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The City of New York Manhattan Community Board 8

January 23, 2012

Hon. Robert B. Tierney, Chair
NYC Landmarks Preservation Commission
Municipal Building
One Centre Street, 9th Floor
New York, NY 10007

Re: 429 East 64th Street/430 East 65th Street (between First and York Avenues) – City and Suburban Homes Company, First Avenue Estate – INDIVIDUAL LANDMARK

Dear Chair Tierney:

At the Full Board meeting on Wednesday, January 18, 2012, the board adopted the following resolution regarding **429 East 64th Street/430 East 65th Street (between First and York Avenues) – City and Suburban Homes Company, First Avenue Estate – INDIVIDUAL LANDMARK** – *Paul Selver, Kramer Levin Naftalis & Frankel LLP*. Application is to demolish the buildings, pursuant to RCNY 25-309 on the grounds that they generate an insufficient economic return.

WHEREAS, 429 East 64th Street/430 East 65th Street consist of two six-story walk-up apartment buildings which are located on the west side of York Avenue, between East 64th Street and East 65th Street.

WHEREAS, In April 1990, the Landmarks Preservation Commission landmarked all of the residential buildings on the block, more for their cultural and historical significance than for their architectural importance. [The complex known as the First Avenue Estate.]; this designation was modified in August, 1990 so that the two above buildings were excluded from designation. However, in November, 2006, the two buildings were once again included as part of the individual landmark.

WHEREAS, the applicant claims hardship based on the fact that the income from the two buildings was less than a net annual return of six percent and thus imposed an economic hardship on the applicant.

WHEREAS, this “lack of a reasonable return” is based on the applicant’s findings including arguments that the apartments have not been renovated and do not support modern usage and do not contain amenities necessary to meet current market requirements which has meant that many apartments have remained vacant.

WHEREAS the applicant hired Cushman and Wakefield to make an independent analysis of this “lack of reasonable return” and also to suggest ways that the buildings could be brought into full occupancy by upgrading the units within the buildings. The Cushman and Wakefield findings claim that, even with money spent on upgrading the buildings, the applicant’s conclusion is correct that the buildings are incapable of earning “a reasonable return” as defined under the Landmarks Law.

WHEREAS the committee finds these claims to be specious.

WHEREAS there is documented evidence that the applicant’s opposition to preservation began over two decades ago, including getting the original Landmarks designation overturned by the old Board of Estimate in 1990, defacing the buildings by stripping them of their architectural details, failing the maintain the buildings and by filing lawsuits that they lost at every level of the court system, including at the Court of Appeals.

WHEREAS the Cushman and Wakefield report provided by the applicant to support the applicant’s hardship application” has a number of questionable assertions --including low “market rate” rent, the unusually high cost of renovating existing units, and an artificially created scenario of both vacancy rates for apartments and market rates for apartments on the Upper East Side – and thus presents a very self-interested view of what constitutes a “hardship”.

WHEREAS this is only the 18th hardship application that has been submitted to the Landmarks Preservation Commission since the Landmarks Law was enacted in 1965 –the bar must not be lowered on what constitutes a “hardship” by approval of this application.

THEREFORE BE IT RESOLVED that this application is disapproved as presented.

This recommendation was approved by a vote of 42 in favor, 0 opposed, 0 abstentions, and 1 not voting for cause.

Sincerely,

Nicholas Viest
Chair

Jane Parshall and David Liston
Co-Chairs, Landmarks Committee

cc: Hon. Michael Bloomberg, Mayor of the City of New York
Hon. Scott M. Stringer, Manhattan Borough President
Hon. Liz Krueger, NYS Senate Member
Hon. Dan Quart, NYS Assembly Member
Hon. Micah Kellner, NYS Assembly Member
Hon. Daniel Garodnick, NYC Council Member
Hon. Jessica Lappin, NYC Council Member