



IN THE MATTER OF an application submitted by South Portland, LLC, pursuant to Section 201 of the New York City Charter, for an amendment of the Zoning Resolution of the City of New York, for the purpose of eliminating a portion of an Inclusionary Housing designated area to establish a Mandatory Inclusionary Housing area, and to extend the Special Downtown Brooklyn District, modifying Article X, Chapter 1, and related Sections, Borough of Brooklyn, Community District 2.

This application for an amendment to the Zoning Resolution was filed by South Portland, LLC on September 22, 2017, to change an Inclusionary Housing designated area to a Mandatory Inclusionary Housing area, to extend the Special Downtown Brooklyn District and to modify height limitations for buildings, for an area bounded by Hanson Place to the north, South Portland Avenue to the east, Academy Place to the south, and South Elliot Place to the west. This application, in conjunction with the related action for a zoning map amendment (C 180096 ZMK) would facilitate a new, approximately 85,900-square-foot mixed residential development with community facility space at 142-150 South Portland Avenue in the Fort Greene neighborhood of Brooklyn, Community District 2.

RELATED ACTION

In addition to the zoning text amendment (N 180097 ZRK) that is the subject of this report, the proposed project also requires action by the City Planning Commission on the following application, which is being considered concurrently with this application:

C 180096 ZMK As modified, Zoning map amendment to change an R7A district to an R8A district and to an R8A/C2-4 district.

BACKGROUND

A full background discussion and description of this application appears in the report for the related zoning map amendment (C 180096 ZMK).

ENVIRONMENTAL REVIEW

This application (N 180097 ZRK), in conjunction with the application for the related action (C 180096 ZMK), was reviewed pursuant to the New York State Environmental Quality Review Act (SEQRA) and the SEQRA regulations set forth in Volume 6 of the New York Code of Rules and Regulations, Section 617.00 *et seq.* and the City Environmental Quality Review (CEQR) Rules of Procedure of 1991 and Executive Order No. 91 of 1977. The lead is the City Planning Commission. The designated CEQR number is 18DCP044K.

A summary of the environmental review appears in the report for the related zoning map amendment (C 180096 ZMK).

PUBLIC REVIEW

This application (N 180097 ZRK) was duly referred to Brooklyn Community Board 2 and the Brooklyn Borough President on January 2, 2018 in accordance with the procedures for non-ULURP matters, along with the application for the related action (C 180096 ZMK) which was certified as complete by the Department of City Planning on January 2, 2018, and was duly referred to Brooklyn Community Board 2 and the Brooklyn Borough President, in accordance with Title 62 of the rules of the City of New York, Section 2-02(b).

Community Board Public Hearing

Brooklyn Community Board 2 held a public hearing on this application (N 180097 ZRK) on January 17, 2018. On February 14, 2018, by a vote of 24 in favor, 12 opposed, with no abstentions, the Community Board voted to recommend disapproval of the application. A summary of the vote and recommendation of Community Board 2 appear in the report for the related zoning map amendment action (C 180096 ZMK).

Borough President Recommendation

The Brooklyn Borough President held a public hearing on this application (N 180097 ZRK) on February 20, 2018, and on March 27, 2018 issued a recommendation to approve the application with conditions. A summary of the Borough President's recommendation appears in the report for the related zoning map amendment action (C 180096 ZMK).

City Planning Commission Public Hearing

On March 28, 2018 (Calendar No. 1), the CPC scheduled April 11, 2018 for a public hearing on this application (N 180097 ZRK), in conjunction with the related application (C 180096 ZMK). The hearing was duly held on April 11, 2018 (Calendar No. 7). There were 11 speakers in favor of the application and 17 in opposition, as described in the report for the related application for a zoning map amendment (C 180096 ZMK), and the hearing was closed.

CONSIDERATION

The Commission believes that this application for a zoning text amendment (N 180097 ZRK), as modified, in conjunction with the related application for a zoning map amendment (C 180096 ZMK), as modified, is appropriate.

A full consideration and analysis of issues and the reasons for approving this application appear in the related report for the zoning map amendment (C 180096 ZMK).

RESOLUTION

RESOLVED, that the City Planning Commission finds that the action described herein will have no significant impact on the environment; and be it further

RESOLVED, by the City Planning Commission, pursuant to Section 200 of the New York City Charter, that based on the environmental determination and the consideration described in this report, the Zoning Resolution of the City of New York, effective as of December 15, 1961, and as subsequently amended, is further amended as follows:

* * *

Matter underlined is new, to be added;

Matter ~~struck out~~ is to be deleted;

Matter within # # is defined in Section 12-10;

* * * indicates where unchanged text appears in the Zoning Resolution.

APPENDIX F

Inclusionary Housing Designated Areas and Mandatory Inclusionary Housing Areas

* * *

BROOKLYN



* * *

Brooklyn Community District 2

* * *

Map 4 - [date of adoption]



-  Inclusionary Housing Designated Area
-  Mandatory Inclusionary Housing Area (MIHA) *(see Section 23-154(d)(3))*
- Area 4— [date of adoption] — MIH Program Option 1 and Option 2

Portion of Community District 2, BROOKLYN

* * *

The above resolution (N 180097 ZRK), duly adopted by the City Planning Commission on May 9, 2018 (Calendar No. 12), is filed with the Office of the Speaker, City Council, and the Borough President, in accordance with the requirements of Section 197-d of the New York City Charter.

MARISA LAGO, *Chair*

KENNETH J. KNUCKLES, ESQ., *Vice Chairman*

**ALFRED C. CERULLO, III, MICHELLE DE LA UZ, JOSEPH DOUEK,
RICHARD W. EADDY, CHERYL COHEN EFFRON, HOPE KNIGHT,
ANNA HAYES LEVIN, ORLANDO MARIN, LARISA ORTIZ**, *Commissioners*



CITY OF NEW YORK
Community Board No. 2

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BROOKLYN, N.Y. 11201

(718) 596-5410

FAX (718) 852-1461

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ERIC ADAMS

Borough President

SHIRLEY A. McRAE

Chairperson

ROBERT PERRIS

District Manager

February 26, 2018

Marisa Lago, Chair
City Planning Commission
120 Broadway, 31st Floor
New York, New York 10271

Dear Chair Lago:

I am writing to inform you that Community Board 2 (CB2) has reviewed and made a determination on the "142-150 South Portland Avenue Rezoning," two applications submitted by South Portland LLC and Randolph Haig Day Care Center, Inc.

The primary application (C 180096 ZMK) seeks to rezone 142-150 South Portland Avenue and other properties on the northern portion of Block 2003 in Brooklyn from an R7A district to R8A; establish a C2-4 district on Hanson Place, between South Elliott Place and South Portland Avenue; and extend the boundary of the Special Downtown Brooklyn District (SDBD) one block to the east to include the area proposed to be rezoned.

