

A. INTRODUCTION

The New York City Department of Housing Preservation and Development (HPD), as Responsible Entity for the United States (US) Department of Housing and Urban Development (HUD) and lead agency under the National Environmental Policy Act of 1969 (NEPA) in accordance with Title 24, Code of Federal Regulations, Section 58.2(a)(7) [24 CFR 58.2(a)(7)], and the New York City Housing Authority (NYCHA), a New York State public benefit corporation, serving as the project sponsor and joint lead agency in accordance with 40 CFR 1501.7(b), have prepared this Environmental Impact Statement (EIS) for the proposed Fulton and Elliott-Chelsea Houses Redevelopment Project (the Proposed Project) in the Chelsea neighborhood of Manhattan, New York. The Proposed Project evaluated in this EIS includes the staged demolition and replacement of existing residential and community facility spaces across NYCHA's Fulton, Elliott, Chelsea, and Chelsea Addition Houses developments in Manhattan (collectively, the Project Sites), as well as the staged development of additional new mixed-use buildings across the Project Sites that would create additional permanently affordable and market-rate residential units, as well as commercial space, additional community facility space, and accessory open space. As part of the Permanent Affordability Commitment Together (PACT) Program, NYCHA intends to submit an application(s) to HUD for disposition of public housing property as authorized under Section 18 of the United States Housing Act of 1937 as amended and implementing regulations at 24 CFR part 970 (Section 18) and the Rental Assistance Demonstration (RAD) Program created by the Consolidated and Further Continuing Appropriations Act of 2012, as amended, and for the conversion of subsidies under Section 9 of the US Housing Act of 1937 (Title 42, United States Code, Section 1437g [42 USC § 1437g]) to project-based vouchers (PBVs) subsidies under Section 8 of the United States Housing Act of 1937 (42 USC § 1437f). Under the PACT Program, NYCHA would enter into 99-year ground leases involving the Project Sites, with Elliott Fulton LLC, a joint venture between Essence Development and The Related Companies and/or affiliates thereof (collectively, the PACT Partner). Such planned activities and approvals at HUD-assisted Project Sites require environmental clearance under NEPA.

Besides HUD approvals, the Proposed Project requires discretionary actions including approvals from NYCHA's Board and may require New York City land use approvals subject to the alternative chosen for the Proposed Project. If either the Rezoning Alternative or the Midblock Bulk Alternative (described below and more extensively in **Chapter 02.0, "Project Alternatives"**) are selected to implement the Proposed Project, a land use application consisting of zoning changes approved through New York City's Uniform Land Use Review Procedure (ULURP) would also be pursued. This application would include zoning map and text amendments and a zoning special permit for a general large-scale development. Also, at a later date, discretionary public funding or financing for the Proposed Project may be sought through one or more of the following public agencies: HUD, New York State Division of Housing and Community Renewal (HCR), New York State Housing Finance Agency (HFA), New York City Housing Development Corporation (NYCHDC), and HPD. Additionally, a Mayoral Zoning

Override (MZO) to address, for example, non-compliant interim conditions on the Project Sites during the construction period is indicated as a potential required approval.

The Proposed Project would affect two NYCHA campuses consisting of the Fulton Houses (Fulton Houses Project Site), and the Elliott Houses, Chelsea Houses, and Chelsea Addition Houses (collectively, Elliott-Chelsea Houses Project Site). The Proposed Project would include the following activities:

- a) The staged demolition and replacement of all existing NYCHA dwelling units (DUs) and community facility spaces at the Project Sites; and
- b) The staged development of additional new mixed-use buildings on the Project Sites that would create additional permanently affordable and market-rate residential units, as well as additional community facility space, new commercial uses, and accessory open space.

