



CITY OF NEW YORK

MANHATTAN COMMUNITY BOARD FOUR

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COREY JOHNSON
Chair

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District Manager

June 8, 2012

Ms. Diana Taylor
Chair
Hudson River Park Trust
Pier 40, West Houston Street
New York, New York 10014

Hon. Michael Bloomberg
Mayor, City of New York
City Hall
New York, New York 10007

Hon. Andrew M. Cuomo
Governor, State of New York
New York State Capitol Building
Albany, New York 12224

Hon. Sheldon Silver
Speaker
New York State Assembly
Legislative Office Building, Room 932
Albany, New York 12247

Hon. Dean G. Skelos
Majority Leader
New York State Senate
Legislative Office Building, Room 909
Albany, New York 12247

Re: Hudson River Park Strategic Planning Task Force Recommendations

Dear Ms. Taylor and Honorable Legislators:

Manhattan Community Board No 4 (MCB4) has been a member of the Hudson River Park Strategic Planning Task Force convened by Trust President, Madelyn Wils and is, therefore, fully aware of the financial challenges facing the Hudson River Park Trust in the coming years, and the need for several initiatives to help the Trust meet its financial obligations. Some of these will require certain carefully worded changes to the Hudson River Park Act, and, after consideration, MCB4 supports

such changes as outlined below, as we have been long time supporters of the park and enjoy the many benefits it provides to our largely park starved neighborhood.

In a nutshell, the facts and challenges to the park include:

- The park is still not done in many sections within Community District 4 (CD4), and public funding has been reduced to a trickle in recent years.
- The park is largely built on piers supported by piles, or on the esplanade, much of which is also shored up with piles and/or landfill, and is, therefore much more expensive to maintain than parks that are on solid ground.
- The cost to maintain the park are turning out to be much higher than was anticipated in 1998, when the park was formalized by the Hudson River Park Act, this being the first major waterfront park of its kind in NYC.
- At the same time, the park has already increased property values along the upland section of the park and contributed value far more that it has cost to the city of New York, and in particular, to the neighborhoods adjacent to the park.
- Deficits, which already have reached a total of \$14 million in the current and past fiscal years, are expected to rise over the next 10 years to unprecedented levels.
- The Hudson River Park Act specifies that the park be largely (but not necessarily 100%) self sustaining. However the Hudson River Park Act also has many use and other restrictions that make this goal impossible to achieve.*
- The financial issues facing the park are so serious that, if not addressed in a timely manner, they will lead to the loss of important and valuable infrastructure (such as Pier 54, already recently condemned, Pier 40, a major revenue source for the park as a whole, and others) and will prevent the completion of the park, especially within CD4 (which encompasses 50% of the park).
- While (a) continued efforts for public funding, (b) new efforts at seeking private funding, (c) creative ways to increase income throughout the park (while keeping it free to the public as parks should be), and (d) initiatives such as the proposed Park Improvement District are all important, it is clear that they, combined, will not provide near enough revenue to solve the park's economic situation.

* At the time the park was created, there was fear that the waterfront would be developed as a walled-off row of high-rise condos and commercial towers, and it was believed that such use restrictions were necessary to prevent that. However, now that 75% of the park has been completed largely as passive and active high-quality public open space and true park land and the Trust has had an excellent 14 year track record as public-minded stewards of the park and its environment, those fears largely no longer exist.

Therefore the Task Force is recommending several proposed one-time changes to the Hudson River Park Act that will increase its ability to maximize income from its few as-of-right commercial nodes yet to be developed (primarily Pier 40 and Pier 76). These changes would have no negative effect on the many existing and new public park piers, and could even permit larger percentages of open public space on the commercial nodes by maximizing efficiencies.

The changes being proposed by the Task Force include:

- Longer lease terms (currently only 30 years) at commercial nodes, as this limitation inhibits responsible development. (Note: longer lease terms were previously approved for Chelsea Piers and Pier 57.)

- The ability for the Trust to issue tax-exempt bonds against guaranteed revenue streams, to address immediate infrastructure issues now. (Deferred maintenance is always more expensive).
- A provision to strengthen the terms of the departure of the NYPD tow pound (and now also the Mounted Unit) from Pier 76 to a date certain (vs. the words “best efforts”) (Note: MCB4 has long advocated for the faster removal of the tow pound so that the pier can be developed as 50% minimum park land as called for in the HRP Act).
- A further change to permit the Trust to retain 100% of the income from the future development of Pier 76 (now destined to go to NYC directly under the current law), again with the provision that the pier be developed with at least 50% open space for park use.
- A broadening of certain use restrictions at specified as-of-right commercial locations, to include potential office, residential, hotel and commercial uses (Note: no changes to the use limitations at public park piers are being recommended, and gambling as a use will continue to be prohibited).
- Removal of the non-waterfront portion of the park that is a very thin narrow strip south of Chambers Street and east of Battery Park City, to reduce expenses.
- Other minor changes (Pier 54 footprint, clarify dredging, etc).

After participating in the Task Force itself, and having been presented with the situation and proposed changes at a recent meeting at the Waterfront, Parks and Environment Committee, and a recent public meeting, MCB4 supports the concept of the changes to the HRP Act as described above, provided that:

1. The Trust, and local elected officials, will continue to explore ways to seek increased public funding for the park, both for its completion as well as ongoing maintenance.
2. Other methods of increasing funding will also be sought.
3. No such changes to the HRP Act shall decrease the amount of public open space, and that one goal of said changes shall be to increase public open space to the extent possible, even at commercial nodes.
4. No such changes will limit or bypass the public processes already in place (such as the EIS process, ULURP, public hearings, etc) to permit public involvement and comment on any particular development proposal that may arise going forward.

It is very important to MCB4 that Hudson River Park continues to be built, and then maintained in the best possible manner for the future, and we hope these changes will provide more options to help the Trust accomplish this goal in the future.

Sincerely,



Corey Johnson
Chair

Cc:
FoHRP,
Local elected officials