC, and the City Council. The procedure has mandated time limits for review at each stage to ensure a maximum review period of approximately seven months. The process begins with certification by the City Planning Commission that the land use application is complete. The application is then referred to the relevant Community Board (in this case Manhattan Community Board (CB) 4). The CB has up to 60 days to review and discuss the proposal, hold a public hearing, and adopt an advisory resolution on the ULURP application.[1] The Borough President then has up to 30 days to review the application. CPC then has up to 60 days, during which time a public hearing is held on the ULURP application. If approved by the CPC, the application is then forwarded to the City Council, which has 50 days to review the ULURP application, during which time a ULURP/CEQR public hearing is held. Comments made at the Draft EIS (DEIS) public hearing and subsequent comment period (the record for commenting remains open for ten days after the hearing to receive written comments) are incorporated into a Final EIS (FEIS). The FEIS must be completed at least ten days before CPC makes its decision on the application. The CPC may approve, approve with modifications, or deny the application. If the ULURP application is approved, or approved with modifications, it moves forward to the City Council for review. The City Council has 50 days to review the application and during this time will hold a public hearing on the Proposed Actions. The Council may approve, approve with modifications, or deny the application. If the Council proposes a modification to the Proposed Actions, the ULURP review process is extended for 15 days, providing time for a CPC determination on whether the proposed modification is within the scope of the environmental review and ULURP review. If it is, then the Council may proceed with the modification; if not, then the Council may only vote on the actions as approved by the CPC. Following the Council's vote, the Mayor has five days in which to veto the Council's actions. The City Council may override the mayoral veto within 10 days.

City Environmental Quality Review (CEQR)

CEQR is a process by which agencies review discretionary actions for the purpose of identifying the impacts those actions may have on the environment. The City of New York

[1] For applications certified between June 1st and July 15th, the affected community boards have an additional 30 days to review an application.

established CEQR regulations in accordance with the State Environmental Quality Review Act (SEQRA). Pursuant to SEQRA (Article 8 of the Environmental Conservation Law) and its implementing regulations found at 6 NYCRR Part 617, New York City has established rules for its own environmental quality review in Executive Order 91 of 1977, as amended, and 62 RCNY Chapter 5, the Rules of Procedure for CEQR. The environmental review process provides a means for decision-makers to systematically consider environmental effects along with other aspects of planning and design, to propose reasonable alternatives, and to identify, and when practicable mitigate, significant adverse environmental impacts. CEQR rules guide environmental review, as follows:

- *Establish a Lead Agency*. Under CEQR, the "lead agency" is the public entity responsible for conducting environmental review. In accordance with CEQR rules (62 RCNY §5-03), DCP, acting on behalf of the CPC, is serving as the CEQR lead agency for environmental review and will coordinate the review of the Proposed Actions.
- *Environmental Review and Determination of Significance*. The lead agency determines whether the proposed action(s) may have a significant impact on the environmental. To do so, DCP, in this case, evaluated an Environmental Assessment Statement (EAS) dated December 11, 2020 for the Proposed Action. Based on information contained in the EAS, and as the Proposed Action is classified as a "Type I Action," DCP determined that the Proposed Action may have a significant adverse impact on the environment, as defined by statute, and issued a Positive Declaration on December 11, 2020, requiring that an EIS be prepared in conformance with all applicable laws and regulations.
- *Scoping*. Along with its issuance of a Positive Declaration, DCP issued a Draft Scope of Work for the EIS, marking the beginning of the comment period on the Draft Scope. "Scoping," or creating the scope of work, is the process of identifying the environmental impact analysis areas, the methodologies to be used, the key issues to be studied, and creating an opportunity for others to comment on the study areas, methodologies, and areas of analysis presented in the scoping document. CEQR requires a public scoping meeting as part of the process. A public scoping meeting was held on January 11, 2021 at 2:00 PM and, in support of the City's efforts to contain the spread of COVID-19, the public scoping meeting was held remotely. The public review period for agencies and the public to review and comment on the Draft Scope of Work was open through January 21, 2021. Modifications to the Draft Scope of Work for the project's EIS were made as a result of public and interested agency input during the scoping process. A Final Scope of Work was issued on June 21, 2021.
- *Draft Environmental Impact Statement (DEIS)*. This DEIS was prepared in accordance with the Final Scope of Work and followed the methodologies and criteria for determining significant adverse impacts in the 2020 *CEQR Technical Manual*. The lead agency reviewed all aspects of the document, calling on other City agencies to participate where the agency's expertise is relevant. Once the lead agency was satisfied that the DEIS was complete, it issued a Notice of Completion and circulated the DEIS for public review.
- *Public Review*. Publication of the DEIS and issuance of the Notice of Completion signals the start of the public review period. During this time, the public has the opportunity to review and comment on the DEIS either in writing or at a public hearing convened for the purpose of receiving such comments. When the CEQR process is coordinated with the ULURP process, the public hearings are held jointly. All substantive comments

received at the hearing become part of the CEQR record and are summarized and responded to in the FEIS.

- *Final Environmental Impact Statement (FEIS).* After the close of the public comment period for the DEIS, the FEIS is prepared. The FEIS addresses relevant comments on the DEIS, either in a separate chapter or in changes to the body of the text, graphics and tables. Once the lead agency determines the FEIS is complete, it will issue the Notice of Completion and circulate the FEIS.
- *Findings*. To document that the responsible public decision-makers have taken a hard look at the environmental consequences of a proposed action, agencies taking discretionary actions must adopt a formal set of written findings, reflecting their conclusions about the significant adverse environmental impacts of the Proposed Actions, potential alternatives, and potential mitigation measures. The findings may not be adopted until ten (10) days after the Notice of Completion has been issued for the FEIS. Once findings are adopted, the lead and involved agencies may take their actions. Accordingly, the CPC must wait at least ten days after the FEIS is complete to take action on the application.