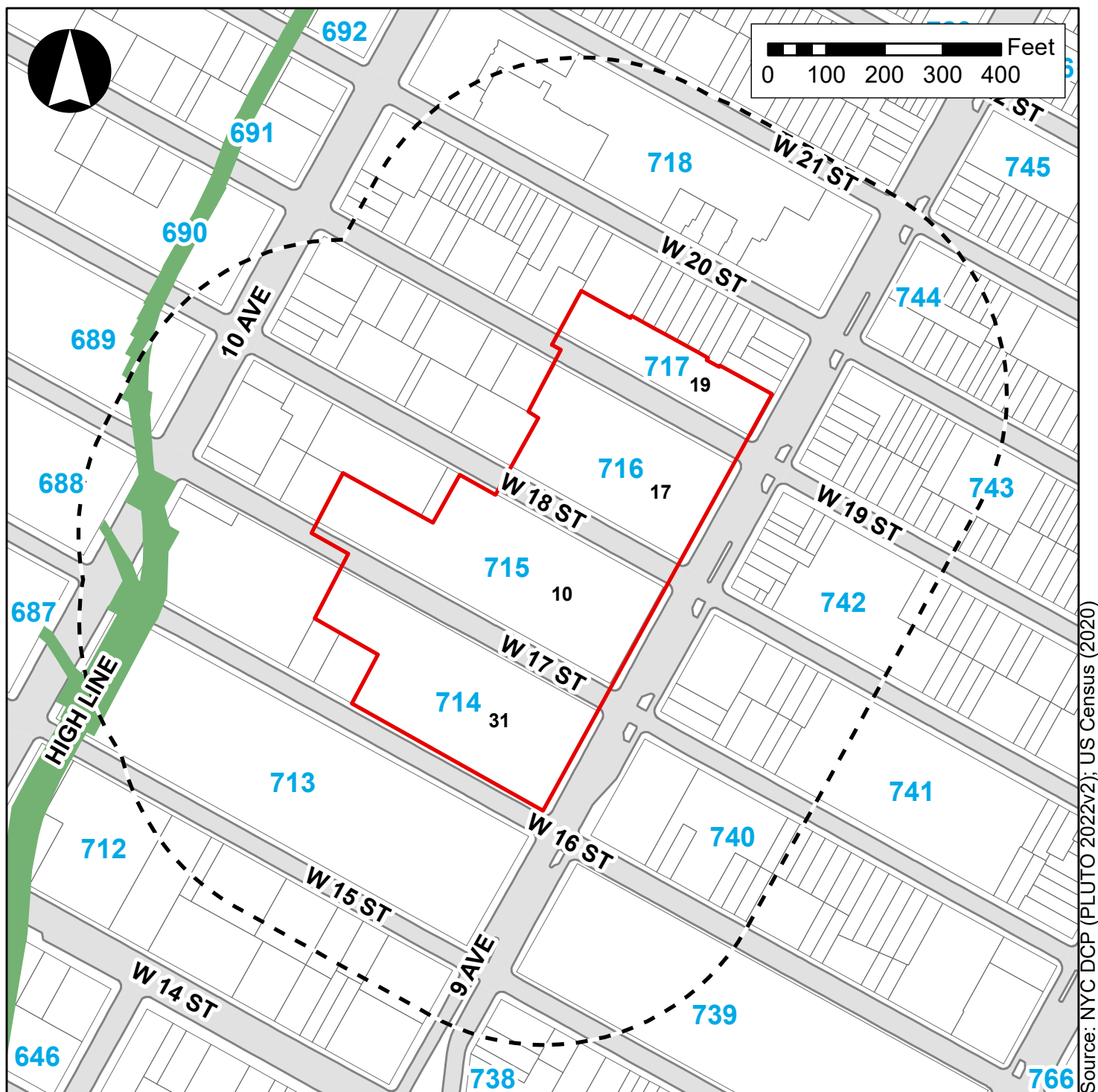
This chapter provides a brief background of the development of the Proposed Project and identifies its underlying purpose and need. Other relevant information is provided in the following chapters:

