BCP APPLICATION SUPPORT DOCUMENT
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Exhibit List

Exhibit A - DOS Entity Information
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Exhibit G - Survey and Tax Maps
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ENVIRONMENTAL REPORTS SEPARATELY ATTACHED ON CD:

1. July 2004 Spill No. 0404424 – 460 W 41st Street/Covenant House
2. March 2007 Spill No. 0613314 – 460 W 41st Street
3. Sept. 2015 TRC Engineers, Inc. (“TRC”) Phase I Environmental Site Assessment (“ESA”) prepared for Covenant House International
6. May 2018 Langan Amended Phase II Environmental Site Investigation (“ESI”) Report prepared for Langan
9. May 2021 Langan Environmental Soil Pre-Characterization Results prepared for GO Covenant LLC
11. May 2021 Langan Remedial Investigation Work Plan (“RIWP”)
PART A

SECTION I - REQUESTOR INFORMATION

The Requestor is GO Covenant LLC, a New York limited liability company, located at c/o Gotham Organization, LLC, 423 Park Avenue South, 2nd Floor, New York, New York 10016. GO Covenant LLC is authorized to do business in the State of New York. See Exhibit A, NYSDOS Entity Information. The members are as follows:

1. GO Covenant MM, LLC is the Managing Member of GO Covenant LLC in a joint venture with Goldman Sachs (GO Covenant LLC).
2. GO Covenant MM, LLC is a joint venture between GO Venture, LLC and Greenlight Development Ventures, LLC.

The Written Consent provides David L. Picket with authority to sign all Brownfield Cleanup Program (“BCP”) documents on behalf of the Requestor GO Covenant LLC. See Exhibit B, Corporate Consent.

As further described below in Section IV, the Site is located at 550 10th Avenue a/k/a 538-554 10th Avenue & 460 W 41st Street, Manhattan, New York County, New York 10018, Tax Block 1050, Lot 61 (“Site” or “BCP Site”).

Requestor is not the owner of the Site. As more fully described below in Section VI, CH Housing Development Fund Corporation is the current owner of the Site. See Exhibits C Deed. The Requestor has received a temporary license from the Owner to access the property to perform investigation and remediation work required by the BCP. See Exhibit D Site Access Agreement.

The Requestor has no prior relationship with any current or past owners or operators of the Site. See Sections V and VI below, and Exhibit E, Previous Owners and Operators List. The Requestor did not cause any of the contamination of the Site, which predates the Requestor’s involvement at the Site.

SECTION II - PROJECT DESCRIPTION

Please refer to responses to Questions 1-3 on the BCP Application Form.

4. Short Project Description

550 Tenth Avenue (the “Project” or the “BCP Site”) is a mixed-use development proposed to be constructed by GO Covenant LLC (aka the Gotham Organization) (the “Developer”) in the Hudson Yards / Hell’s Kitchen neighborhood of Manhattan within Community District 4. The Project has frontage on 10th Avenue between the NE corner of 40th Street and the SE corner of 41st Street. The Project is approximately 436,000 square feet (429,000 zsf), including approximately 27,000 square feet (25,000 zsf) of office / community facility space that will serve as Covenant House’s (“CH”) New York City office / administrative space, approximately 343,000 square feet (343,000 zsf) of residential space, and approximately 9,000 square feet (6,000 zsf) of retail space (at grade
and below) activating the urban streetscape of 10th Avenue. Indoor and outdoor residential amenity space for residents and their guests is provided at the 8th and 45th floors, with landscaped terraces enlivening the skyline.

The Project contains 453 new residential rental units including 113 inclusionary housing (“IH”) units and 23 Affordable New York units. The residential component complies with Hudson Yards Special District IH Option 2, requiring at least 10% of the residential floor area be set-aside for affordable housing units at 80% AMI or less, and at least 15% of the residential floor area be set-aside for affordable housing units at 125% AMI or less. The residential component also complies Option F of Affordable New York, requiring at least 10% of the residential floor area be set-aside for affordable housing units at 70% AMI or less and at least 20% of the residential floor area be set-aside for affordable housing units at 130% AMI or less. To comply with both of these requirements, the Project has 47 low-income units at 70% AMI and 89 middle-income units at 125% AMI. The remaining 317 units are Market Rate.

