



CITY OF NEW YORK

MANHATTAN COMMUNITY BOARD FOUR

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CHRISTINE BERTHET
Chair

Jesse R. Bodine
District Manager

Tuesday, June 9, 2015

Howard Lorber,
Chairman of the Board
Morgan's Hotel Group
356 West 58th Street
New York, NY 10019

Richard Szymanski,
Interim CEO
Morgan's Hotel Group
356 West 58th Street
New York, NY 10019

RE: Hudson Hotel's Extensive History of Liquor License Stipulations Violations

Dear Mr. Lorber and Mr. Szymanski,

We write to ask you to correct the severe adverse impact the Hudson Hotel ¹ has had on this community for the past 15 years.

The self-described "exuberantly energetic" social hub, according to its website, "takes convention and turns it on its head." ² And while Manhattan Community Board 4 (MCB4) lauds innovative businesses, it should be noted that ever since Ian Shraeger opened the "young at heart and utterly cool" establishment in 2000, the quality of life of the neighborhood (which consists of large apartments buildings housing families with young children and elderly residents), has substantially and unjustly diminished.

These residents were drawn to the Clinton Special District as a zone intentionally created by the city to preserve the residential life of the neighborhood. Also affected are the residents of affordable housing apartments located within the hotel, which were mandated to cure the loss of over 100 SRO apartments that were demolished due to the hotel's construction.

The Hudson's early years were marred by continuous complaints and controversy, which stubbornly and incomprehensibly continue to this day, despite the hundreds of hours spent by representatives of MCB4, elected officials, and residents over the course of *15 years* in an effort to mitigate abundant and continuous problems caused by the hotel's operation.

¹ Located at 356 West 58th Street, NYC 10019 between Columbus and 8th Avenues

² <https://www.morganshotelgroup.com/hudson/hudson-new-york>

Over the years, the Hudson Hotel has made numerous written and verbal assurances that corrective actions would be taken to ensure these issues would be abated and remediated. The results have been abysmal. Clearly, it is time to swiftly and *permanently* resolve the longstanding issues of contention.

Excuses have been made by ever-revolving hotel managers that they could not take responsibility for the promises and inaction of their predecessors. We feel differently. If a corporation can operate and service its patrons in light of management turnover, there is no merit to what is ostensibly a long and tedious history of excuses.

That said, we are very encouraged by John Beier's³ willingness to meet with representatives of MCB4 to discuss remediation specifics. We are heartened by his apparent sincere desire to resolve this matter expeditiously. It is our belief that our professional and congenial discussions will remain productive and result in a swift and permanent resolution to the myriad of problems before us.

The Hudson Hotel's 2nd Floor:

From 2010 to the present, the hotel has been violating stipulations of its February 2010 method of operation (License 1110074), which are related to the hotel's second-floor:

- The entire floor is licensed for three (3) stand-up bars. Inexplicably, there are currently five (5), including two (2) in the outdoor space, which is not licensed for any. Despite promises to remove the stand-up bars, as of June 3rd, 2015 two (2) remained in operation.
- The second-floor outdoor space, currently named "Tequila Park", is one single contiguous outdoor area. In the portion of that space where music is permitted, amplified sound levels routinely violate noise laws. Sound tests have demonstrated that the limiter had been intentionally recalibrated to permit at a significantly higher volume than what was set by the hotel's sound engineer. Egregiously, there are at least two events with DJs scheduled in the coming months. The music permeates the other portion of the space where the license clearly indicates, "No amplified music on the second-floor outdoor space", thus defeating the purpose of the latter stipulation.
- The 150 maximum-licensed capacity of the outdoor terrace space is habitually exceeded. In some cases there have been up to 300 guests—*double* the amount stipulated.

Given that these violations can easily be cured, we request immediate compliance of the stipulations the Hudson Hotel has already entered into.

We ask you to immediately employ a certified sound engineer to determine whether sound remediation solutions, would be effective to reduce amplified and human sounds, which are the basis of the sound violations complaints for the 2nd Floor space. These include the erection of a transparent partition on the 57th Street side of the outside terrace, and an overhead awning constructed out of soundproofed material (which should be in compliance with the fire code) be placed above the outside food service area on the 2nd Floor

³ General Manager for Morgan's Hotel Group Co. Hudson New York

The Hudson Hotel's 24th Floor:

From 2012 to the present, the Hudson Hotel has been in violation of its July 2012 stipulated method of operations pertaining to the 24th Floor (License 1110264).

- Applicant will implement the sound engineer's May 10th, 2010 following recommendations:
 - Soundproof the underside of the tent — not done.
 - Suspend speakers from the pillars — not done.
 - Re-set sound limiter — still at high volume.
 - Install sound attenuation (double hung floor) on the entire penthouse floor (within the entirety of the 24th Floor tent) before reopening. This was agreed to in a letter from Mike Walsh (the manager at the time) to Corey Johnson (our current City Council representative and the Chair of CB4 at the time), and was incorporated into the stipulations—still not done.

Until the method of operation conforms to the stipulations, we strongly recommend the cessation of large events, as well as events involving music. Given that the hotel does not have a Cabaret License, any events involving dancing on the 24th Floor must cease immediately.

Attached as an addendum is a detailed timeline that illustrates the years of disruptions that have impacted hundreds of neighbors and residents. It is now imperative that the Hudson Hotel make every effort to finally become a good neighbor.

