

EXHIBIT B
HRPT LETTER AS MODIFIED BY CITY COUNCIL

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Hudson River Park Trust

~~March~~ June 8, 2018

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

**Re.: 601 West 29th Street (ULURP No. 180127ZMM, N180128AZRM
and 180129AZSM)**

Dear Chair Lago:

On behalf of the Hudson River Park Trust (the “Trust”), I wish to extend my appreciation for the effort that you and the staff at the New York City Department of City Planning (“DCP”) are making to consider the proposed action related to the redevelopment of the property located at 601 W. 29th Street (Block 675, Lots 12, 29 and 36), inclusive of the contemplated zoning text amendments and special permits related to the Special Hudson River Park District (the “Special District”) and the Trust’s ability to transfer floor area.

Pursuant to the Hudson River Park Act, Chapter 592 of the Laws of 1998 of the State of New York, as amended (the “Act”), the Trust is responsible for the planning, design, development, construction, operation and maintenance of the Hudson River Park and the improvements therein (collectively, the “Park”), which is located along West Street in the Borough of Manhattan, City and State of New York, and includes the property known as “Chelsea Piers” generally situated between West 17th Street to West 22nd Street at Twelfth Avenue in the Borough of Manhattan, City and State of New York. The Trust has identified a portion of Chelsea Piers, specifically Piers 59, 60 and 61 and their associated headhouses, which are generally located on portions of Manhattan tax Block 662, Lots 11, 16 and 19, as the “Granting Site” pursuant to the Special District.

Pursuant to subsection 1(j) of Section 7 of the Act, the Trust is authorized:

“to transfer by sale any unused development rights as may be available for transfer to properties located up to one block east of the boundaries of the [P]ark along the west side of Manhattan, if and to the extent designated and permitted under local zoning ordinances ...”.

Section 89-21 of Article VIII, Chapter 9 of the Zoning Resolution of the City of New York (the “Zoning Resolution”) requires that all Special Permit applications include, inter alia:

“a statement from the [Trust] identifying improvements to be made to [the Park], and indicating that payment of the #required funds# necessary to effectuate the transfer of #floor area# pursuant to this Section, in combination with any other available funding, would be sufficient, according to the Trust’s estimate, to complete such identified improvements.”

It is our understanding that DD West 29th Street, LLC (the “Developer”), has submitted an application to DCP for a Special Permit to permit the transfer of “floor area” (as defined in the Zoning Resolution) from Piers 59, 60 and 61 and their associated headhouses to 601 W. 29th Street (Block 675, Lots 12, 29 and 36) (the “Transfer”). Specifically, the Developer seeks to purchase 123,437.5 square feet of unused development rights from the Granting Site.

In anticipation of Developer’s application, the Trust has negotiated a draft Purchase and Sale Agreement (the “PSA”) with the Developer for the Transfer. Pursuant to such PSA, DD West 29th Street, LLC would pay the Trust \$37,000,000 (Thirty Seven Million Dollars) (the “Transfer Proceeds”).

The Transfer would require a “significant action” process and subsequent approvals by the Board of Directors of the Trust pursuant to the Act, which approvals would be contingent upon and subject to approvals of zoning text amendments and special permits related to the Special District, and certain other actions by the New York City Planning Commission (the “Commission”) including zoning map amendments, text amendments, special permits and other related actions in connection with Developer’s proposed redevelopment of 601 W. 29th Street (Block 675, Lots 12, 29 and 36).

Accordingly, this letter is submitted to the Commission in satisfaction of the requirement under Section 89-21 of the Zoning Resolution that the Trust identify improvements to be made to the Park, and confirm the sufficiency of funding to complete such identified improvements.

The Trust plans to allocate eighty percent (80%) of the Transfer Proceeds for park construction within the boundaries of Community Board 4. The Trust has consulted with Community Board 4 concerning their priorities for additional improvements to the Park within their district, and has also considered which of those priorities would be undertaken with alternative funding that is expected to be made available from New York State. Based on these considerations, the Trust has determined that the construction projects that would be undertaken within Community Board 4 using Transfer Proceeds and other unused development rights sales proceeds, supplemented if needed by other funding, include:

1. Upgrades to Chelsea Waterside Park. Transfer Proceeds would be used for upgrades to existing and planned landscaping, and would include features such as a new comfort station, permanent picnic area and an enlarged dog run.

Estimated budget:

Design, construction management and escalation - \$2.7 million
Landscape, demolition, hardscape, and site utilities - \$6.3 million
Total - \$9 million

2. Design of new temporary improvements and permanent park on the upland area between West 29th Street and 34th Streets, inclusive of the area where the independently planned Gateway Tunnel project is intended.

Design estimate: \$3.2 million

3. Construction of a new pile-supported over-water pedestrian platform and related upland Park improvements between West 58th and West 59th Streets measuring approximately 4,000 square feet. Transfer Proceeds would be used for the design and construction of this platform and related upland park, including associated utilities, decorative pavement and railings. The project will improve circulation and safety in the area.

Estimated budget:

Design, construction management, contingencies and escalation - \$1.9 million
Marine construction, landscape, utilities and hardscape construction - \$5.2 million
Total: \$7.1 million

4. Construction of habitat beach and accessible walkway and related landscape improvements between 34th and 35th Streets inclusive of all utilities and finishes.

Estimated budget:

Design, construction management, contingencies and escalation- \$2.5 million
Marine, landscape, hardscape and site utilities - \$5.2 million
Total - \$7.7 million

5. Construction of a portion of 32nd to 34th Streets

As stated above in item number 2, the Trust will complete a design for the entire area between 29th to 34th Streets. Following design, the Trust will construct a section of the upland area between 32nd to 34th Streets with the funds remaining from the transfer of development rights. Furthermore, the contribution of an additional \$3,000,000 (Three Million Dollars) by the Developer, as set forth in the PSA, as amended on or before June 28, 2018, will facilitate the completion of the aforesaid improvements of this area.

As noted above, the Trust intends to dedicate the remaining twenty percent (20%) of the Transfer Proceeds to the future capital maintenance needs of park improvements located solely within Community Board 4. This portion of the Transfer shall be set aside and

restricted to fund capital maintenance and/or reconstruction of park improvements such as: piles, pier decks and floating docks, bulkheads, playgrounds, paved surfaces, landscaping, lighting, utilities, roofs and other structural components of park buildings (as opposed to park/commercial buildings as defined in the Act), and other capitally eligible work.

This statement to the City Planning Commission is provided to satisfy the requirement under Section 89-21 of the Zoning Resolution with respect to the application of funds received by the Trust from the Transfer. I wish to thank the Department of City Planning and the Commission for the consideration given to the needs of the Park.

Sincerely,

A handwritten signature in black ink, appearing to read "Madelyn Wils". The signature is fluid and cursive, with a large initial "M" and a long, sweeping underline.

Madelyn Wils
President & CEO