July 28, 2016

Randy Fong  
Department of Citywide Administrative Services  
Municipal Building, One Center Street  
19th Floor  
New York, NY 10007

Re: CEQR Lead Agency Designation  
CEQR Number: 16DME012X  
Lower Concourse North Project  
Block 2356, Lot 2; Block 2539, p/o Lot 2;  
Block 2539, p/o Lot 3  
Borough of the Bronx

- By Electronic Mail Only -

Dear Mr. Fong:

In accordance with Executive Order 91 of 1977, as amended, and the Rules of Procedure for City Environmental Quality Review found at Title 62, Chapter 5 of the Rules of the City of New York (“CEQR”), the Office of the Deputy Mayor for Housing and Economic Development proposes to assume the role of lead agency for the environmental review of the above-referenced project. This assumption of lead agency status is consistent with the underlying mandate of CEQR that the appropriate lead agency should be the agency “primarily responsible for carrying out, funding or approving an action” as well as with the criteria listed in Section 5-03(h) of the Rules of Procedure for CEQR. Likewise, it is consistent with the criteria established by the SEQRA regulations with respect to selection of the lead agency for an environmental review, as set forth in 6 NYCRR §617.6(b). This project is an Type I action (under 6 NYCRR 614.4(b)(5)(iv) and 614.4(b)(10)) subject to environmental review under CEQR.

Project Description

The City of New York, acting through the NYC Economic Development Corporation (EDC), is proposing a series of land use and other discretionary actions (collectively, the “Proposed Project”) to facilitate a mixed-used development in the Lower Concourse Neighborhood of the Bronx. The proposed project site is located in Bronx Community District 4 and is comprised of one lot (Bronx Block 2356, Lot 2), a portion of two lots (Block 2539, p/o Lot 2 and Block 2539, p/o Lot 3), and the demapped portion of East 150th Street between Exterior Street and the Harlem River. The site is bounded by Mill Pond Park to the north, Exterior Street and the elevated Major Deegan Expressway to the east, East 149th Street to the south, and the Harlem River to the west. The project site is currently under the jurisdiction of the New York City Department of Parks and Recreation (“DPR”)
but is not mapped parkland, considered to be parkland, or subject to parkland alienation. The project site is roughly 205,000 square feet and is currently vacant, although it is used periodically by a circus under a temporary license from DPR. The project site has historically been used for industrial or manufacturing uses, beginning in the early 20th century, and former uses on the project site include a lumber operation, a coal yard, and a freight station. The project site is currently not accessible to the public. Fences along Exterior Street, East 149th Street, and Mill Pond Park separate the project site from the adjoining streets and park.

Ahead of the necessary Uniform Land Use Review Procedure (“ULURP”) approvals, the City of New York has issued a Request for Expressions of Interest (“RFEI”) soliciting proposals to develop the project site under a series of anticipated land use approvals. The Proposed Project would be anticipated to result in a mixed-use development, including a mix of permanently affordable and market-rate residential units, neighborhood retail uses, community facility uses, and publicly accessible waterfront open space.

While the discretionary approvals that would comprise the Proposed Project have been defined, the specific development program and site plan under the Proposed Project would be dependent on the RFEI responses. As such, in order to address the expected range of responses to the RFEI, the environmental review will analyze a reasonable worst-case development scenario (“RWCDS”) that conservatively considers each impact category in order to allow for a range of uses on the project site. Pursuant to CEQR, a generic environmental impact statement (“GEIS”) will be prepared that will consider the environmental impacts based on the RWCDS.

Under the RWCDS the Proposed Project would provide approximately 1,045 residential dwelling units, of which approximately two-third of the units would be affordable housing (the percentage affordable and levels of AMI have yet to be determined), with a gross square footage (gsf) of 835,937; 50,000 gsf of local ground floor retail space; 25,000 gsf of FRESH food store; 25,000 gsf of medical office space; and 50,000 gsf of office space. In addition, approximately 2.5 acres of open space, comprising waterfront open space and additional publicly accessible open space adjacent to Mill Pond Park and along Exterior Street, is proposed as well. The new open space would expand the existing Mill Pond Park and provide a new shorefront public walkway along the Harlem River that would be the first section of a future waterfront esplanade along the river, and provide the public with new visual and physical connections to the waterfront via an extension of the former East 150th Street. Finally, a new plaza space would be located along Exterior Street that would complement the ground floor retail uses proposed as part of the project. The Proposed Project is anticipated to be completed by 2023.

**Required Approvals**

It is anticipated the following actions would be necessary to facilitate the Proposed Project:

- **Zoning Map Amendment.** A zoning map amendment (Zoning Sectional Map 6a) to rezone the project site from the existing M2-1 manufacturing district to a R7-2 residential district with a C2-4 commercial overlay;

- **Zoning Text Amendments.** A series of zoning text amendments to the New York City Zoning Resolution (ZR) would, respectively:
  - Extend the Special Harlem River Waterfront District to include the project site;
  - Establish a new subdistrict within the Special District to include the project site;
  - Extend the Harlem River Waterfront Access Plan to include the project site;
Establish the project site as a Mandatory Inclusionary Housing Area in ZR Appendix F, pursuant to ZR § 23-154;

- **Special Permits.** A special permit from the Board of Standards and Appeals pursuant to ZR § 73-435 to reduce the required number of accessory off-street parking spaces; and

- **Disposition of Real Property.** Disposition by lease of the project site by the City of New York for future development, in accordance with ULURP under New York City Charter Section 197(c) and 384(b)(4).

In addition, the Proposed Project would require waterfront permitting approvals from the New York State Department of Environmental Conservation (“NYSDEC”) and the United States Army Corps of Engineers (“ACOE”) for removal and replacement of the existing rip rap shoreline and relieving platform that runs the entire length of the western side of the project site. The City of New York would construct the required waterfront open space at a future date per a design that would be completed in coordination with a specific development program for the site.

Please advise us by August 28, 2016 if you have questions or issues concerning the Office of the Deputy Mayor for Housing and Economic Development assuming lead agency status for this project. If we do not hear from you by this date, we will assume that you have no objections.

Contact person: Nathan Gray, Vice President
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Sincerely,

Nilda Mesa
Assistant to the Mayor
On behalf of the Office of the Deputy Mayor for Housing and Economic Development

c: Maria Torres-Springer, President, New York City Economic Development Corporation
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Denise Pisani, New York City Mayor’s Office of Sustainability
Carl Weisbrod, New York City Department of City Planning
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Colleen Alderson, New York City Department of Parks and Recreation
Ryan Singer, New York City Board of Standards and Appeals
Andrew Schwartz, New York City Small Business Services
Stephen Zahn, New York State Department of Environmental Conservation
Jodi M. McDonald, New York District Army Corps of Engineers
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