

September 28, 2017

Honorable Marisa Lago
Chair, City Planning Commission City of New York
120 Broadway, 31st Floor
New York, NY 10271

Dear Chair Lago,

The Municipal Art Society of New York (MAS) expresses our grave concern regarding Rockrose Development Corporation's proposal for the redevelopment of the POPS at 200 Water Street. This first development under the 2016 *Water Street Upgrades Text Amendment* (the Text Amendment) reinforces MAS's concerns—stated clearly at the time of the debate regarding that Text Amendment—that retail infill at the expense of public space sets a harmful citywide precedent of putting private gain before public benefit. The proposal does little to activate the POPS in question, and may further undermine the likelihood of their success.

Under Rockrose's proposal, the 7,488-square foot (sf) Duane Reade would be reconfigured, the majority of the 3,222-sf public arcade would be filled in with a future restaurant and open air café totaling 2,922 sf, and a total of approximately 4,000 sf of public plaza space (three separate plazas) would be upgraded with additional chairs, tables, lighting, and planters in accordance with the Text Amendment requirements. The plan also includes the filling in of 1,778 sf of the second level of the arcade with residential dwelling units. In total, the proposal would result in the private development of approximately 4,700 sf of existing public space for combined retail and residential uses.

Proposal Does Not Enhance POPS

According to the CPC findings, the Rockrose project would meet zoning requirements for transparency, offer sufficient unobstructed space for pedestrian circulation, maintain a visual connection to Water Street from another street or public space, and that all non-complying public plazas would be improved to a higher standard than required by zoning. However, we find the proposed plaza improvements only slightly exceed what is minimally required by the existing zoning and does not enhance the POPS.

According to the 2013 report *Transforming Water Street's Privately Owned Public Space Report* issued by the Department of City Planning (DCP) and the New York City Economic Development Corporation (EDC), the *Water Street POPS Upgrades Initiative* was designed to transform the area into a destination that creates unique shopping and dining opportunities for the day-time office workers and the residential population, to animate the streetscape, and to maintain critical pedestrian circulation. Again, we remain unconvinced that the 200 Water Street plan meets these goals.

Were the current proposal approved, we fear the Water Street initiative and Text Amendment could become a conduit for facilitating lucrative private commercial and residential development opportunities for building owners rather than for meaningful public realm improvements.

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In the spirit of the expressed intention on the Text Amendment, we agree that the Water Street public realm is in need of improvement and the street's underperforming POPS contribute to the corridor's lack of vibrancy. Unfortunately, with 200 Water Street, these improvements are necessitated by Rockrose's willful lack of maintenance of their POPS.

The Melvyn Kaufman-built public spaces at 200 Water Street were lauded for their unique public art installations and noted for the unusually playful vibrancy these pieces brought to the area. Yet today, much of the public art has been altered or removed. And the plazas and arcade have been allowed to deteriorate to the point that, instead of preserving these valuable community assets, Rockrose stands to benefit from the loss of public space.

Therefore, we remain adamantly opposed to rewarding property owners who choose not to maintain and improve their POPS, for which they have previously received bonus floor area, with *additional* income-earning floor area at the expense of publicly owed space.

Are the Proposal's Benefits Fair and Balanced?

At the July 18th Community Board 1 meeting, Rockrose stated the total rental income from the dwelling units and expanded retail would be approximately \$600,000 annually. Given the additional revenue Rockrose would gain at the expense of public space, it is clear that this is not a fair trade-off.

Therefore, for improved transparency and an equitable private-public exchange, we maintain that developers seeking to fill in POPS should be required to provide a full financial analysis of the costs and benefits associated with the bonus floor area and the future revenue they will receive through retail rents and increased building value.

Furthermore, MAS agrees with CB1's March 2016 Text Amendment resolution which states that in cases such as this, where the benefit to the property owner afforded by the arcade infill clearly outweighs the community benefit received from the plaza upgrades, the property owner should be required to provide additional benefits that address community needs. The proposed plaza upgrades are an insufficient exchange for the loss of 4,700-sf of public space.

While we commend DCP for granting CB1 additional time to review the proposal, MAS strongly urges the City Planning Commission to take a true hard look at the proposal and consider our concerns.

As the first retail infill development permitted under the Text Amendment we believe it poses an opportunity to set a positive precedent for activating the area, strengthening the gateway, creating truly effective public space, and offering an equitable private/public exchange.

The public can ill-afford to lose valuable open space that is owed to them to private development.

The proposal seen to date is inadequate in meeting this reasonable challenge.

We urge the CPC to reject the current proposal and require Rockrose to submit a new proposal that includes a full financial disclosure and demonstrable improvements that provide an equitable public-private exchange.

Sincerely,

Elizabeth Goldstein



President

The Municipal Art Society of New York