The Project is the second phase of a two-phase development that is contributing to the ongoing viability of CH, an international non-profit that serves homeless, trafficked, and runaway youth. In the first phase of the development, which will be completed in fall 2021, the Developer is constructing a new ~90,000 square foot international headquarters for CH adjacent to the Project at 460 West 41st Street (Block 1050, Lot 1) (the “Phase I Development”). The new headquarters will contain a robust set of programs including youth shelter housing, administrative office space, event space and provisions for a multitude of services which will enable CH to expand upon the mission-critical services it provides to New York City’s urban youth. The second phase of the development, as outlined above, will contain an additional ~27,000 GSF of office / administrative space, which will be conveyed to CH. In total, both phases will enable CH to reduce its operating overhead, alleviating the financial strain on this essential non-profit.

The Phase I Development was remediated under the New York City Office of Environmental Remediation (“NYCOER”) E-Designation Program. The BCP Site was also proceeding through the OER E-Designation Program until hazardous lead soil was unexpectedly found increasing project costs and making the Project potentially unviable in an increasingly difficult New York City real estate market with shrinking financing available. Participation in the BCP is now critically important for the Project to proceed. The financial viability of the Project is especially important given that the proceeds from the closing of the Project (when Gotham (GO Covenant LLC) will purchase the BCP Site for the Project from CH) will enable CH to pay off the construction loan used to build Phase I and will fund the organization’s endowment.

The planned redevelopment of the Site entails the demolition of the existing 8-story Covenant House building and associated cellar space. The asphalt parking lot will also be removed as part of the redevelopment. This demolition allows Phase II to proceed.

**Schedule- Commencement through COC**

A Remedial Investigation Work Plan (RIWP) and an Interim Remedial Measures (IRM) Work Plan (IRMWP) are being submitted with this application. As a result, the Remedial Investigation is expected to be commenced on the Site shortly after the Brownfield Cleanup Agreement (BCA)
is executed. Some demolition is required for the investigation in the center of the Site since the interior of the building could not be accessed, which is expected between October through November 2021 and demolition is expected to be commenced by December 2021 and proceed for 5-6 months thereafter through March-April 2022. The IRMWP has been submitted to include the demolition an address an area where hazardous lead soil has been found and to install an initial foundational element for the planned 421(a) affordable housing component of the project.

The Remedial Action Work Plan ("RAWP") will be completed in April 2022 and any required remediation may commence in July 2022. The Certificate of Completion is anticipated to be issued by December 2022 or in early 2023.

SECTION III – PROPERTY’S ENVIRONMENTAL HISTORY

1. List of Environmental Reports

The following is the list of environmental reports for the Site separately attached:

A. July 2004 Spill No. 0404424 – 460 W 41st Street/Covenant House
B. March 2007 Spill No. 0613314 – 460 W 41st Street
C. Sept. 2015 TRC Engineers, Inc. ("TRC") Phase I Environmental Site Assessment ("ESA") prepared for Covenant House International
D. Dec. 2017 Langan Engineering, Environmental, Surveying and Landscape Architecture, D.P.C. ("Langan") prepared for Gotham
F. May 2018 Langan Amended Phase II Environmental Site Investigation ("ESI") Report prepared for Langan
G. Dec. 2019 Langan Phase II Investigation Work Plan ("IWP") prepared for GO Covenant LLC
I. May 2021 Langan Environmental Soil Pre-Characterization Results prepared for GO Covenant LLC
J. May 2021 Langan Remedial Investigation Report ("RIR") (NYCOER Site No. 20TMP0490M, 20EH-N114M)
K. May 2021 Langan Remedial Investigation Work Plan ("RIWP")
L. May 2021 Langan Interim Remedial Measures Work Plan ("IRMWP")

2. Sampling Data

See Exhibit F, Spider Maps which include sampling data summaries, and Section IV.10.F.