- There are six alternatives for the Proposed Project described in **Chapter 02.0**. Three of these alternatives (the Rezoning Alternative, the Non-Rezoning Alternative, and the Midblock Bulk Alternative) have been determined to be feasible alternatives for implementation of the Proposed Project, and are being analyzed in this EIS for their potential to result in environmental impacts. The No-Action Alternative serves as a baseline for comparison of the effects of these feasible alternatives.
- Discretionary approvals required to implement the alternatives under consideration for the Proposed Project are described in **Chapter 03.0, “Process Coordination and Public Participation.”**
- The analytical framework used to make impact determinations and, where applicable, to identify whether there are feasible measures that can be implemented to avoid, minimize, or mitigate impacts is described in **Chapter 04.0, “Analysis Framework.”**

B. THE PROJECT SITES






The Fulton Houses Project Site and the Elliott-Chelsea Houses Project Site are separated by approximately a quarter mile. **Figures 01.0-1a and 01.0-1b** identify the locations of the Fulton Houses Project Site and the Elliott-Chelsea Houses Project Site, respectively, and **Figures 01.0-2a and 01.0-2b** provide aerial photographs.

Formally called the Robert S. Fulton Houses, the Fulton Houses Project Site was completed in 1965. It is a “towers-in-the-park” development with accessory open areas for building residents, including playgrounds, a basketball court, landscaping, seating, walking paths, accessory parking, and ancillary areas. The Fulton Houses Project Site occupies portions of four blocks that are bounded by W. 20th Street to the north, 9th Avenue to the east, W. 16th Street to the south, and 10th Avenue to the west. Uses on the Fulton Houses Project Site include 944 NYCHA DUs, 14,634 gross square feet (gsf) of neighborhood center space, and 95 accessory parking spaces. The Fulton Houses Project Site includes 12 existing buildings, consisting of 10 residential apartment