The second application (N 180097 ZRK) seeks to amend Article X, Chapter 1 (the SDBD) to impose a 95-foot height restriction on a portion of applicants' development site on South Portland Avenue, and to designate the rezoned lots as a Mandatory Inclusionary Housing Area in Appendix F.

The community board held a public hearing on these applications on January 17, 2018 in Room LC400 of the Dibner Building at the NYU Tandon School of Engineering, 5 Metrotech Center, Brooklyn, New York. Following the hearing and discussion, the CB2 Land Use Committee voted six in favor, four opposed, one abstention (6-4-1) to propose that the community board recommend approval of the applications on the condition that the rezoning be limited to applicants' property; Block 2003, Lot 37.

Community Board 2 held a regularly scheduled general meeting on February 14, 2018. A motion to accept the committee's recommendation failed by a vote of 14 in favor, 21 opposed, one abstention (14-21-1). A second motion to recommend disapproval passed by a vote of 24 in favor, 12 opposed, no abstentions (24-12-0).

The principal objection is to the 138-foot height of the proposed mixed-use building, which is 45 percent taller than what is permissible under the current zoning. Some longer-serving board members recall the community-based rezoning of Fort Greene and Clinton Hill (C 070430 ZMK, N 070431 ZRY) and are opposed to modifications to the hard-earned protections that resulted.

Marisa Lago, Chair
City Planning Commission
February 26, 2018
Page 2

Expressed another way, the proposed building is too tall, too close to the residential townhouses of Fort Greene.

Board members also objected to the income tiers for the "affordable" housing, in particular to the 50 percent of the apartments proposed to be offered to families earning 130 percent of the Area Median Income. The opinion was anecdotally expressed that at least some of the proposed monthly rents are comparable to market rates elsewhere in the neighborhood.

Although there is no mandatory parking requirement for the "100 percent affordable" project that is proposed, the absence of off-street parking is also a concern. Many of the members of the Hanson Place Seventh Day Adventist Church are not local and drive to the house of worship. Some board members believe that the proposed project should alleviate the existing shortage of parking, not potentially worsen it by the construction of 100 apartments and a community facility.

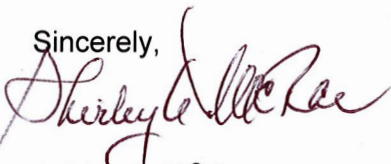
As implied by the committee recommendation, some members are uncomfortable extending the proposed upzoning to vacant property on Hanson Place where the development plans are unknown.

Opposition also resulted from ignorance, confusion and even misrepresentations about the implications of modifying the boundary of the SDBD.

The members who voted in opposition to the recommendation to disapprove did not share these concerns and objections. The proposed height of the building is not an issue for some of them because a 13-story and two 15-story buildings already exist elsewhere on the block. They disagreed with the opinion that the proposed rents are comparable to market rates, in some cases vocally recognizing that the rent income will be used to support the church's ecclesiastical and charitable work. Some members believe that construction of off-street parking incentivizes car ownership, which leads to driving and then traffic congestion, and therefore should be discouraged.

I have provided herewith a copy of the community board recommendation form for application C 180096 ZMK, which has also been submitted electronically to the Department of City Planning's Calendar Office. Thank you for the opportunity to comment.

Sincerely,



Shirley A. McRae

cc: Hon. Eric L. Adams
Brooklyn Borough President
Hon. Laurie Cumbo
New York City Council
Winston Von Engel, Brooklyn Borough Director
Daphne Lundi, City Planner
Department of City Planning
Richard S. Lobel, Esq.
Sheldon Lobel, PC

Application #: **C 180096 ZMK**

CEQR Number: 18DCP044K

Project Name: **142-150 South Portland Ave. Rezoning**

Borough(s): Brooklyn

Community District Number(s): 2

Please use the above application number on all correspondence concerning this application

SUBMISSION INSTRUCTIONS

- Complete this form and return to the Department of City Planning by one of the following options:
 - EMAIL (recommended):** Send email to CalendarOffice@planning.nyc.gov and include the following subject line: (CB or BP) Recommendation + (6-digit application number), e.g., "CB Recommendation #C100000ZSQ"
 - MAIL:** Calendar Information Office, City Planning Commission, 120 Broadway, 31st Floor, New York, NY 10271
 - FAX:** to (212) 720-3488 and note "Attention of the Calendar Office"
- Send one copy of the completed form with any attachments to the applicant's representative at the address listed below, one copy to the Borough President, and one copy to the Borough Board, when applicable.

Docket Description:

IN THE MATTER OF an application submitted by South Portland LLC and Randolph Haig Day Care Center, Inc. pursuant to Sections 197-c and 201 of the New York City Charter for an amendment of the Zoning Map, Section No. 16c:

- changing from an R7A District to an R8A District property bounded by Hanson Place, South Portland Avenue, a line 235 feet southerly of Hanson Place, a line midway between South Portland Avenue and South Elliott Place, a line 275 feet southerly of Hanson Place, and South Elliott Place;
- establishing within a proposed R8A District a C2-4 District bounded by Hanson Place, South Portland Avenue, a line 100 feet southerly of Hanson Place, and South Elliott Place; and
- establishing a Special Downtown Brooklyn District bounded by Hanson Place, South Portland Avenue, a line 235 feet southerly of Hanson Place, a line midway between South Portland Avenue and South Elliott Place, a line 275 feet southerly of Hanson Place, and South Elliott Place;

Borough of Brooklyn, Community District 2, as shown on a diagram (for illustrative purposes only) dated January 2, 2018, and subject to the conditions of CEQR Declaration E-460.

Applicant(s): South Portland LLC 1328 New York Avenue, Huntington Station, NY 11746 Randolph Haig Day Care Center, Inc. 151 South Portland Avenue, Brooklyn, NY 11217		Applicant's Representative: Richard Lobel Sheldon Lobel, PC 18 E 41st Street 5th Fl New York, NY 10017
Recommendation submitted by: Brooklyn Community Board 2		
Date of public hearing: January 17, 2018		Location: NYU Tandon School, 5 Metrotech Center, Brooklyn NY
Was a quorum present? YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>		<i>A public hearing requires a quorum of 20% of the appointed members of the board, but in no event fewer than seven such members.</i>
Date of Vote: February 14, 2018		Location: BAM Fisher, 321 Ashland Place, Brooklyn NY
RECOMMENDATION <div style="display: flex; justify-content: space-between;"> <div> <input type="checkbox"/> Approve <input checked="" type="checkbox"/> Disapprove </div> <div> <input type="checkbox"/> Approve With Modifications/Conditions <input type="checkbox"/> Disapprove With Modifications/Conditions </div> </div> <p><u>Please attach any further explanation of the recommendation on additional sheets, as necessary.</u></p>		
Voting # In Favor: 24 # Against: 12 # Abstaining: Total members appointed to the board: 48		
Name of CB/BB officer completing this form Shirley A. McRae	Title Chairperson	Date 2/26/2018



Email/Fax Transmittal

TO: Brooklyn Community District 2 Distribution	FROM: Brooklyn Borough President Eric L. Adams
DATE: March 29, 2018	CONTACT: Inna Guzenfeld – Land Use Coordinator Phone: (718) 802-3754 Email: iguzenfeld@brooklynbp.nyc.gov
ULURP Recommendation: 142-150 SOUTH PORTLAND AVENUE REZONING – 180096 ZMK, 180097 ZRK	NO. Pages, Including Cover: 21

Attached is the recommendation report for ULURP application 180096 ZMK, 180097 ZRK. If you have any questions, please contact Inna Guzenfeld at (718) 802-3754.