3. Site Drawing

See Exhibit F, Spider Maps.
4. Past Land Uses

See Section IV.10.D for full description of past land uses. Most recently, the southern portion Site was used as an 8-story homeless shelter for youth, and the northern portion of the Site was used as a parking lot. Prior to that use, the Site had a long history of use as a filling station and an automotive repair shop. The historical owners and uses associated with the Site are described in the Exhibit E Previous Owners and Operators List.

SECTION IV – PROPERTY INFORMATION

1. Site Boundary and Tax Parcel Information

The Site boundary does correspond to the tax lot boundary. The Tax Boundary Map and a Survey map is provided in Exhibit G. The Site Location, Base Property, Brownfield Opportunity Area (BOA), Environmental Justice (EJ) and En-Zone Maps are in Exhibit H. The Site is not located in an En-Zone or a BOA but the Site is located in an EJ Area based on the NYC, EPA and DEC EJ maps. See EJ Maps in exhibit H. Approximately 65 percent of the area is composed of minority populations. In addition, approximately 36 percent of the residents in the area allegedly do not speak English.

2. Property Map

The Site Location and Base Property Map are in Exhibit H. A Survey map is in Exhibit G.

Please refer to responses to Questions 3-9 on the BCP Application Form.

10. Property Description Narrative

A. Site Location

See Response to Section IV.1 and IV.2 above. The Site is located at 550 10th Avenue a/k/a 554 10th Avenue, Manhattan, New York 10018, Tax Block 1050, Lot 61. The Site is located in a mixed-use neighborhood known as the Clinton neighborhood of Manhattan. It is part of Manhattan Community District 4. The Site is bordered by 10th Avenue to the west, W 41st Street to the North, and W 40th Street to the south. NYCOER Site No. 16EH-N056M is located east of the Site. The NYCOER Site is the first phase of the two-phase redevelopment plan related to the Site. A bus stop is located adjacent to the Site on 10th Avenue. An entrance to the Lincoln Tunnel and access ramps for the nearby Port Authority Bus Terminal are located south of the Site, beyond West 40th Street. Additional neighborhood uses include restaurants, hotels, apartment buildings, churches, schools, and parking lots.
B. Site Features

The approximately 0.365-acre Site is currently improved with an 8-story building with a cellar. The cellar extends to approximately 10.5 and 15 feet below sidewalk level (“ft-bsl”). An asphalt parking lot is located within the northern portion of the property along West 41st Street. Construction field offices associated with the redevelopment of the adjacent site to the east are also currently present on the Site. The Hudson River is located approximately 0.402 miles from the Site. The Site is not located in a Federal Emergency Management Agency (“FEMA”) flood zone. See Exhibit J Flood Plain Map.

C. Current Zoning and Land Use

The Site is currently located in the C2-8 and HY Zoning Districts. See Zoning Map in Exhibit I. C2-8 districts are commercial districts that are predominantly residential in character. C2-8 districts are mapped along major thoroughfares in medium- and higher-density areas of the city. The Special Hudson Yards, or HY District, was established 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.

The Site is currently improved with an 8-story building and an adjacent parking lot. Current occupants of the building include Covenant House New York and Ko Alice MD, FACOG. The surrounding property uses include restaurants, hotels, apartment buildings, churches, and parking lots. The closest residential area is the 555Ten apartment complex located across 10th Avenue. Another apartment complex, the MiMA Apartments, is located approximately 400 feet from the Site. New York City Transit (“NYCT”) 7 Line subway tunnels are located north of the Site below West 41st Street. Penn Station is located approximately 0.567 miles from the Site. A high school is located approximately 0.179 miles from the Site.

