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Upper East Side development battle heats up



Gamma Real Estate, which owns three vacant lots on East 58th Street near Sutton Place, is planning a 700-foot residential tower with some affordable housing. | Getty

By [SALLY GOLDENBERG](#)

A coalition backed by developers is pushing back hard against a community-led plan to limit the size of a planned residential tower on the Upper East Side of Manhattan. Both sides in the [unusual dispute](#) are racing to influence the final decision on the zoning application, whose fate may lie with the City Planning Commission — not the City Council, which normally plays the deciding role in zoning fights.

In a recent letter to the commission, the Real Estate Board of New York, Building Congress and Building Trades Employers' Association called the proposal "a dangerous precedent that serves the special interests of a few over the greater good of our city."

"A successful attempt to dramatically restrict residential development in one Midtown neighborhood would open the floodgates for similar campaigns to use whatever means necessary to block new residential and commercial development in New York City," they wrote.

Gamma Real Estate, which owns three vacant lots on East 58th Street near Sutton Place, is planning a 700-foot residential tower with some affordable housing. A coalition opposing it — community group East River Fifties

Alliance, Councilmen Ben Kallos and Dan Garodnick and Manhattan Borough President Gale Brewer — applied for a land use change that would limit the building to being no taller than 260 feet and increase the affordable housing mandates the developer would have to fulfill.

The group is arguing the proposed tower is out of scale with the neighborhood and should provide more benefit to the community. Gamma has insisted the opposition stems from wealthy, self-serving residents in a nearby high-rise who do not want their waterfront views blocked.

By requiring more affordable housing in a shorter building, a zoning change that would extend to a few nearby sites, the applicants would actually discourage the development of any affordable housing, Gamma officials argue. There is no mandate on this lot to build any affordable housing, it is only required in exchange for more density through the city's "voluntary inclusionary" program.

"[The] proposed height limits would effectively discourage the utilization of this program, as well as reduce the construction of new housing. As a result of this proposal, the amount of housing — affordable and market-rate — would be reduced and the city's housing shortage and affordability crisis would worsen," according to the letter to the commission, which echoes Gamma's arguments.

Alan Kersh, the president of the East River Fifties Alliance, disputed those arguments.

"We don't see this as impacting or having this shadow over all of New York City's future development," he said Monday. "We feel that our plan is offered to create more affordable housing. ... Our plan would be about three times the affordable housing."

He said Gamma presented misinformation to the Real Estate Board of New York and others who penned the letter.

"This is obviously a scripted piece that they wrote, and it read that way," he added.

A spokesperson for the City Planning Commission said the commission is reviewing the application to ensure it is ready to begin the public approval process, which requires input from the community board, borough president, commission and Council.

City planners found fault with an earlier version of the application and were sharply critical of it in February. But as long as the latest submission meets the city's well-established standards, the commission cannot block it from certification. It can, however, oppose it when the application comes back for a vote, after receiving input from elected officials. If that happens, the Council, which seems poised to support it, would not have the chance to cast its vote.

Kersh believes the city is intentionally delaying the process to give Gamma time to get [other issues sorted out](#) so it can begin foundation work.

"They know there's a race and they're doing their part in slowing that down," he said.