Distribution

NAME	TITLE	OFFICE	EMAIL
Marisa Lago	Chair, City Planning Commission (CPC)	(212) 720-3356	ygruel@planning.nyc.gov
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Shirley McRae	Chair, Brooklyn Community Board 2 (CB 2)	(718) 596-5410	cb2k@nyc.rr.com
Robert Perris	District Manager, CB 2	(718) 596-5410	cb2k@nyc.rr.com
Matthew Schommer	Applicant's Representative, Sheldon Lobel PC	(212) 725-2727	mschommer@sheldonlobelpc.com
Richard Bearak	Director, Land Use, BBPO	(718) 802-4057	rbearak@brooklynbp.nyc.gov

Brooklyn Borough President Recommendation

CITY PLANNING COMMISSION

120 Broadway, 31st Floor, New York, NY 10271

CalendarOffice@planning.nyc.gov



INSTRUCTIONS

1. Return this completed form with any attachments to the Calendar Information Office, City Planning Commission, Room 2E at the above address.
2. Send one copy with any attachments to the applicant's representatives as indicated on the Notice of Certification.

APPLICATION #: 142-150 SOUTH PORTLAND AVENUE REZONING – 180096 ZMK, 180097 ZRK

In the matter of applications submitted by South Portland LLC and Randolph Haig Day Care Center, Inc. pursuant to Section 197-c of the New York City Charter, seeking zoning map and text amendments to change the northern portion of a block on Hanson Place, between South Portland Avenue and South Elliott Place, from an R7A to an R8A zoning district; establish a C2-4 commercial overlay to a depth of 100 feet along Hanson Place; extend the current Special Downtown Brooklyn District (SDBD) coterminous with the area proposed for the R8A zoning district; amend the SDBD regulations to impose a 95-foot height limitation within 25 feet of an R7A district for developments fronting South Portland Avenue within an R8A district, and establish a Mandatory Inclusionary Housing (MIH) area, pursuant to Options 1 and 2, within the proposed R8A district. Such actions are intended to facilitate the redevelopment of the property at 142-150 South Portland Avenue, with a mixed-use, residential, and community facility building with a height of 13 stories containing 100 dwelling units, all designated as affordable housing.

COMMUNITY DISTRICT NO. 2

BOROUGH OF BROOKLYN

RECOMMENDATION

☐ APPROVE
☒ APPROVE WITH
MODIFICATIONS/CONDITIONS

☐ DISAPPROVE
☐ DISAPPROVE WITH
MODIFICATIONS/CONDITIONS

SEE ATTACHED

BROOKLYN BOROUGH PRESIDENT

March 28, 2018

DATE

RECOMMENDATION FOR: 142-150 SOUTH PORTLAND AVENUE REZONING – 180096 ZMK, 180097 ZRK

South Portland LLC and Randolph Haig Day Care Center, Inc. submitted applications pursuant to Section 197-c of the New York City Charter, seeking zoning map and text amendments to change the northern portion of a block on Hanson Place, between South Portland Avenue and South Elliott Place, from an R7A to an R8A zoning district; establish a C2-4 commercial overlay to a depth of 100 feet along Hanson Place; extend the current Special Downtown Brooklyn District (SDBD) coterminous with the area proposed for the R8A zoning district; amend the SDBD regulations to impose a 95-foot height limitation within 25 feet of an R7A district for developments fronting South Portland Avenue within an R8A district, and establish a Mandatory Inclusionary Housing (MIH) area, pursuant to Options 1 and 2, within the proposed R8A district. Such actions are intended to facilitate the redevelopment of the property at 142-150 South Portland Avenue, with a mixed-use, residential, and community facility building with a height of 13 stories containing 100 dwelling units, all designated as affordable housing.

On February 20, 2018, Brooklyn Borough President Eric L. Adams held a public hearing on the acquisition request. There were 30 speakers on this item, with 13 in favor and 17 opposed. Those in favor of the rezoning included members and supporters of the Hanson Place Seventh Day Adventist Church (the "Church"); they cited a need to expand social services and create affordable housing in the community. Those opposed to the rezoning included local homeowners and other area residents; they expressed concerns about high-rise development contradicting the height limits established in the Fort Greene/Clinton Hill Rezoning in a generally low-rise neighborhood, that some of the proposed rents for the affordable housing were not really affordable, and the inappropriateness of extending the SDBD into Fort Greene.

In response to Borough President Adams' inquiry regarding the qualifying income range for prospective households based on household size, the anticipated rents based on the number of bedrooms, and the distribution of units by bedroom size, the applicant's representative stated that the project is being financed under the New York City Department of Housing Preservation and Development (HPD)'s Mixed/Middle-Income program. Of the 100 units, 25 percent would be affordable to households with incomes not exceeding 60 percent of Area Median Income (AMI), another 25 percent would be affordable at rents based on 100 percent of AMI, while the remaining 50 would be affordable at rents based on 130 percent of AMI. As the project has selected MIH Option 2, 30 percent of the floor area would be affordable at a blended 80 percent of AMI.

For households not exceeding 60 percent AMI, with an annual income between \$26,000 and \$66,000, the anticipated rents were cited as \$761 for a studio, \$963 for a one-bedroom, \$1,166 for a two-bedroom, and \$1,339 for a three-bedroom, regardless of household size. For households qualifying for an apartment based on 100 percent AMI, annual income would range between \$47,000 and \$143,000, with the anticipated rents cited as \$1,377 for a studio, \$1,733 for a one-bedroom, \$2,089 for a two-bedroom, and \$2,406 for a three-bedroom, regardless of household size. For households qualifying for units based on 130 percent AMI, annual income would range between \$62,000 and \$182,000, with anticipated rents being \$1,807 for a studio, \$2,270 for a one-bedroom, \$2,733 for a two-bedroom, and \$3,150 for a three-bedroom, regardless of household size.