D. Past Use of the Site

It is important to note that the BCP Site was once a portion of former Lot 1 and former Lot 61. See the map attached to the Previous owners Operators List in Exhibit E. Therefore, the past use of portion of former Lot 1 that makes up the BCP Site and Lot 61 are summarized below.

1. Past Use of the Site

Former Portion of Lot 1

Between 1890 and 1911, Lot 1 was developed with multiple buildings, including a 5-story piano factory on the southern portion of the Site. A filling station was in the southern portion of the lot from 1950 until about 1968. At that time, the former factory was used as an auto repair shop and for vehicle storage. In 1961, an on-site building was used as a hotel with an attached garage. By 1979, the buildings along 10th Avenue were demolished and
a building was constructed. The current on-Site structure was constructed in 1985. The Site has been in its current configuration since approximately 1990. In 2003, an auto repair facility occupied a portion of Lot 1. Lot 1 was the subject of two partial condemnations in August and September 2006 as part of a rezoning project. These past uses may have contributed to on-Site contamination.

Former Lot 61
Between 1890 and 1911, the Lot 61 was developed with multiple buildings. Between 1930 and 1950, two of the buildings along the corner of 10th Avenue and 41st Street were demolished and replaced with a triangular-shaped retail building. The lot may have been used as a parking lot between 1940 and 1942. A filling station was present on Lot 61 from approximately 1950 to 1987. The property at 460 W 41st Street is registered as NYSDEC petroleum bulk storage ("PBS") Site No. 2-610819. However, the 10,000-gallon #2 fuel oil tank associated with that listing does not correspond to the current BCP Site. The tank was associated with the adjacent lot but near the property boundary with the BCP Site. See summary of spill history below. Multiple changes in ownership occurred between 1984 and 1986. The filling station appears to have been replaced by a parking lot in maps from 1988. Lot 61 was the subject of two partial condemnations in August and September 2006 as part of a rezoning project. These past uses may have contributed to on-Site contamination.

Current Lot 61
In May 2018, a portion of Lot 1 was reapportioned to be included in Lot 61. The reapportioned Lot 61 makes up the 0.365-acre Site that is the subject of this application.

Spill History
There is a spill history associated with both the BCP Site and the adjacent Lot 1 OER Site when both were owned by Covenant House. The exact location of these spills is not clear. However, a former 10,000 gallon #2 fuel oil tank located on the OER Site that was just remediated is close to the BCP property boundary near the parking lot, and therefore not too far from where the hazardous lead soil exceedance has been found. In July 2004, petroleum impacted soils were identified at the Site during drilling activities for the nearby NYCT 7 Line Subway Extension (Spill No. 0404424). The spill was reported at 460 W 41st Street/Covenant House. The contaminated soils were reportedly removed and replaced with clean soils. The Spill was closed in October 2005. In March 2007, oily water was observed on the Site after excavation activities. A #2 fuel oil spill was reported at the Covenant House property (Spill No. 0613314). Approximately 3,000 gallons of oily water were pumped out during the excavation. The spill was closed in October 2009.

2. Past Investigations Related to Uses and Environmental Conditions that Led to the Submission of this Application.

In 2015, TRC prepared a Phase I ESA for the adjacent OER site and current BCP Site. TRC observed a 100-gallon aboveground storage tank ("AST") associated with an emergency generator in the parking area near 10th Avenue. At the time, the Site was listed on the NY E-Designation database for window/wall noise attenuation and hazardous
materials as part of the 2005 No. 7 Subway Extension – Hudson Yards rezoning study. The ESA noted that the Site and nearby properties were historically occupied by a coal yard and a piano factory. The EDR US Hist Auto Stations database lists the Site as an auto repair facility. TRC observed possible asbestos containing material, possible lead-based paint and other regulated hazardous building materials during its investigation. TRC recommended a Phase II ESA and an Asbestos and Regulated Materials Survey prior to Site redevelopment.

