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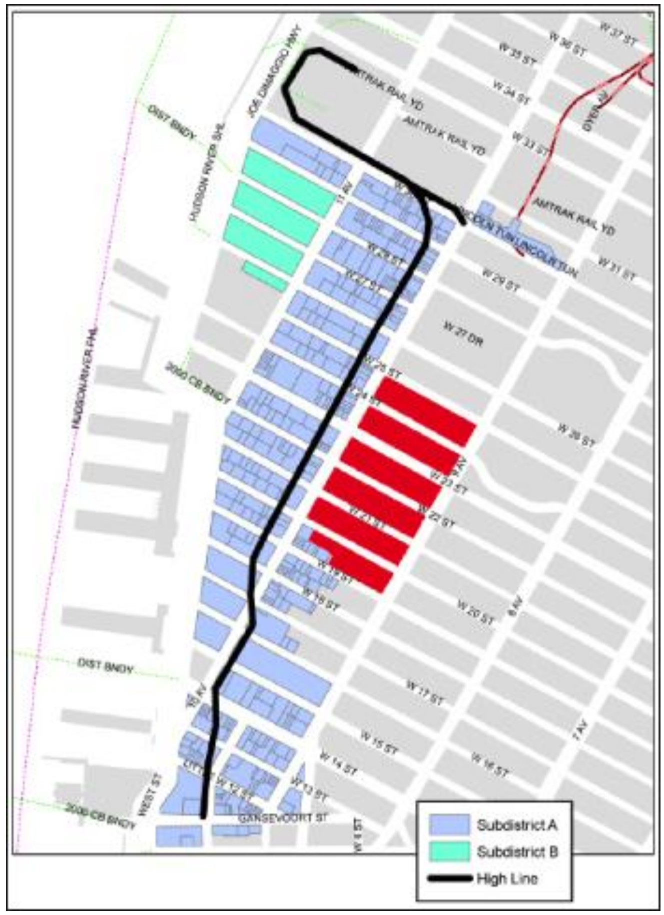
High Line plan is too taxing, neighbors cry

By Patrick Hedlund, The Villager, **Volume 79, Number 10 | August 12 - 18, 2009**



A map (right) of the revised proposed High Line Improvement District, minus several residential blocks, shown in red, that were in the previous proposal. The blocks in red were removed after complaints from property owners and residents who objected to being included in the initiative.

The High Line's recently proposed improvement district will unfairly force local residents and property owners to pay for the elevated greenway, charged a group of Chelsea neighbors who don't think the community should have to pony up for the public "park in the sky."

Last month the nonprofit Friends of the High Line began seeking support for the 37-block improvement district, covering the Meatpacking District and West Chelsea, which would generate about $1 million annually for maintenance of the High Line. The funds would be raised through a tax on nearby property owners, who would pay an annual assessment of either 9 cents or 3 cents per square foot based on their proximity to the park.

The High Line district would use the city's business improvement district, or BID, program, which is supervised by the Depart-ment of Small Business Services, as a model to help pay for daily upkeep of the park running between Gansevoort and W. 30th Sts.

However, some local property owners don't believe the fee should be passed on to them simply because the area has become a destination for luxury development and higher-income residents in recent years.

A pair of West Chelsea residents recently began reaching out to community stakeholders to gauge their reactions to the tax, claiming that the great majority rejects the idea of being forced to pay for the popular park space.

"I think that if the High Line would like to encourage private donations from people in the neighborhood and use that argument, then it's up to individuals," said Joshua Mack, who owns a four-story townhouse on W. 21st St. that lies outside the newly revised map of the proposed district. The improvement district's new borders now exclude the London Terrace residential complex and the General Theological Seminary, among other buildings.

“But to assume that the neighborhood owes them something for the benefit that they perceive they have brought us, I think is inappropriate,” Mack said. “I think it’s condescending.”

Mack attended a public meeting last month regarding the improvement district hosted by F.H.L., and afterward joined with fellow property owner Maya Hess to start a petition against the proposal. Together, they polled about 200 residents and businesses throughout the neighborhood and found that most were unaware of the plan.

“The sign-up rate approached 100 percent,” said Hess, who owns an apartment on W. 22nd St. that was also excised from the initially proposed boundaries. “The strategic sample included a veritable cross-section of Chelsea, from studios to penthouses, from the smallest deli to commercial property owners with massive square footage.”