In response to Borough President Adams' inquiry as to how long the non-MIH units are required to be rented at affordable rates, the representative stated that the 100 affordable units would be protected by a regulatory agreement for a period of 40 years. For tenants who continue occupancy after 40 years, the units would remain protected according to rent-stabilization regulations.

In response to Borough President Adams' inquiry as to whether one of the community's affordable housing administering agents would be used in the tenant selection process in order to ensure the highest level of participation from CD 2, the representative stated that MDG Design + Construction (MDG) will be doing the marketing for the units, with assistance from the Pratt Area Community Council (IMPACCT Brooklyn). MDG would conduct outreach meetings at the Church prior to commencing the marketing campaign.

In response to Borough President Adams' inquiry regarding the applicant's marketing strategy, and whether it would include a financial literacy campaign to assist local residents in becoming lottery-eligible, the representative stated that MDG will work with IMPACCT Brooklyn to develop a financial literacy campaign to increase lottery eligibility and provide assistance to applicants. The developer will advertise the lottery in local publications to meet the 50 percent community preference requirement.

In response to Borough President Adams' inquiry regarding the incorporation of sustainable features such as blue, green, or white roof coverings, passive house design, permeable pavers, rain gardens, solar panels, and/or wind turbines, the representative stated that the building will integrate sustainable design elements including green and white roofs, water conservation fixtures, and bicycle storage. The developer will also comply with HPD's Enterprise Green Communities Criteria (EGCC).

In response to Borough President Adams' inquiry regarding the inclusion and participation of minority- and women-owned business enterprises (MWBEs) and locally-owned business enterprises (LBEs) in the construction process, the representative stated that MDG will work with the Office of the Brooklyn Borough President, the community board, and local elected officials to organize a job fair before construction begins and guarantee a minimum of at least eight local hires. The developer will also work to adjust typical contract terms to better accommodate smaller MWBE firms.

In response to Borough President Adams' inquiry regarding the applicant's involvement in a case of wage theft on a past residential project, and what practices the applicant and its subcontractors would implement to ensure that labor violations do not occur on this development, the representative stated that MDG has developed a prevailing wage compliance program that involves a background screening on all subcontractors, a mandatory badging system, a hotline to report violations, and compliance monitoring staff that conducts onsite/back office supervision. The developer has also engaged a third party monitor on several past projects.

In response to Borough President Adams' inquiry as to why the development potential for the adjacent Salvation Army lot on South Elliott Place under the proposed rezoning was not disclosed in the environmental analysis, the representative stated that according to the Environmental Assessment Statement (EAS), the Salvation Army lot was not identified as a soft site because it is a long-standing community facility with no known development plans under the current R7 district, except for a four-story enlargement completed in 2014.

Prior to the hearing, Borough President Adams received a letter from a local resident citing concerns about instances of wage theft on previous MDG affordable housing projects that were made public several years ago.

Subsequent to the hearing, Borough President Adams received a joint letter from the Society for Clinton Hill, the Fort Greene Association, and Citizens for Responsible Neighborhood Planning of Clinton Hill and Fort Greene enumerating their concerns about the proposed project. The groups recommended disapproval based on the project's potential to increase high-rise development in the area and the inclusion of lots beyond the applicant's property in the rezoning. The letter also took issue with the affordability of the housing that would be achieved on this site and the impact of additional construction on an area experiencing an influx of new development.

Subsequent to the hearing, Borough President Adams received a letter from State Senator Velmanette Montgomery recommending disapproval for this ULURP application, based on the 2007 Fort Greene/Clinton Hill Rezoning and community concerns about non-contextual development. State Senator Montgomery further recommended that the applicants partner with a non-profit that specializes in building affordable housing.

Subsequent to the hearing, Borough President Adams received a statement from MDG outlining its intended commitments to the next-door neighbor at 154 South Portland Avenue. MDG expressed its willingness to relocate the neighbor during demolition, and provide specific façade improvements to her residence. Once the development is complete, MDG seeks to landscape the rear yard and provide new patio furniture at 154 South Portland Avenue.

Consideration

Brooklyn Community Board 2 (CB 2) voted to disapprove this application on February 14, 2018. CB 2 cited the following concerns: the additional height that would be allowed by upzoning this portion of the block from R7A to R8A, including the proposed development and the potential assemblage of vacant lots on Hanson Place, the decision to offer 50 percent of the apartments to households at 130 percent of AMI, and the extension of the SDBD into Fort Greene.

142-150 South Portland Avenue is a mixed-use, faith-based development, proposed jointly by the Church and MDG Design + Construction. The Church has been active in Fort Greene since the 1950s, and it owns two properties on South Portland Avenue: its sanctuary building, which is a New York City landmark, and a four-story, 9,400 sq. ft. community facility building, which occupies the project site. The proposed rezoning would replace this property with a 13-story mixed residential and community facility building (including a cellar), with 100 housing units to be rented at below-market rates. In addition to residential floor area, the development would provide approximately 9,700 sq. ft. on the ground floor to be occupied by the Church. The cellar will contain approximately 7,825 sq. ft. that would permit community facility occupancy by a medical services provider. According to the New York City Zoning Resolution (ZR), the development is not required to provide accessory parking spaces, as it is located in a designated transit zone. Therefore, no parking is proposed as part of the project.

The rezoning boundary contains eight contiguous tax lots with frontage on Hanson and South Elliott places, and South Portland Avenue. In addition to 142-150 South Portland Avenue, the project area includes an eight-story building owned by the Brooklyn Academy of Music (BAM), occupied by not-for-profits, including the Museum of Contemporary African Diasporan Arts (MoCADA), an assemblage of vacant lots on Hanson Place, and properties owned by the Salvation Army, including a large lot occupied by a 12-story supportive housing building and a parking lot. The proposed rezoning would significantly increase permitted development rights, including residential rights based on the mandatory provision of permanent affordable housing. The proposed establishment of a commercial overlay on the south side of Hanson Place would allow for commercial use to be provided.

The area proposed for rezoning was most recently rezoned as part of the 2007 Fort Greene/Clinton Hill Rezoning, which changed 99 blocks of CD 2 to contextual districts at densities mostly reflective of the area's row house character with height limits intended to prevent future out-of-scale development. The area proposed for R8A/MIH had been previously zoned R6; it was residentially upzoned to R7A and established as an Inclusionary Housing Designated Area (IHDA), to create opportunities for affordable housing development.

The surrounding area is defined by a mix of commercial, cultural, and residential uses. The Atlantic Center and Atlantic Terminal malls and transit hub are two blocks to the west, while Barclays Center is located to the south, across Atlantic Avenue. The Brooklyn Cultural District, home to more than 50

arts organizations, and the BAM Historic District are situated north and west of Hanson Place. The blocks east of the project area consist primarily of the Church, low-rise row houses, and medium-density apartment buildings. The site is highly accessible via public transportation, including New York City Transit (NYCT) buses and subways, and the Long Island Rail Road (LIRR).