Langan prepared a Phase II ESI Report in December 2017. The limited investigation evaluated both Lots 1 and 61. The presence of an approximately 36- by 9-foot metallic anomaly, which was assumed to be the active 10,000-gallon fuel oil UST on the adjacent lot, was confirmed. Fuel oil feed and return lines were traced from the UST to the northeastern portion of Lot 61. Langan identified the contaminants of concern as metals in soil and SVOCs and metals in groundwater. Langan observed odors, staining, and elevated PID readings in the vicinity of the former gasoline station near the corner of 10th Avenue and West 40th Street. Langan recommended additional Site investigation.

Langan amended its Phase II ESI in 2018 to summarize a Supplemental Phase II EI. Investigation activities consisted of geophysical utility clearance in the vicinity of proposed sample locations, installation of sampling points, and sample collection. Results indicated that the contaminants of concern are VOCs, SVOCs, and metals in soil, SVOCs and metals in groundwater, and VOCs in soil vapor. Sample results indicated the presence of a historic fill layer at the Site. Langan recommended removal of the UST prior to redevelopment.

In December 2019, Langan prepared a Phase II IWP, which corresponded to the extents of the approved tentative reapportionment of Lot 61 (i.e. the current BCP Site). The findings were similar to past findings and Langan noted that it would prepare a RIR for OER to provide detailed summaries of the investigative findings.

In May 2021, Langan conducted soil pre-characterization sampling at the Site. Composite samples were collected from multiple borings in order to characterize the anticipated excavation depth of 17.5 feet bsl. A deeper sample was collected from the area of the proposed elevator pit to characterize soil to be excavated for deeper foundation elements. Langan found higher level SVOCs and metals on the BCP Site than previously detected, including hazardous lead concentrations detected from 9 to 18 ft-bsl in WC-1B, and VOCs within the BCP Site building footprint. WC-1B is located within the footprint of the former filling station in the northern portion of the Site. Once this discovery was made, which shall increase costs, a decision was made to submit a BCP Application.

Langan has prepared a RIWP to further investigate the hazardous waste area and perform additional investigation work to complete a BCP-required Remedial Investigation for the Site. Langan prepared an IRMWP to perform on-Site building demolition, hot spot removal of the hazardous lead area and installation of an initial pile to satisfy upcoming 421(a) requirements for the proposed affordable housing component of the Project.
E. Site Geology and Hydrogeology

According to the United States Geological Survey (USGS) topographic map, Central Park, New York quadrangle dated 1995, the Site elevation is approximately 26 feet above mean sea level (“msl”). The Site topography is generally flat with a slight slope to the west. The assumed direction of shallow groundwater flow is to the west. The water table is expected to be encountered at approximately 14 ft-bsl. During on-Site investigations, groundwater was encountered between 9 and 17.5 ft-bsl.

The stratigraphy below the asphalt parking lot on the northwestern portion of the subject property consists of an approximately 9.5- to 20-foot-thick layer of historical fill underlain by a silty sand unit. Weathered mica Schist rock is present under the sand unit. During investigatory activities, a clayey silt unit was encountered from approximately 21 ft-bsl to the depth of drilling refusal at approximately 25 ft-bsl in the parking lot area. Groundwater was encountered at approximately 16-18 ft-bsl under the parking lot.

The stratigraphy below the existing basement floor also consists of a 0- to 13-foot-thick layer of historic urban fill. Fill was observed to be 2.5 to 3.5 feet thick in the southwestern portion of the building footprint and 3 to 3.5 feet thick in the eastern portion of the building footprint. The fill material in the eastern portion of the building footprint was observed to be underlain with silty sand to the depth of drilling refusal, which varied between 5 and 10.5 feet below the basement floor slab. Langan presumed the drilling refusal occurred because of mica schist present beneath the Site. In the central portion of the building, fill material was observed to be between 8 and 13 feet thick. The fill was underlain by a silty sand. In several borings within the building footprint, native material was observed directly beneath the existing basement slab. At these locations, drilling refusal on mica schist was encountered between 5 and 6 feet below the basement slab. Clay was also encountered in the northeastern portion of the building from 9 to 10.5 feet below the basement slab.

