

Controversial Citywide Hotel Text Amendment Debated at City Planning Commission

The city's proposed City-Wide Hotel Special Permit text amendment continues to move through the public review process. On Wednesday July 14, the City Planning Commission (CPC) held its public hearing.

If approved, all new and enlarged commercial hotels would have to go through the city's discretionary land use review process known as ULURP. Currently, this requirement only applies to hotels in certain manufacturing districts and limited prescribed areas such as East Midtown. For other uses, the Zoning Resolution requires special permits only when such uses have substantial land use impacts that require a structured process for public review and input, such as airports or arenas.

This proposal has garnered a significant amount of skepticism, with many critics questioning its justification, its timing, and its potential to harm the tourism industry by making it harder to develop hotels, especially as New York City recovers from the COVID-19 pandemic.

In their May 3 presentation to the CPC, the Department of City Planning (DCP) contended that the proposal would create a consistent framework for hotel development and ensure that hotels do not negatively affect the surrounding area.

Reception has been mixed amongst the community boards and borough presidents. Those in favor of the proposal, including Brooklyn Borough President and Democratic mayoral nominee Eric Adams, have stated that the proposal would advance consideration of quality-of-life and built character concerns, and would result in more appropriate development. Others, such as Manhattan Community Board 2, have expressed concerns about the impact of the proposal, given that the effects of the pandemic on the tourism industry are still not fully understood.

At the CPC hearing, those who testified in support of the proposal included the hotel workers union (New York Hotel and Motel Trades Council), elected officials, and neighborhood residents. Councilmember Antonio Reynoso cited the need to provide community members with more say regarding development in their neighborhoods, especially given the proliferation of hotels in the outer boroughs. Manhattan Borough President Brewer, while supportive of the proposal, stated that she would like to see the proposal modified to include hotels intended to be used as temporary shelters, which are currently exempt from the proposal.

A number of other organizations, including the Real Estate Board of New York and the Downtown Brooklyn Partnership, and industry professionals testified in opposition. Moses Gates, from the Regional Plan Association, questioned the timing of the proposal and the land use rationale, and cited the lack of evidence of problems caused by hotels in commercial districts.

The City Planning Commissioners raised a number of issues at the hearing. Commissioner Cerullo questioned the underlying land use rationale and raised concerns about the possible negative impacts on the city's economic recovery. Commissioner Ortiz suggested that the proposal could be modified to include geographic carve-outs, such as Times Square, and Commissioner Douek suggested that the proposal include a sunset provision, which would enable the CPC to re-evaluate the proposal's efficacy after a number of years. Chair Lago did not express her views on the proposal at the hearing.

The CPC will be holding post-hearing follow-up sessions to address issues and concerns raised at the public hearing. The first follow-up session was held during the review session on July 26, where DCP identified the issues to be addressed: (1) disagreement with the land use rationale, (2)



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whether the timing of the proposal is appropriate, (3) the lack of specificity in the proposed findings, and (4) potential modifications, including, limiting the special permit requirement to large hotels, inclusion of a sunset provision, and/or exclusion of certain business districts.

We will be keeping a close watch on the development of the hotel special permit proposal and welcome any requests for further information.