The portion of the block proposed for rezoning shares a street border along South Elliott Place with the SDBD, which was established in 2001 to foster mixed-use development in Downtown Brooklyn through special height and setback regulations and urban design guidelines.

If approved, the intended development would increase the supply of affordable housing in CD 2 by providing a greater amount of affordable units than what would be achieved as-of-right. The project will also allow the Church to conduct its social services in a modern setting while benefitting from a source of steady operating income for the development, from both the middle-income affordable housing units and the community facility use slated for cellar occupancy.

Brooklyn is one of the fastest growing communities in the New York metropolitan area. The ongoing Brooklyn renaissance has ushered in extraordinary changes that were virtually unimaginable even a decade ago. Unfortunately, Brooklyn's success has led to the displacement of longtime residents who can no longer afford to live in their own neighborhoods. Borough President Adams is committed to addressing the borough's affordable housing crisis through creation and preservation of much-needed affordable housing units for very low- to middle-income Brooklynites.

The rezoning would be consistent with Mayor Bill de Blasio's goal of achieving 200,000 affordable housing units over the next decade, according to "Housing New York: A Five-Borough, Ten-Year Plan," through the development of affordable housing. In addition, the proposed development is consistent with Borough President Adams' Faith-Based Development Initiative, which works to harness the power of faith-based institutions in Brooklyn, widely known as the "Borough of Churches," to help solve the challenge of housing affordability.

Borough President Adams' Faith-Based Development Initiative connects local houses of worship with information and resources to explore opportunities for developing their properties to create affordable housing and other community benefits. The Church is one of many faith-based organizations in the borough that, in this location, would have air rights where affordable housing can be developed pursuant to the proposed rezoning.

Borough President Adams supports the development of underutilized land for productive uses that address the City's need for additional affordable housing. He supports facilitating such development through the mapping of height-based zoning districts as a means to promote certainty within the host community of how many stories would be permitted.

It is Borough President Adams' policy to support the development of affordable housing and seek for such housing to remain "affordable forever," wherever feasible. This development would result in at minimum 25 percent and possibly 30 percent of the residential zoning floor area to be permanently affordable according to MIH. The remaining floor area would be required to remain affordable for a duration of 40 years as per the regulatory agreement with HPD. Since the development will remain in the ownership of the Church, it is anticipated that as part of its socially-based mission, efforts would be made to ensure that affordable housing floor area not subject to a regulatory agreement would remain a long-term affordable housing resource. Development that is retained by a mission-driven, socially-based, non-profit and adheres to the MIH program is consistent with Borough President Adams' policy for affordable housing development to remain permanently affordable.

Borough President Adams supports rezoning when paired with the ZR's MIH program as a means to achieve permanently affordable housing units. The affordability options of the MIH program provide a range of opportunities to address the need for housing that serves a broad range of diverse incomes, consistent with Borough President Adams' objectives to provide affordable housing to households through various income band targets. As a result, the redevelopment of 142-150 South Portland Avenue would provide housing opportunities to a diverse range of household incomes to apply for apartments through the affordable housing lottery.

Borough President Adams supports the applicants' efforts to give consideration to residents of the adjacent low-rise buildings immediately south of the project site through means that would achieve a height transition to the adjacent R7A district. A zoning text amendment that extends the SDBD to the portion of South Portland Avenue designated as an R8A zoning district would effectively impose R7A height limits for the adjacent width of 25 feet from the R8A-zoned parcel.

Borough President Adams notes that in order for all of the residential floor area to be rented below market, more floor area must be provided than what is permitted under the 2007 Fort Greene/Clinton Hill Rezoning of this portion of the block. He believes that to the extent that such requested height-limited upzoning facilitates an entirely affordable housing development and provides for height transition to lower-rise residential development in the adjacent remaining R7A zoning district, while retaining the opportunity to continue mission-driven programming by a faith-based institution, supporting the proposed modification to the 2007 Fort Greene/Clinton Hill Rezoning serves an appropriate public purpose.

Borough President Adams is generally supportive of the proposed development. However, he is concerned that the requested rezoning permits out-of-scale development that does not guarantee the benefit of future residential development without market-rate housing. Furthermore, permitting retail along Hanson Place would promote out-of-character development. Borough President Adams believes that there are opportunities to improve the development proposal by furthering a range of his policies such as adding more family-sized affordable housing units; promoting opportunities for more deeply affordable units that might accommodate homeless families and senior households; maximizing community participation to obtain the affordable housing units, and advancing resilient and sustainable energy and stormwater practices. In addition, he seeks improved access to affordable housing for rent-burdened households and local preference for students of area schools who reside in shelter housing.

Restrict the Proposed Zoning District and Enlargement of the Special Downtown Brooklyn District (SDBD)

The current R7A district on the portion of the block proposed for rezoning permits buildings with a residential floor area ratio (FAR) of 3.45 and a maximum height of 80 feet to be built as-of-right. For buildings that provide affordable housing through the Voluntary Inclusionary Housing (VIH) program, the FAR is increased to 4.6 with a maximum total height of 95 feet. The applicants are seeking a rezoning in order to increase the FAR to 7.2 and achieve the maximum height of 145 feet permitted in R8A districts, when paired with MIH zoning requirements for buildings with qualifying ground floors that result in a second floor that is at least 13 feet above the sidewalk level. The requested mapping of the R8A zoning district would facilitate the highest density/permitted height accommodating residential zoning district mapped outside of the SDBD in Fort Greene.

The proposed actions would facilitate a 100 percent affordable housing development while retaining the opportunity to continue mission-driven programming by a faith-based institution, and provide for height transition to lower-rise residential development in the adjacent remaining R7A zoning district. While it would serve an appropriate public purpose to support such a modification to the 2007 Fort Greene/Clinton Hill Rezoning, there is no assurance that other sites would benefit from the additional

zoning floor area if the rezoning is adopted as proposed would be developed to the same standards. Though the R8A zoning may be necessary to achieve full residential development without market-rate housing units at the Church site, it would promote out-of-context development without the guarantee of 100 percent affordability in the future.

The environmental analysis for the proposed rezoning identified an assemblage on Hanson Place as a projected development site. These lots are located across the street from a portion of the BAM Historic District, and rowhouses that are representative of much of the area's neighborhood character to the east and north. If this assemblage were to be developed, either 25 or 30 percent of the residential floor area would be used to accommodate permanently affordable housing, according to the MIH program.