F. Environmental Assessment

Based on the investigations conducted to date, the primary contaminants of concern are SVOCs and metals in soil, including hazardous lead levels in soil, SVOCs and metals in groundwater, and various petroleum and chlorinated VOCs in soil vapor. See Exhibit F Site Drawing Spider Maps.

Soil:

Several SVOCs, specifically polyaromatic hydrocarbons (PAHs), were detected above the NYSDEC Protection of Groundwater Guidance SCOs including:

- benzo(a)anthracene (max. 10.8 mg/kg),
- benzo(b)fluoranthene (max. 8.44 mg/kg), and
- benzo(k)fluoranthene (max. 7.34 mg/kg).

The following SVOCs were detected above the NYSDEC Restricted Residential RUSCOs, but below the Protection of Groundwater SCOs:
• benzo(a)pyrene (9 mg/kg);
• dibenzo(a,h)anthracene (max. 2.49 mg/kg);
• indeno(1,2,3-cd)pyrene (max. 5.46 mg/kg).

Benzo(k)fluoranthene (max. 1.22 mg/kg) and chrysene (max. 1.27 mg/kg) were also detected above the NYSDEC Unrestricted Use SCOs.

One pesticide, 4,4-DDT (max. 0.0187 mg/kg), was detected at a concentration exceeding the NYSDEC Unrestricted Use SCOs.

One metal, selenium (max. 15.7 mg/kg) was detected at a concentration exceeding the NYSDEC Protection of Groundwater SCOs.

Metals were detected at concentrations exceeding the NYSDEC Restricted Residential RUSCOs including:
  • barium (max. 562 mg/kg)
  • lead (max. 3,050 mg/kg).

Several metals including cadmium (max. 14.393 mg/kg), copper (max. 50.8 mg/kg), manganese (max. 1,660 mg/kg), mercury (max. 0.533 mg/kg), nickel (max. 31.4 mg/kg), selenium (max. 19.3 mg/kg), and zinc (max. 463 mg/kg) were detected above the NYSDEC Unrestricted Use SCOs throughout the site footprint.

Perfluorooctanesulfonic acid (PFOS) (10.7 μg/kg) was detected in the sample collected from LSB-2A from 0 to 2 feet bsl exceeding the NYSDEC January 2021 Unrestricted Use SCO Guidance Value.

Groundwater:

Groundwater samples that exceeded the NYCRR Part 703.5 and NYSDEC Technical & Operational Guidance Series (TOGS) 1.1.1 Ambient Water Quality Standards and Guidance Values (collectively referred to as SGVs) and screening values provided in the NYSDEC’s Guidelines for Sampling and Analysis of PFAS (NYSDEC January 2021 Guidance Values) including SVOCs, specifically PAHs:
  • benzo(a)anthracene (max. 0.115 μg/l) in TW-2, LMW-8, and LMW-9
  • benzo(a)pyrene (max. 0.0842 μg/l) in TW-2 and LMW-9
  • benzo(b)fluoranthene (max. 0.0842 μg/l) in TW-2 and LMW-9
  • benzo(k)fluoranthene (max. 0.0737 μg/l) in TW-2 and LMW-9
  • chrysene (max. 0.108 μg/l) in TW-2 and LMW-9 and
  • indeno(1,2,3-c,d)pyrene (0.0526 μg/l) in LMW-9.

Dissolved metals were detected in groundwater samples at concentrations exceeding NYSDEC SGVs included:
  • manganese (max. 1,660 μg/l)
  • selenium (10.2 μg/l) and
• sodium (max. 1,380,000 μg/l).

