



TESTIMONY OF MANHATTAN BOROUGH PRESIDENT GALE BREWER, STATE SENATOR BRAD HOYLMAN, ASSEMBLY MEMBER BRIAN KAVANAGH AND CITY COUNCIL MEMBER ROSIE MENDEZ BEFORE THE NEW YORK CITY BOARD OF STANDARDS AND APPEALS REGARDING THE REQUEST FOR A VARIANCE AT 515 EAST 5TH STREET IN MANHATTAN Calendar #266-13-BZ

July 15, 2014

Thank you for the opportunity to present testimony before the Board of Standards and Appeals today regarding the request by the owners of 515 East 5th Street in Manhattan for a variance to legalize the previous sixth and seventh floor additions to their residential building contrary to the maximum floor area ratio.

As we testified in May 2013, we strongly believe that this request should be denied. This addition was constructed illegally, without proper permits, and in violation of standards set by the Multiple Dwelling Law. Though the landlord seeks vesting under previous zoning, as the DOB itself has stated, a request such as this "must fail because BSA has determined repeatedly that the permit was not valid for reasons unrelated to the zoning change." This fact alone should be proof enough that this variance is undeserved and the owner should be required to legalize the property by removing the unlawful addition.

Furthermore, the owner has not proven a reasonable justification which would allow for a variance to be granted. Though the owner claims that the two additional floors are necessary to earn a reasonable return, his most consistent argument in favor of a variance, rental records suggest he has already profited handsomely from the illegal addition. Arnold & Porter LLP, the firm retained by the tenants of 515 East 5th Street, estimates that, since the additional floors were built in 2006, the owner has collected nearly \$1,000,000 in illegal rent from these units. Financial analysis of the property in relation to this request must take this into account, and any hardship the owner claims has likely been more than offset by this illegal income.

Additionally, the owner has continued to rent these two floors without a Certificate of Occupancy. The continued advertisement and rental of these units is confirmed not only by the other tenants of the building, but also by the open violations listed with the DOB. These violations are part of a larger pattern by this owner of ignoring DOB rules:

this property alone has been the subject of nine violations for illegal apartments, four violations for working without a permit, nine certificate of occupancy violations, and ten stop work orders. In light of this troubling and persistent disregard for the rules intended to ensure the safety of our constituents, granting this variance would be, in effect, an endorsement of such bad behavior.

We believe that the only proper course is for this variance to be denied and the illegal addition removed from 515 East 5th Street, and we respectfully ask the Board to reject this request. We appreciate the Board's time and consideration, and thank you again for the opportunity to comment.

Respectfully submitted,

Gale A. Brewer

Manhattan Borough President

Brad Hoylman State Senator

Burl Hoyl

Brian Kavanagh

Assembly Member

Rosie Mendez

City Council Member