While it is not indicated in the environmental analysis, Borough President Adams understands that the Salvation Army lot would gain extensive development rights as a result of the rezoning. Instead of developing its remaining land with some affordable housing, the Salvation Army could potentially conform to the MIH requirements by designating the existing supportive housing as permanently classified affordable housing. To the extent that the Salvation Army is a mission-driven organization, it is reasonable to expect such housing to remain as a community resource. However, there would be no obligation for the Salvation Army to retain the existing affordable supportive housing as long-term affordable housing. Merely codifying such status and having the remainder of the available floor area, with additional rights from the rezoning, developed as market-rate housing does not justify support for including this parcel in the proposed zoning district. Such a development would not justify a modification to the 2007 Fort Greene/Clinton Hill Rezoning.

Therefore, Borough President Adams believes that it is appropriate for the City Planning Commission (CPC) or the City Council to restrict the proposed R8A/MIH zoning district to 135 feet along South Portland Avenue starting at a point 100 feet from the south side of Hanson Place, and to the centerline of the block between South Portland Avenue and South Elliott Place, with the remainder of the proposed R8A zoning district being retained as an R7A Voluntary Inclusionary Housing (VIH) district.

Borough President Adams recognizes that this residential portion of Fort Greene differs substantially from the commercial hub of Downtown Brooklyn, as well as the nearby Fulton Street retail corridor. There is a clear divide from the mall and offices to the west of this section of Hanson Place and the east section, which terminates at Fulton Street and is characterized by the brownstones and the landmarked Church. Rather than speculatively introduce a commercial overlay to Hanson Place as a potential land use character transformation, it would be best to have such zoning considered as part of a direct development proposal for future community consideration. Therefore, Borough President Adams believes that without any explicit proposal it would be best to retain the existing residential zoning along Hanson Place. As such, the proposed C2-4 commercial overlay zoning on the south side of Hanson Place should be eliminated.

Borough President Adams believes that the concerns expressed in opposition to the proposed extension of the SDBD to South Portland Avenue are based on semantics as opposed to any real substance. Utilization of the SDBD allows for further customization of the ZR; in this instance it would obligate development adjacent to R7A zoning district boundaries to retain the maximum permitted height of the R7A's 95 feet as the maximum allowable building height for a width of 25 feet into the adjoining R8A district. This provides for an important urban design transition zone that provides a buffer between the development and the nearby residential buildings on this side of South Portland Avenue. This amendment to the SDBD regulations would result in a lower base height of the 142-150 South Portland Avenue portion that abuts the four-story row houses immediately south of the

proposed rezoning boundary as those same homes could one day be replaced by buildings at least 80 feet in height and up to 95 feet if affordable housing and a qualifying first floor are provided.

However, given community representations, Borough President Adams believes that the enlargement of the SDBD needs to be reduced in scope to be more consistent with his recommendation to limit the extent of the R8A mapping. Alternatively, the proposed height transition could be achieved through a deed restriction. If such deed restriction were to be recorded in advance of the City Council determination on the requested land use actions, then that SDBD action could either be withdrawn or rejected by the City Council. Without a deed recordation, should the City Council adopt a rezoning as recommended by Borough President Adams with regard to the extent of the R7A as presently drafted, the proposed modification to ZR Section 101-22 would have the unintended effect of limiting the proposed development for a depth of eight feet to the height of 95 feet. As the northern section of the building is adjacent to the non-profit building that includes MoCADA among its occupants, there is no need to provide such transition height. As an alternative, it might be appropriate to alter the proposed modification to ZR Section 101-22 to at least permit building height to match the height of the existing structure when such buildings exceed 95 feet.

Therefore, Borough President Adams believes it is appropriate for the CPC or the City Council to restrict the proposed enlargement of the SDBD between South Elliott Place and South Portland Avenue to a depth of 135 feet starting at a point 100 feet from the south side of Hanson Place, unless the Church provides a deed restriction that would effectively limit the height of the southern section of the building to 95 feet for a distance of 25 feet from the adjacent R7A zoning district boundary line, pending the adoption of an R8A district. If no deed restriction is provided, the proposed modification to ZR Section 101-22 should be further modified to permit building height within 25 feet of an adjacent R7A district to exceed 95 feet to match the height of an existing adjacent building.

Achieving a Family-Sized Affordable Housing Unit Mix

Out of a total of 100 dwelling units, 19 would be studio units, 42 would be one-bedroom units, 24 would be two-bedroom units, and 15 would be three-bedroom units. According to the applicant, 30 percent of the residential floor area will be permanently affordable, pursuant to MIH Option 2. The development is expected to utilize HPD's Mixed Middle Income Program.

A recent report has identified that rent-burdened households, which typically represent those applying to the City's affordable housing lotteries, are more likely to require family-sized units. Therefore, Borough President Adams is concerned that the proposed affordable unit mix would not adequately reflect the needs of Brooklyn Community District 2 (CD 2)'s low- to middle-income rent-burdened families. Borough President Adams believes in this case that right-sizing the bedroom distribution is a higher priority than maximizing the number of affordable housing units.

Borough President Adams believes that discretionary land use actions are appropriate opportunities to advance policies that constrain what would otherwise be permitted as-of-right. He believes that the proposed rezoning presents an opportunity to achieve more family-sized units for the non-elderly, and advocates increasing the minimum threshold of non-independent residences for senior housing to accommodate family-sized apartments, particularly for units at 40 percent AMI. Borough President Adams ideally supports having at least 50 percent two- or three-bedroom affordable housing units and at least 75 percent one- or more bedroom affordable housing units, consistent with the zoning text for Inclusionary Housing floor area, pursuant to ZR Section 23-96(c)(1)(ii).

Borough President Adams believes that the 142-150 South Portland Avenue residential floor area should be designed to provide more two- and three-bedroom dwelling units to accommodate a greater percentage of families with children, with rents targeting households qualifying at 30, 40, and

50 percent AMI. In addition, he believes that such floor area should have an expanded number of studio and one-bedroom units with rents at 30, 40, and 50 percent AMI to accommodate a greater percentage of senior households.

On March 20, 2018, in response to Borough President Adams' stated policies, MDG provided a letter with updated information regarding the proposed AMI tiers and the distribution of MIH units at 142-150 South Portland Avenue. According to the revised model, income bands for eligible households will range from 40 to 130 percent AMI, with 10 units at 40 percent AMI, 15 units at 60 percent AMI, 30 units at 100 percent AMI, and 44 units at 130 percent AMI. For the MIH units, the development will offer 10 units at 40 percent AMI, 13 units at 60 percent AMI, and nine units at 100 percent AMI. The units available at 40 percent AMI will include five studios and five one-bedroom units, priced from \$475 to \$605 per month, in order to provide housing for seniors and other very low-income individuals. As per the applicant's regulatory agreement with HPD, the units will be kept affordable for a duration of 40 years.