PFOS (67.5 ng/l) and perfluorooctanoic acid (PFOA) (45.4 ng/l) were detected above the NYSDEC January 2021 Guidance Values in LMW-11.

**Soil Vapor:**

Soil vapor samples collected during the RI were compared to the October 2006 New York State Department of Health (NYSDOH) Final Guidance for Evaluating Soil Vapor Intrusion in the State of New York and Soil Vapor/Indoor Air decision matrices A through C (updated May 2017). Soil vapor samples did not reveal concentrations of chlorinated VOCs in soil vapor at the subject property that indicated further action is required based on the NYSDOH Guidance but the results showed the following:

Total concentrations of petroleum-related VOCs (BTEX) within the four soil vapor samples ranged from 1.83 μg/m³ to 12.3 μg/m³.

The chlorinated solvents detected included carbon tetrachloride (max. 0.286 μg/m³), methylene chloride (max. 11 μg/m³), tetrachloroethylene (PCE) (max. 4.1 μg/m³), and trichloroethylene (TCE) (max. 1.2 μg/m³).

Total VOC vapors ranged from 17.5 up to 2,640 μg/m³.
Total CVOC vapors ranged from 3 up to 6.51 μg/m³.
Total BTEX vapors ranged from 1.83 to 12.3 μg/m³.

**Regarding Questions 11-13 on the BCP Application:**

Requestor is seeking a determination that the Site is eligible for tangible tax property credits because the final 2017 Hudson Yards Zoning Resolution already mandated that this BCP Site, which is located with the Hudson Yards (HY) Special District Inclusionary Housing Option 2, and which requires at least 10% of the residential floor area be set-aside for affordable housing units at 80 percent AMI or less and at least 15% of the residential floor area be set-aside for affordable housing units at 125 percent AMI or less, be redeveloped for 25% Inclusionary Housing required by the zoning. The residential component also complies Option F of Affordable New York, requiring at least 10% of the residential floor area be set-aside for affordable housing units at 70% AMI or less and at least 20% of the residential floor area be set-aside for affordable housing units at 130% AMI or less. See the Full 2017 HY Zoning Resolution and the excerpt sections of the Resolution that are specific to this BCP Site in Exhibit M.

The applicable affordable housing definition in 6 NYCRR §375-3.2(a) states:

(a) "Affordable housing project" means, for purposes of this part, title fourteen of article twenty seven of the environmental conservation law and section twenty-one of the tax law only, a project that is developed for residential use or mixed residential use that must include affordable residential rental units and/or affordable home ownership units.
(1) Affordable residential rental projects under this subdivision must be subject to a federal, state, or local government housing agency's affordable housing program, or a local government's regulatory agreement or legally binding restriction, which defines (i) a percentage of the residential rental units in the affordable housing project to be dedicated to (ii) tenants at a defined maximum percentage of the area median income based on the occupants' households annual gross income. [emphasis added]...

While the regulatory agreement will not be finalized until the closing scheduled for the fourth quarter this year, the attached Resolution in Exhibit M meets the second criteria for establishing eligibility for the tangible property tax credits (i.e. legally binding restriction) since the attached Resolution creates a legally binding restriction that the proposed development project must include 25% affordable housing as defined in the attached documents.

Thus, since the Requestor is already mandated to develop 25% Inclusionary Housing through a legally binding restriction as supported by the attached Resolution, and it is adding another 5% under the Affordable NY Program, Requestor is seeking a determination now that it is entitled to the tangible property tax credits. See Exhibit M. The Requestor is not, nor will it in the future, be seeking a determination that the property is Upside Down or Underutilized.

PART B
SECTION V- ADDITIONAL REQUESTOR INFORMATION

See Section I, Requestor Information and responses in the Application form. As stated in Section I, the Requestor has no prior relationship with any current or past owners or operators of the Site other than the Requestor intends to purchase the Site from the current Site owner later this year. See also Exhibit E, Previous Owners and Operators List. The Requestor did not cause any of the contamination of the Site, which predates the Requestor’s involvement at the Site.