We look forward to working with you and John Beier to ensure that all the operational violations are cured immediately, and that structural changes to minimize noise are addressed as soon as feasible. We look forward to your response by Wednesday, July 3rd, 2015 with a detailed plan, along with committed milestones, in order to bring this operation in full compliance with all stipulations and requirements of its Liquor Licenses, and noise laws.

Thank you in advance for your cooperation. We look forward to hearing from you.

Sincerely,



Christine Berthet
Chair

[Signed 6/9/15]
Tina DiFeliciano
Co-Chair
Quality of Life
Committee



David Pincus
Co-Chair
Quality of Life Committee

Enclosure

cc: Michael Jones, SLA
cc: John Beier, Hudson Hotel
cc: City Council Member Helen Rosenthal
cc: State Assembly Member Linda Rosenthal
cc: State Senator Brad Hoylman

Addendum: Timeline of Hudson Hotel Violations

The early years until 2003 were marred by continuous complaints and controversy.

- In early 2000, the establishment was originally licensed as a hotel, including all the outdoor spaces (2nd, 16th and 24th Floors).
- In April 2000, a restaurant license was granted for a 2nd Floor restaurant and its attendant outdoor space, although opposition was voiced related to the construction noise. In correspondence, the hotel's lawyer assured, "All problems will be resolved."
- In November 2000, based on the numerous complaints from residents about noise, traffic and people drunk on the street, MCB4 recommends that the SLA deny the transfer of some of the licenses (Hotel and Catering) to a new corporate entity, while all the bars remained on the original license,
- On December 1, 2000, Ian Nicholson becomes the manager, ten (10) months after the hotel opened. MCB4 agrees to the license transfer based on the hotel's November 21, 2000 promise to install and pay-for double glazed windows for all residents of surrounding buildings notably, the Park Vendome and the Colonnades. (Not done.) It also commits to hire NYPD Paid Detail to ensure security.
- In 2001, MCB4 receives dozens of complaints from nearby residents.
- In 2002, MCB4 approves an alteration for 2nd Floor library, lounge, and terrace, which specifies "Background Music".
- In 2003, MCB4 continues to receive complaints from nearby residents.

In the years since 2010, the Hudson Hotel appeared at least seven (7) times in front of MCB4, which once again, attempted to hold the hotel's management accountable for noise complaints and problems related to traffic, delivery, and access. Meetings with Council Members and Agencies were held to address them. In the interim, the hotel opened and closed a dance hall in the basement.

During this period, management repeatedly changed, which made it impossible to hold the hotel accountable to its commitments:

- In February 2010, MCB4 approves an alteration for the 2nd Floor with the stipulations that the outdoor space be closed at midnight (done), that there would be no amplified music—all speakers to be removed—(not done), and that no French doors or windows will be used between the inside and exterior space (status to be confirmed).
- In May 2010, Acoustilog, an expert in noise mitigation, takes sounds measurements and recommends the following remedies:
 - On the 24th Floor, soundproof the underside of the tent (not done), modify sound system and suspend speakers to the pillars (not done), and install a limiter (done).
 - On the 15th Floor, install a sound governor (done).

- On the 2nd Floor, remove the subwoofer (done) and install a sound limiter (done but overridden).
- In June 2010, the hotel receives a license to operate a dance hall in the basement. All along 2010, MCB4 receives non-stop complaints related the operation of the basement dance hall.
- In November 2010, the basement dance hall space is found in violation of the hotel's license because it operates over capacity.
- In January 2011, MCB4 receives additional noise complaints.
- In June and July 2012, MCB4 recommends the approval of an alteration so that the hotel can incorporate the sound report recommendations. MCB4 attaches a letter from Hudson Hotel management that commits to said remediation, which include the following.
 - 2nd Floor outdoor space new stipulations: no use of DJs until all sound recommendations are implemented; music to stop at 10:00 pm; 11:30pm closing during the week; 11:00 closing over week end (done); installation of sound limiters (done but overridden): and ensure a maximum 45db in surrounding apartments.
 - 15th Floor outdoor space: install limiters for background music only; music to stop at 10:00pm; space to close at 11:00pm during the week; and 11:00pm during the weekend (done).
 - 24th Floor to install glass enclosure (done): sound attenuation be installed under the entire penthouse outdoor floor (tent) before resuming business (not done); suspend speakers on the pillars (not done); install a limiter (done).
- In May 2014, Council Member Brewer convenes a task force to address the continuing noise and traffic complaints related to the Hudson Hotel. She sends a letter to the State Liquor Authority and to the Department of Environmental Protection, which deals with noise complaints.
- In May 2014, a new manager commits to reduced hours of operations, to install a glass enclosure, and to use a sound limiter.
- In September 2014, a new manager is named.
- In January 2015, at MCB4 insistence, Acoustilog performs a new test (not live), and once again recommends changes for the three outdoor venues. (See MCB4 letter.)
- February 9, 2015, the hotel commits to enforcing a dancing ban, and within the next 3 months, to perform live tests in residents' apartments that are situated on the 2nd Floor of the Parc Vendome, and below the 24th Floor.
- March 3rd, 2015 there is a particularly loud party on the 24th Floor.
- May 12, 2015, a meeting is held between MCB4 and the hotel whereby sound test results and remediation are reported.
 - A new manager attends the meeting.
 - Acoustilog reports on the following test results:
 - The speakers on the 24th Floor are not positioned as recommended.
 - The limiter on the 2nd Floor had been recalibrated to a higher decibel level than appropriate.

- There was no live testing.
 - Parc Vendome apartments were not tested.
- May 25, 2015 MCB4 receives complaints about another particularly loud party on the 24th Floor. People complain from apartments located two buildings away.