In order to ensure a satisfactory provision of family-sized units, Borough President Adams believes that HPD should provide a commitment in writing to the City Council prior to considering the application, clarifying the extent that it would work with the developers, MDG Design + Construction, and the Church to enable dwelling units financed by the Mixed Middle Income Program (M2) to provide as near to 50 percent two- and three-bedroom units as possible in order to qualify a greater number of households with children in the bedroom mix.

Achieving Deeper Affordability for Smaller Units to Improve Affordability for Senior Citizen Households

In addition to addressing the need for family-sized units, there is a pressing need for affordable apartments for the aging population with limited financial means. Older New Yorkers are a rapidly growing segment of the City's population, with more than 300,000 seniors residing in Brooklyn. As noted in the New York City Department of City Planning (DCP) "Zoning for Quality and Affordability" (ZQA) study, New York's senior population is expected to grow 40 percent by 2040. The study noted that there were 60 applicants for every senior apartment for housing lotteries conducted by HPD for senior housing developments. According to a recent study by LiveOn NY, there are 200,000 New Yorkers aged 62 and older on the City's affordable housing waiting lists, with an average wait of seven years for an apartment.

As a significant number of elderly households have negligible income, providing opportunities for area seniors to secure quality affordable housing and remain in their communities is a priority for Borough President Adams. In an era in which the federal government has moved away from funding affordable housing for seniors, too few affordable apartments for seniors are being produced, leaving tremendous demand for age-based affordable housing in Brooklyn. As a result, many elderly households are experiencing increased rent burden to remain in their homes, exhausting their life savings just to keep up with day-to-day living until they are unable to remain in the area where they have lived for many years.

While Borough President Adams typically seeks a 50/50 blend of studios, one-bedrooms, two-bedrooms, and three-bedrooms, he believes that when studio and one-bedroom apartments are rented at 40 percent AMI or below, such apartments might be more affordable to senior households. Therefore, it is acceptable to set aside a portion of the units equal to or greater than 50 percent, but fewer than 60 percent of the affordable units (as indicated by the developer) for studios and one-bedrooms. It appears that MIH Option 1 regulations would provide an adequate opportunity to create studio and one-bedroom apartments affordable to senior households at 30 to 40 percent AMI as long as the average rent is 60 percent AMI. Borough President Adams believes that having a number of the other apartments exceed 80 percent AMI is an appropriate means to set aside a greater share of

apartments for a significant number of senior citizen households to become eligible through the lottery, as well as for subsequent opportunities to occupy such units.

In response to Borough President Adams' stated policies, the letter dated March 20, 2018 revised the income bands and number of units for eligible households to include a 40 percent AMI tier and 10 units at that AMI band, including five studios and five one-bedroom units, priced at \$475 and \$605 per month to provide housing for seniors and other very low-income individuals. Such a change would improve the ratio of studio and one-bedrooms to two- and three-bedrooms of the remaining units from 59/41 to 56/44.

Therefore, should the City Council obligate MDG Design + Construction and the Church to provide units according to MIH Option 1, Borough President Adams would seek a reduced percentage of affordable housing floor area to be set aside for two- and three-bedroom units than typically stipulated as a means to accommodate a greater percentage of families with children, in order to provide more opportunity for elderly households including those that are formerly homeless. He believes that before the application is considered, HPD should provide a commitment in writing to the City Council clarifying the extent that the rent structure for a number of studio and one-bedroom apartments would be affordable to one- or two-person households, with rents at 30, 40, and 50 percent AMI, in tandem with an enhanced percentage of studio and one-bedroom units, as a means to provide opportunities for senior households.

Setting Aside Housing Units for Homeless Families

Because of trending increases in rents as compared to real income and other circumstances, certain households formerly from this neighborhood have become homeless and have had to rely on the City's shelter system. Though it is possible that some of these households are able to return to the neighborhood through interim accommodations in transitional housing accommodations, such housing does not provide long-term stability. As an evolution of the City's homeless policy and practices, HPD established the Our Space Initiative (formerly homeless household set-asides). This program funds the new construction of rental units affordable to formerly homeless households with incomes at or below 30 percent AMI. Homeless referrals must come from HPD, and rents are underwritten based on public assistance shelter allowance. The Our Space Initiative subsidy is supplementary to funding available through HPD's New Construction Finance programs.

Borough President Adams supports developments that are inclusive of HPD's Our Space Initiative as a means to provide permanent housing to homeless households. There are three pending developments in Brooklyn expected to include the Our Space Initiative, including Ebenezer Plaza, where 20 percent of the units would be set aside for the formerly homeless, and both Bedford Courts and Linden Terrace, with set-asides of 10 percent. Borough President Adams believes that 142-150 South Portland Avenue provides a significant opportunity to include the Our Space Initiative, given that it is a 100 percent affordable housing development.

Should the City Council obligate the developer team of MDG Design + Construction and the Church to provide units according to MIH Option 1, Borough President Adams believes it would be appropriate to utilize the Our Space Initiative for preferably 10 percent of the units. Therefore, Borough President Adams believes that before the application is considered, HPD should provide a commitment in writing to the City Council clarifying to the extent that the development would incorporate HPD's Our Space Initiative.

Maximizing Community Participation of the MIH Affordable Housing

The ZR requires the affordable housing units to be overseen by a non-profit administering agent, unaffiliated with the for-profit developing entity, except when otherwise approved by HPD. Such administering non-profit becomes responsible for ensuring that the affordable housing remains in

accordance with its regulatory agreement, which governs the development's affordable housing plan. These tasks include verifying a prospective tenant household's qualifying income, and approving the rents of such affordable housing units. The administering non-profit is responsible for submitting an affidavit to HPD attesting that the initial lease-up of the affordable housing units is consistent with the income requirements, and for following up with annual affidavits to ensure conformity.

Various non-profits have proven track records of successfully marketing affordable housing units within the host community of this development, as well as promoting affordable housing lottery readiness through educational initiatives. It is Borough President Adams' policy to advocate for affordable housing non-profits to play a contributing role in maximizing community participation in neighborhood affordable housing opportunities, including serving as non-profit administering agents for new developments involving affordable housing. Borough President Adams recognizes that CD 2 is served by several non-profit housing advocates with a proven track record of marketing affordable housing units and promoting affordable housing lottery readiness through educational initiatives. MDG and the Church have stated intent to have IMPACCT Brooklyn play a supportive role in this process for 142-150 South Portland Avenue.

Borough President Adams believes that HPD should provide a commitment in writing to the City Council prior to considering the application, clarifying that MDG Design + Construction and the Church would utilize locally-based non-profits to play a role in promoting affordable housing lottery readiness and marketing of the affordable housing.

