

**Testimony to New York City Council
Committee on Waterfronts
Re: 6/15/05 Regulatory Obstacles to Waterfront Development**

My name is Carolina Salguero. I am the founder and Director of PortSide New York, a new not-for-profit, water-oriented organization. We are located in Red Hook, Brooklyn but serve a constituency harbor wide.

I've been told that the focus of today's session is DEC policy regarding waterfront development. I'd like to focus on one issue, the DEC principle on pier permits that says "once it's 50% gone, you can't get it back." Note that I'll use "pier" as shorthand for the various types of waterfront infrastructure that exist in New York City.

I'd like to compare this policy with the issue of environmental justice. By now we are all aware of the argument which says that concentrating noxious developments in low-income neighborhoods constitutes an injustice; the "DEC's 50% gone rule" can create injustice by blocking good development in disadvantaged neighborhoods. Areas that have hit the skids and had their waterfront infrastructure collapse are penalized by a 50% rule that prevents pier rebuilding. Under the 50% scheme, future development is determined by an area's economic low point. Can this be the best, fairest, most sustainable policy?

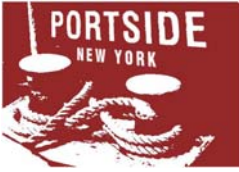
This 50% rule can work quite capriciously, making an area's history evolve in ways far from the planner's ideal. I provide some examples from Red Hook which has many universals – its future will be shaped by what development is allowed on its waterfront.

For decades, much of Red Hook's waterfront was controlled by the Port Authority. After containerization, the PA let the piers go dark. By the late 70s, Red Hook's shore was rimmed with abandoned parcels. This was a major factor in driving the neighborhood down until it became a poster child for urban woes with rampant gang violence, drug dealing, illegal dumping, arson and abandonment. The US Army Corps then removed many piers as part of the drift prevention program. According to the EDC's Andrew Genn, New York received no credits for those piers, meaning a newly resurgent Red Hook has no credit to rebuild what it lost during the dark days.

Then consider how private owners ruined some other major Red Hook waterfront properties including the largest privately owned piece of waterfront property in Brooklyn. New York Shipyard purchased this 22 acre parcel, the Todd Shipyard, but went bankrupt. The company limped on in bankruptcy for a dozen years and dropped all maintenance.

40° 40' N 74° 01' W

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During that time, two steel dry docks sank on site and two of the five piers collapsed. Their future maritime use by Hughes Brothers as a tenant of a planned Ikea is seriously constrained by this decay.

The adjoining parcel, also quite large, presents another vivid example. This is the former Revere/Sucrest Sugar Refinery. After the collapse of the Marcos dictatorship in the Philippines, this property remained in the hands of one of their cronies, a resident of New Jersey. Marcos-scale greed seems to have extended to the crony, as evidenced by an untouchably high for-sale price. This price kept the property from being purchased for many years. During this time, many of the piers collapsed beyond 50%. Is it reasonable to have a policy where our waterfront's future could be determined by an out-of-state owner, the crony of a corrupt, foreign dictator?

The new Red Hook landowner who is lucky enough to have piers more than 50% intact faces another DEC principle that can present some hardships – “like must be replaced with like,” meaning one has to rebuild exactly what’s there. Much of Red Hook’s waterfront infrastructure is Victorian technology: cribbing (interlocking logs filled with dirt and gravel) or relieving platform (cement shelf overhanging the water on top of wooden pilings). New landowners often prefer steel bulkheads as rebuilding the old way can be cost prohibitive, and the wooden piles are prone to immediate worm damage due to our now-clean waters. Many have cited an inconsistency here, how is it that the DEC prefers a relieving platform that casts shade, while rejecting a pier permit on the grounds that it casts shade?

The net effect of the regulatory situation is that Red Hook’s waterfront users are very constrained by permit issues. Red Hook is now home to industrial maritime, non-profit waterfront groups including a historic attraction vessel, and private recreation. All of these sectors would like to grow.

In closing, I’d like to acknowledge the historically positive role of the DEC and celebrate the hard work of many environmentalists, elected officials and agencies that brought us our cleaner waters. These groups faced resistance to change and cleanup at the outset. Environmentalists had to fight much conventional thinking at the dawn of the clean water movement thirty years ago. Now, however, the balance has swung. The water is clean, and we are moving from waterfront neglect to development. We have found new uses for the waterfront, old ones like maritime are resurgent, we know more about our environment and have learned how to be better stewards of it. Shouldn’t we rethink how we think about the water as we approach it anew? Could now be the time for us to re-assess some of the regulatory practices that have existed for some time?

Thank you for your time and consideration.

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