SECTION VI- CURRENT PROPERTY OWNER/OPERATOR INFORMATION

CH Housing Development Fund Corporation is the owner of the Site. CH Housing Development Fund Corporation has owned the Site since April 2019. See Exhibit C Deed.

The Previous Owner and Operator list is attached in Exhibit E. This Exhibit includes both current and previous property owners and operators by name, last known address, telephone number, and the Requestor’s relationship to each owner and operator (all of which are “None”). Exhibit E also includes the prior operators’ use of the Site.
SECTION VII- REQUESTOR ELIGIBILITY INFORMATION

Please refer to responses to Questions 1-11 on the BCP Application Form.

REQUESTOR CERTIFICATION

The Requestor certifies it is a Volunteer, since it does not own the Site; and does not have nor has ever had a relationship with any of the past owners or operators of the Site that caused the contamination, nor did it have involvement with the Site at the time of disposal. The Requestor has performed all required environmental due diligence prior to acquiring the Site and has implemented due care of the Site.

SECTION VIII- PROPERTY ELIGIBILITY INFORMATION

Please refer to the responses to the Questions 1-6 on the BCP Application Form, which confirms the site is not ineligible for the BCP.

In addition to the responses on the application form, which clarify the Site is an eligible brownfield site pursuant to ECL § 27-1405, the following information further demonstrates this Site’s eligibility for the BCP.

The Site meets the definition of an eligible “brownfield site” in Environmental Conservation Law § 27-1405(2) as “any real property where a contaminant is present at levels exceeding the soil cleanup objectives or other health-based or environmental standards, criteria or guidance adopted by the department that are applicable based on the reasonably anticipated use of the property, in accordance with applicable regulations.” Environmental investigation results show evidence of impact from the Site’s previous commercial and industrial uses, which can be linked to and caused Site contamination above the applicable cleanup standards. See Environmental Reports separately attached and the Spider Maps in Exhibit F, providing the data demonstrating exceedances of the cleanup standards for this Site. As a result, the Site meets the definition of a brownfield site pursuant to Environmental Conservation Law §27-1405(2).

SECTION IX - CONTACT LIST INFORMATION

See Exhibit K for the Site Contact List. See Exhibit L, for the Repository Letters.
SECTION X- LAND USE FACTORS

1. Current Zoning

The Site is within the C2-8 and HY Zoning Districts. See Exhibit I, Zoning Map. C2-8 districts are commercial districts that are predominantly residential in character. The Special Hudson Yards, or HY District, was established 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.

2. Current Use

This Site is currently improved as an 8-story building with an asphalt parking lot on the northern portion of the Site. The Site is used as a homeless shelter for runaway youth by Covenant House. In addition, medical offices are present within the building.

3. Intended Use Post Remediation

Post remediation use of the Site will entail the demolition of the current on-Site structure and parking lot. A new 435,000 sq ft building will be constructed on the Site. Approximately 27,000 sq ft will serve as office space and community facilities for Covenant House International’s New York City office space. The development will also include approximately 453 residential units, including 113 Inclusionary Housing units and 23 affordable units. Indoor and outdoor amenity space, as well as retail space, will occupy a portion of the Site. See Section II, Project Scope for a more detailed description and Exhibit M for proof of the approved inclusionary housing restriction.

4. Do current historical and/or recent development patterns support the proposed use?

Yes, current, historical and recent development patterns support the proposed use of the Site.

5. Is the proposed use consistent with applicable zoning laws/maps?

Yes, the residential component of the development complies with Hudson Yards Special District Inclusionary Housing Option 2 requiring at least 10% of the residential floor area be set-aside for affordable housing units at 80 percent AMI or less and at least 15% of the residential floor area be set-aside for affordable housing units at 125 percent AMI or less.

6. Consistent with the Master Plan?

Yes, the project is consistent with the Hudson Yards Zoning Project, which intends 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.