Hess and Mack also distributed fliers in the proposed district, drawing “hundreds” of e-mails from property owners opposed to the tax, Mack said.

The Friends of the High Line estimate total maintenance will cost between $3.5 million and $4.5 million per year for the park’s first two sections, with the second section — running from 20th St. to 30th St. — slated to open in fall 2010. In addition to the expected $1 million or so to be provided by the city, F.H.L. plans to raise anywhere from $1.5 million to $3 million through contributions, memberships fees, special events and sponsorships.

But Hess believed the annual funding to be generated through the improvement district will only increase over the years, because the initial 9- and 3-cent tax only takes into account the High Line’s first-year budget.

“It’s not predictive of what actually will be the case,” said Hess, who researched spending patterns at other business improvement districts and found that the average assessment of BID’s citywide is 6 percent of real estate taxes paid, according to the Department of Small Business Services.

“How can you just designate a small sliver of neighborhood to pay for a park that’s used by the entire city?” she added. “I don’t think that’s fair. And now the sliver is even smaller.”

The Friends stated that the district’s boundaries were redrawn as part of the organization’s continued examination of the neighborhood.

“The Improvement District Steering Committee, made up of engaged and active community members, is beginning to collect public opinion and make adjustments to the proposal based on that input and further analysis,” read a statement from F.H.L. “We want the final proposal to be an equitable one that will best benefit the people who live and work near the High Line. We look forward to a constructive dialogue.”

While David Alport’s apartment in a W. 22nd St. co-op building has been removed from the proposed district, he said he would still pay the tax to support a park he believes greatly benefits the neighborhood.

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"The thing I know about the High Line is that it's a project that's been rendered with great sensitivity and engagement with the community," he said. He acknowledged, though, that he still has questions about how the tax might be adjusted over the years.

Alport added that because of the improvement district's structure that includes charging residents, he hopes the High Line would feature special programming or access for those individuals.

"There's no doubt that it's in our neighborhood's interest to keep that park up despite the costs and changes that may come in the future, and I'm willing to pay a modest price to participate in its upkeep in what will be a continued benefit for the neighborhood," he said.

However, the proposed district presents a challenge to D. Cahn, who owns an industrial warehouse on W. 27th St. that would require him to pay the higher, 9-cent tax. That works out to about $4,320 annually for Cahn, and with property taxes increasing from 10 percent to 20 percent in recent years, he can't afford to take another hit.

"I don't think that it's fair that this select number of properties should be taxed for [the High Line]," he said, adding that when his warehouse was landmarked and its designation converted from manufacturing to commercial, he lost the ability to advertise on the building, costing him revenue. "They should tax everyone," he said. "They should take it out of the general fund."

Cahn explained that owners of residential buildings can simply pass the tax onto tenants, whereas in his situation, he's the only tenant.

"In this economy," he said, "this is ridiculous."

The improvement district also includes a large swath of West Chelsea's Gallery District, with many galleries located in the 9-cent subdistrict west of 10th Ave. Mack, an art critic, feared that any additional charges levied against galleries would make the area more prohibitive to arts tenants.

"The critical mass of galleries in Chelsea is something that is very important to New York's identity as a creative center," he explained, noting that the proposal hasn't addressed the tax's effect on the arts community. "It's just another nail in the coffin of something that is very vibrant."

Tara Reddi, director of the Marlborough Gallery, on W. 25th St., said that not one of the gallerists she spoke to had been made aware of the proposal. As board president of the Chelsea Arts Tower, the condo building that houses her gallery, Reddi added that even the building's managing agent had not heard of the plan.

"There is a correct way of informing a district, and I have never seen any proof of this at all. And our gallery is open," Reddi said, noting the timing of the proposal's announcement in the summer when many galleries are either closed or have limited access. "You're asking a very small community to support in perpetuity the High Line. It's like telling people on the East Side and the West Side to support Central Park."

As with Central Park, Hess and Mack said that general tax revenues and voluntary private contributions alone should finance the High Line.

"People feel like they've been kind of deceived," Hess said, adding that she's received e-mails from park donors who are upset at the idea of a mandatory tax.

"I think it should be people's choice," she continued. "I prefer to give to a soup kitchen than pay for artfully arranged grass."

As for the argument that the High Line will only raise property values for those in the district, Mack didn't find it a compelling enough selling point.

"The greatest value in my life is not that the value of my property goes up," he said. "There are other things that I'm concerned about — one of them is diversity."