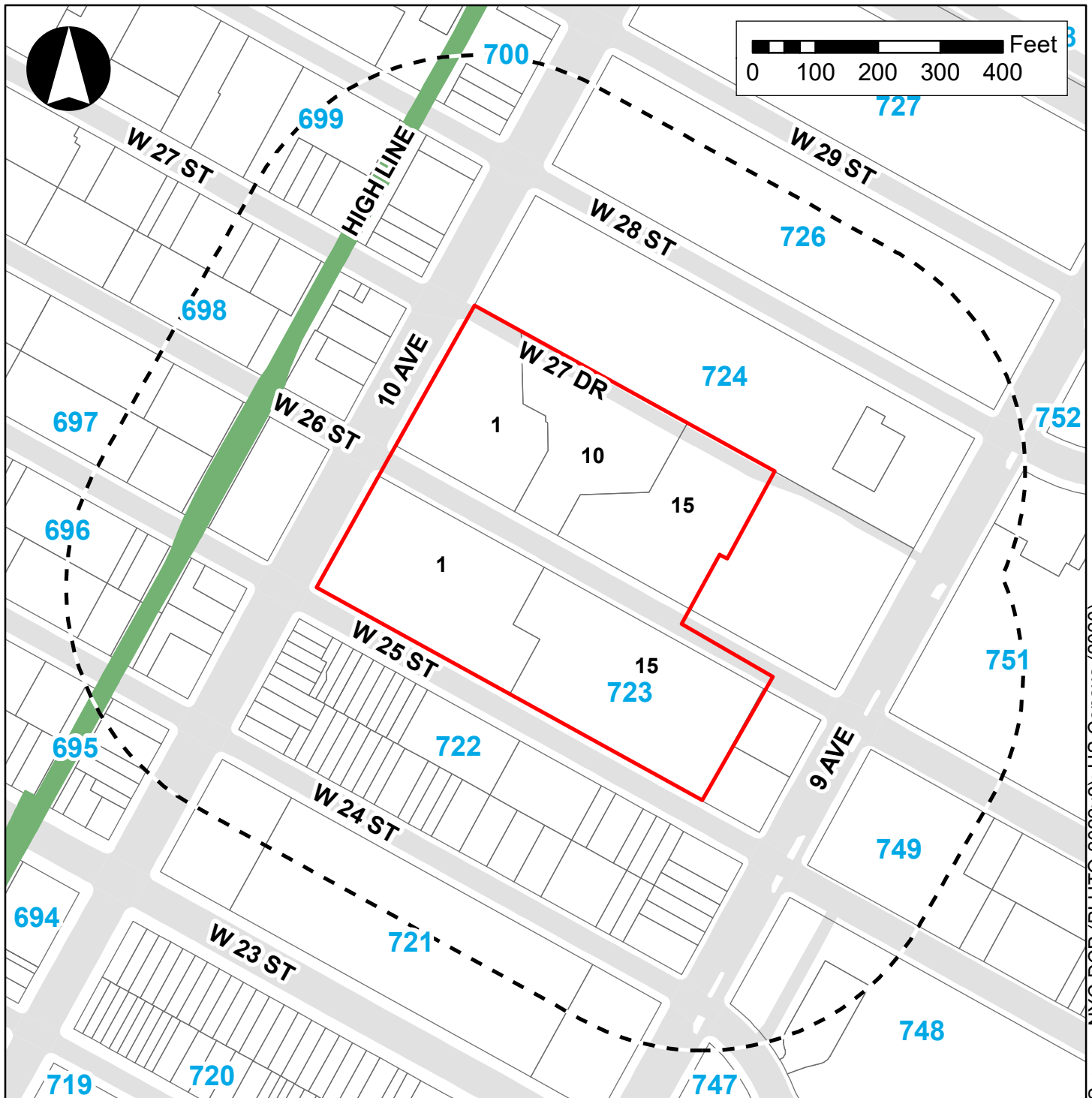


Source: NYC DCP (PLUTO 2022v2); US Census (2020)

Legend






- | | | | |
|---|-----------------|---|--------|
|  | Fulton Houses |  | Blocks |
|  | 400-Foot Radius |  | Lots |
|  | The High Line | | |



