

**THE NEW YORK
LANDMARKS
CONSERVANCY**

January 24, 2017

**STATEMENT OF THE NEW YORK LANDMARKS CONSERVANCY AT THE NEW YORK CITY
COUNCIL SUBCOMMITTEE ON ZONING AND FRANCHISES PUBLIC HEARING REGARDING
APPLICATION N 160254(A) ZRM, THE THEATER SUBDISTRICT FUND TEXT AMENDMENT**

Good day Chair Richards and Council members. I am Andrea Goldwyn speaking on behalf of the New York Landmarks Conservancy. The Conservancy is a private, independent, not-for-profit organization founded in 1973. Our mission is to preserve and protect historic resources throughout New York.

The Conservancy opposes the creation of a percentage rate with a floor price to set the contribution amount from the sale of transferable development rights in the Theater Subdistrict. Since the Subdistrict's creation, any theater selling these rights has paid a preset per square foot price to the City, which has increased gradually. The current application would change from a flat fee to a percentage and floor that will amount to an almost 400% increase.

The initial purpose of these sales—and the rationale for the Theater Subdistrict—was to benefit the landmarks. We testified in support of the Subdistrict, and we appreciate that theater owners have made major investments in restoring and maintaining these complex buildings. The proposed changes would decrease the financial assistance they receive to do this. Sales of development rights in the Subdistrict have always varied in price, along with market forces. If these changes are approved, a theater selling its rights for less per square foot than the recommended floor price will still be required to contribute to the Theater Subdistrict Fund at the floor price level, leaving fewer proceeds for these landmark buildings.

Furthermore, there is no need for the City to fear incomplete reporting of these transfers and loss of income, as governmental on-line reporting provides the necessary transparency.

New York's landmark theaters are the heart of the City and they have been at the core of its revitalization. They have been paying a portion of development rights transfers and will continue to do so. However, the substantial proposed changes to the Theater Subdistrict Fund would penalize these landmark buildings and we ask you to reject this measure.

Thank you for the opportunity to present the Conservancy's views.