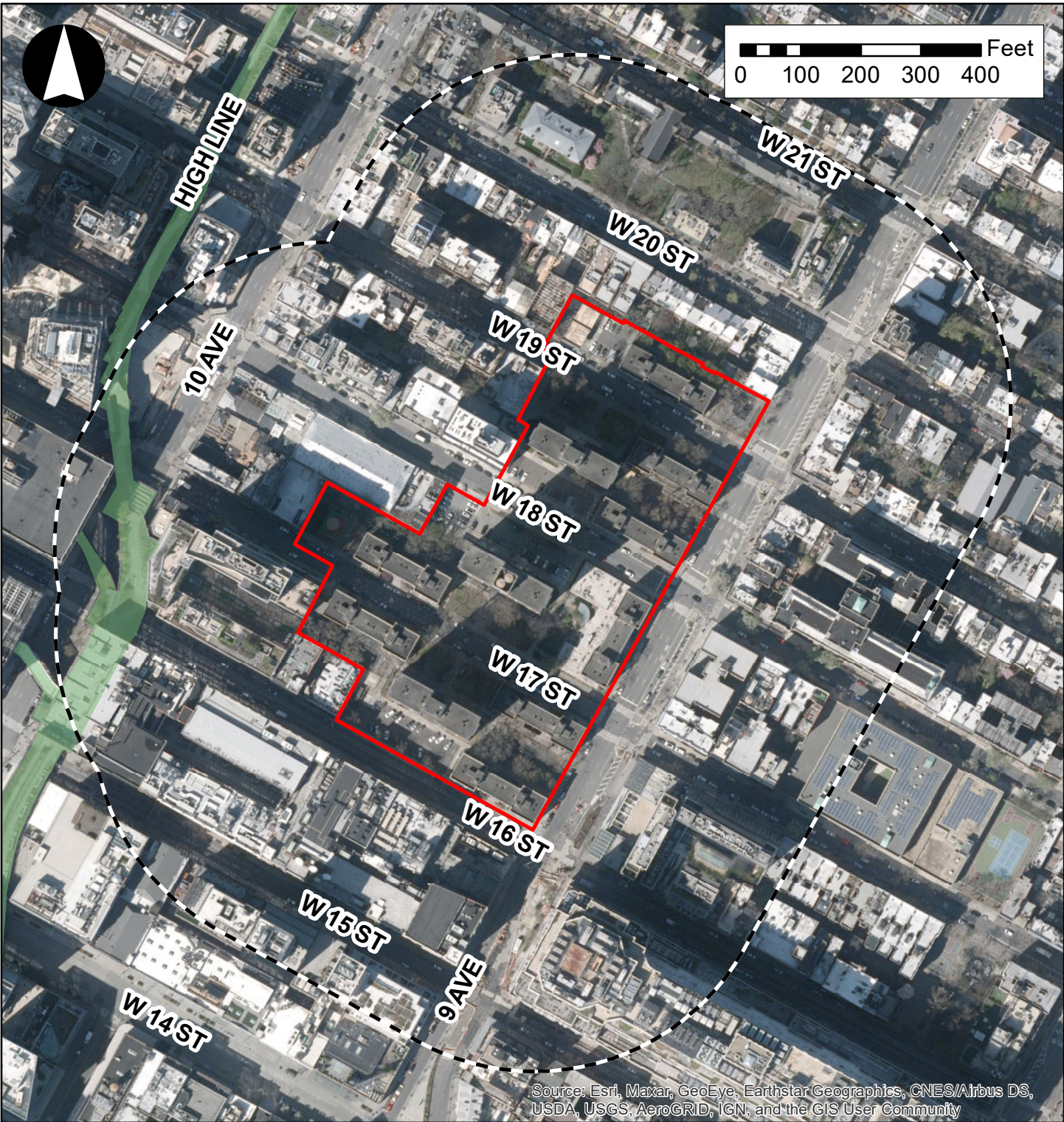


Source: NYC DCP (PLUTO 2022v2); US Census (2020)

Legend

- | | | | |
|---|------------------------|---|--------|
|  | Elliott-Chelsea Houses |  | Blocks |
|  | 400-Foot Radius |  | Lots |
|  | The High Line | | |





Legend



Fulton Houses

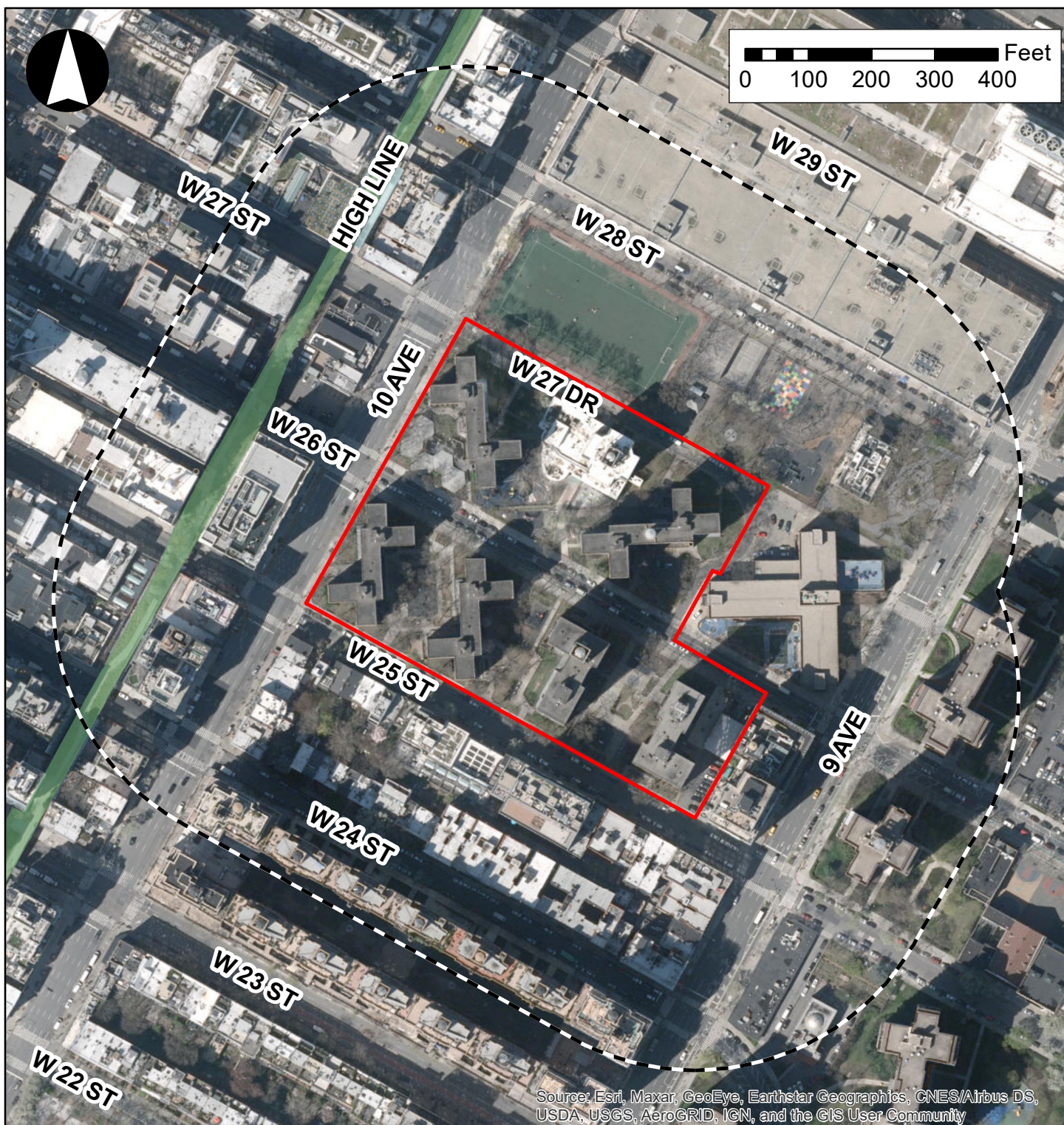


400-Foot Radius



The High Line

Aerial Photograph, Elliott-Chelsea Houses Project Site



Source: NYC DCP (PLUTO 2022v2); US Census (2020)

Legend



Elliott-Chelsea Houses



400-Foot Radius



The High Line

buildings, one mixed residential and community facility building, and one storage/maintenance garage building, ranging from 1 to 25 stories. The tallest building is 232 feet tall.

The John Lovejoy Elliott Houses (completed in 1947), the Chelsea Houses (completed in 1964), and the Chelsea Addition Houses (completed in 1968) are administered as one entity (Elliott-Chelsea Houses) and comprise the Elliott-Chelsea Houses Project Site. The Elliott-Chelsea Houses Project Site is also a “towers-in-the-park” development, but unlike the Fulton Houses Project Site, this complex does not have on-site accessory parking. The Elliott-Chelsea Houses Project Site occupies portions of two blocks that are bounded by Chelsea Park to the north, 9th Avenue to the east, W. 25th Street to the south, and 10th Avenue to the west. Uses on the Elliott-Chelsea Houses Project Site include 1,112 NYCHA DUs, 42,225 gsf of community facility neighborhood center space, and 10,300 gsf of daycare space. The Elliott-Chelsea Houses Project Site includes 10 existing buildings, consisting of seven residential apartment buildings, two community facility buildings, and one storage/maintenance garage building, ranging from 1 to 21 stories. The tallest building is 223 feet tall.

Within its northern and northeastern limits, the Elliott-Chelsea Houses Project Site includes W. 27th Drive, a narrow one-way private driveway extending northbound from W. 26th Street approximately 260 feet west of 9th Avenue for a distance of approximately 220 feet, where it then curves to the west and extends to the intersection of 10th Avenue and W. 27th Street. W. 27th Drive physically separates the complex from two other publicly owned sites: Public School (PS) 33, a school and playground to the east, and Chelsea Park, a mapped park under the jurisdiction of the New York City Department of Parks and Recreation (NYC Parks) to the north.

In total, the Project Sites include 22 existing buildings, consisting of 17 residential apartment buildings, one mixed residential and community facility building, two community facility buildings, and two storage/maintenance garage buildings, ranging from 1 to 25 stories. The tallest building on the site is 232 feet tall. Combined existing uses on the Project Sites include 2,056 NYCHA DUs, 56,859 gsf of neighborhood center space, 10,300 gsf of daycare space, and 95 accessory parking spaces. More detailed information about the Project Sites is provided in **Chapter 04.0**.

C. PURPOSE AND NEED FOR THE PROPOSED PROJECT

This section discusses the purpose and need for the Proposed Project and provides information about how the alternatives for the Proposed Project were identified through a process involving extensive consultation with NYCHA residents and other stakeholders, the selection of the PACT Partner, and a survey completed by NYCHA residents on options for the future of the Project Sites. In order to provide context, an overview of the Project Sites’ historical and recent conditions is provided.

After more than 60 years of use, the buildings and units on the Project Sites have become severely deteriorated and substandard. In order to effectively address the persistent issues within the buildings, substantial repair, rehabilitation, and inconvenience to the residents would be required. Persistent issues include pervasive mold and leaks, the presence of lead-based paint, and many outdated buildings systems, including, but not limited to, elevators, heating, ventilation,

mechanical and electrical systems, and fixtures and appliances. Cumulatively, these issues negatively impact residents' quality of life.

As noted above, the Proposed Project would result in the staged demolition and replacement of all existing NYCHA DUs. The existing NYCHA DUs would be replaced by to Section 8 PBV DUs through the PACT Program and would be set aside for existing residents of the NYCHA Fulton and Elliott Chelsea Houses (FEC). New permanently affordable and market-rate housing options also would be provided on the Project Sites, as well as accessory open space, new community facility space, and new commercial uses.

The purpose and need for the Proposed Project is to:

- Improve the quality of life and housing stability for existing FEC residents by constructing new Section 8 PBV DUs in new buildings that would offer enhanced layouts, ventilation, energy efficiency, resident-controlled in-unit heating and cooling, new appliances in every apartment, common area amenities, large multipurpose community spaces, and resident rooftop space, while also preserving permanent affordability and residents' rights under the PACT program;
- Facilitate the construction of additional critically needed permanent affordable housing units, as well as market-rate housing that would financially support the PACT and affordable housing components of the Proposed Project; and
- Facilitate the development of commercial space and additional community facility space for the residents and the surrounding community.

Process of Identifying the Proposed Project and its Project Alternatives

The Proposed Project arises out of an extensive public engagement process conducted from 2019 to 2023, including consultations with NYCHA residents, elected officials, community representatives, and housing organizations and advocates. Over the course of many months, stakeholders engaged in weekly meetings to collect feedback, discuss project financing, and strategize on ways to address the existing buildings' capital needs. Recommendations included that FEC be included in NYCHA's PACT program to rehabilitate DUs within the existing buildings and identified appropriate locations and design guidelines for new mixed-use development.

In 2019, the stakeholders involved in these ongoing consultations and NYCHA agreed to release a request for proposals (RFP) for the selection of a PACT partner to rehabilitate 100 percent of the DUs on the Project Sites, and build new infill mixed-income residential buildings to raise funds needed for the rehabilitation of the existing NYCHA DUs. In late 2021, NYCHA, in consultation with residents of the FEC, selected Elliott Fulton LLC as the PACT Partner.

Following designation by NYCHA, the PACT Partner completed a five-month pre-design due diligence process that revealed significant, additional capital repair needs that had not previously been identified. The study also determined that extensive temporary relocation of residents and a significantly longer timeline would be required to renovate the existing buildings as a result of the particular conditions of major building systems. As a result, resident leaders worked with the PACT Partner to identify alternative development solutions that would offer a feasible means for

redressing the deterioration of the Project Sites while also creating and maintaining high quality and financially sustainable affordable housing over the long term, and also allow residents to decide their preferred option for moving forward.

In 2023, the PACT Partner continued its engagement with residents, NYCHA, and the Citizens Housing and Planning Council (CHPC)¹ in a process for NYCHA residents to determine the future of their homes by deciding whether to pursue total redevelopment of their campuses or to rehabilitate existing buildings as originally contemplated. Over a 60-day period beginning in March 2023, the PACT Partner and NYCHA held 35 information sessions, canvassed thousands of residents, and mailed informational packets to every apartment on the Project Sites, in various languages, to inform the NYCHA residents and nearby community of the options under consideration. Residents 18 years of age and older could indicate their preference between the construction of new buildings or rehabilitation of existing buildings, using either an online or paper survey administered by CHPC. If residents selected the construction of new buildings, they could then choose from two variations of new construction plans that would provide the NYCHA residents with new units and also allow for the development of additional affordable and market-rate housing: one requiring a rezoning and one that would be developed without a rezoning. A majority of resident respondents were in favor of building new Section 8 PBV buildings across the Project Sites and, of that majority, more selected the rezoning proposal. As a result of this process, a Rezoning Alternative and a Non-Rezoning Alternative were identified to meet the purpose and need of the Proposed Project.

Subsequently, during the scoping process for this EIS, several commenters on the Draft Scope of Work for the Preparation of an EIS (DSOW) requested analysis of a different arrangement of bulk for the Proposed Project, particularly for the Fulton Houses Project Site. In response, NYCHA and the PACT Partner identified an alternative that would have the same development program as the Rezoning Alternative but would have a different arrangement of bulk on the Fulton Houses Project Site, with the location of the tallest buildings in midblock areas rather than along 9th Avenue as proposed under the Rezoning Alternative. This is the Midblock Bulk Alternative, which is being studied in this EIS. This Midblock Bulk Alternative would have an identical arrangement of bulk as the Rezoning Alternative on the Elliott-Chelsea Houses Project Site.

The level of funding necessary for required renovations and long-term support of the existing NYCHA DUs and building systems cannot be achieved without the Proposed Project. In addition, even if funding were available for in-place renovations through a PACT conversion, some critical outdated building systems could not be upgraded sufficiently to meet long-term or even short-term needs. Moreover, the development of new buildings would require a significantly smaller number of temporary relocations compared to what would be required for rehabilitation, and would provide longer building life cycles, better energy efficiency, and superior conditions for residents. The Proposed Project provides the additional, important benefit of a substantial number of new permanently affordable units in the face of historically low housing vacancy rates.² Finally, the

¹ CHPC is a non-profit research and education organization focused on housing and planning policy in New York City.

² 2023 New York City Housing and Vacancy Survey (NYCHVS). Refer to: <https://www.nyc.gov/assets/hpd/downloads/pdfs/about/2023-nychvs-selected-initial-findings.pdf> and <https://www.nyc.gov/site/hpd/news/007-24/new-york-city-s-vacancy-rate-reaches-historic-low-1-4-percent-demanding-urgent-action-new#/0>

Proposed Project also facilitates the construction of market-rate DUs that would financially support the PACT and affordable housing components of the Proposed Project.

Therefore, HPD, NYCHA and the PACT Partner, in consultation with leadership from the Fulton and Elliott-Chelsea Tenants Associations, are proposing the Proposed Project identified in this EIS and described more particularly in **Chapter 02.0**.

A detailed listing of community outreach and public participation meetings and other activities integral to the development of the Proposed Project, as well as a discussion of required approvals, is provided in **Chapter 03.0**.

The Rezoning Alternative, Non-Rezoning Alternative, and Midblock Bulk Alternative are all under consideration as Project Alternatives for implementation of the Proposed Project. The Final EIS will identify the lead agencies' Preferred Alternative for the implementation of the Proposed Project, in accordance with 40 CFR 1502.14(d).