Designating a Mandatory Inclusionary Housing Option that Provides for Very-Low Income Households

The ZR specifies four options for new construction subject to MIH regulations. The option initially proposed for 142-150 South Portland Avenue is one of two that does not require making any units available to very low-income households. However, such households are more likely to be in need of affordable housing as they tend to have a higher segment of rent-burdened tenants. Furthermore, targeting apartments to very low-income households allows seniors, especially one-person households, to qualify for affordable housing lotteries. Borough President Adams believes that providing affordable housing opportunities for some very low-income households serves a reasonable public purpose for those constituents.

MIH Option 1 requires that 40 percent of the MIH residential floor area be marketed at rents affordable to households at 40 percent AMI. Since MIH Option 1 applies to 25 percent of the residential floor area, approximately 10 percent of the units at 142-150 South Portland Avenue would be affordable to such households. As compared to MIH Option 2, MIH Option 1 reduces the amount of legally permanent affordable housing floor area. However, Borough President Adams expects that given the Church's mission-driven philosophy and commitment to providing social services, all of the units would remain affordable far beyond the HPD financial term sheet. He believes that designating MIH Option 1 at 142-150 South Portland Avenue would provide many project enhancements for very low-income constituents in need of affordable housing.

Therefore, prior to considering the application, the City Council should obtain, in writing, from the applicants, MDG Design + Construction and the Church a commitment to provide permanently affordable housing according to MIH Option 1.

Advancing Resilient and Sustainable Energy and Stormwater Management Policies

It is Borough President Adams' sustainable energy policy to promote opportunities that utilize blue/green/white roofs, solar panels, and/or wind turbines, as well as passive house construction. He encourages developers to coordinate with the New York City Mayor's Office of Sustainability, the New York State Energy Research and Development Authority (NYSERDA), and/or the New York Power

Authority (NYPA) at each project site. Such modifications tend to increase energy efficiency and reduce a development's carbon footprint. The proposed development offers opportunities to explore resiliency and sustainability measures such as incorporating blue/green/white roof finishes, passive house construction principles, solar panels, and wind turbines in the development.

Furthermore, as part of his flood resiliency policy, Borough President Adams also encourages developers to incorporate permeable pavers and/or establish rain gardens that advance the New York City Department of Environmental Protection (DEP) green infrastructure strategy. Blue/green roofs, permeable pavers, and rain gardens would deflect stormwater from the City's water pollution control plants. According to the "New York City Green Infrastructure 2016 Annual Report," green infrastructure plays a critical role in addressing water quality challenges and provides numerous economic, environmental, and social co-benefits.

Borough President Adams believes it is appropriate for the developer to engage government agencies, such as the Mayor's Office of Sustainability, NYSERDA, and/or NYPA, to give consideration to government grants and programs that might offset costs associated with enhancing the resiliency and sustainability of this development site. One such program is the City's Green Roof Tax Abatement (GRTA), which provides a reduction of City property taxes by \$4.50 per square-foot of green roof, up to \$100,000. The DEP Office of Green Infrastructure advises property owners and their design professionals through the GRTA application process. Borough President Adams encourages the developer to reach out to his office for any help in opening dialogue with the aforementioned agencies and further coordination on this matter.

In response to Borough President Adams' stated policies, the letter dated March 20, 2018 expressed that all building insulation as well as exterior doors and windows at 142-150 South Portland Avenue will meet or exceed New York City Energy Conservation Code (NYCECC) requirements. The applicant will also explore the feasibility of installing rain gardens to control stormwater runoff.

Therefore, prior to considering the application, the City Council should obtain in writing from the applicants, MDG Design + Construction and the Church, commitments that clarify how they would memorialize integrating these resiliency and sustainability features at 142-150 South Portland Avenue.

Third Party Oversight of Construction Workers Compensation

Borough President Adams is concerned that too many Brooklyn residents are currently unemployed or underemployed. It is his policy to promote economic development that creates more employment opportunities. According to the Furman Center's "State of New York City's Housing and Neighborhoods in 2015," double-digit unemployment remains a pervasive reality for several of Brooklyn's neighborhoods, with more than half of the borough's community districts experiencing poverty rates of nearly 25 percent or greater. Prioritizing local hiring would assist in addressing this employment crisis. Additionally, promoting Brooklyn-based businesses including those that qualify as LBE and MWBE is central to Borough President Adams' economic development agenda. This site provides opportunities for the developer to retain a Brooklyn-based contractor and subcontractor, especially those who are designated LBE consistent with Section 6-108.1 of the City's Administrative Code, and MWBEs who meet or exceed standards per Local Law 1 (no less than 20 percent participation).

As the funding for 142-150 South Portland Avenue includes financing and subsidies from HPD of no less than \$2 million, the developer must participate in HPD's MWBE Building Opportunity Initiative's Build Up program. For Build Up projects, at least one-quarter of HPD-supported costs are to be spent on certified MWBE construction contractors and service providers. Developers may adopt a higher goal and all payments to certified MWBEs involved in design and construction count toward the goal.

Borough President Adams believes that the Build Up program offers reasonable opportunities to address disparities in MWBE participation in affordable housing development.

To meet the MWBE participation requirement, borrowers and developers are required to complete a preliminary plan to identify MWBEs either under consideration or in contract and describe what steps they will take to meet the project's MWBE participation goals. The construction loan closing document contains a set dollar value for the MWBE participation goals, and requires the developer to adhere to all program stipulations. During construction, HPD requires quarterly submissions documenting payments made to eligible MWBE firms. HPD provides resources and staff to help borrowers and developers as well as general contractors meet MWBE participation goals.

While HPD-funded projects involve extensive provisions, developers are still responsible for adhering to labor regulations and such compliance is often conducted internally. Borough President Adams is aware that MDG has been associated with multiple developments in which subcontractors participated in wage theft practices. MDG has attested that, subsequent to these incidents, the company developed a Labor Standards Compliance Program for its employees and subcontractors to prevent wage theft on future projects. This compliance manual was submitted to the Office of the Brooklyn Borough President subsequent to the hearing.

In addition to providing the compliance manual, the letter dated March 20, 2018, to Borough President Adams expressed intent to retain MWBE firms based in Brooklyn and specifically in Fort Greene, and institute its Labor Standards Compliance Program on this project. The developer intends to provide a construction hotline for reporting wage violations.

Borough President Adams believes that prior to considering the application, the City Council should obtain commitments in writing from the applicants, MDG Design + Construction and the Church that clarify how they would memorialize the incorporation of third party oversight of compliance standards and procedures intended to eliminate wage theft.

Community Preference: Inclusion of Homeless Shelter Student Population by School Zone

New York City's community preference policy for affordable housing lotteries provides a pathway for reaching 50 percent or more of applicants residing in the community district where affordable housing is built. There are additional pathways for priority lottery selection such as United States Armed Forces veteran status, certain disabilities, and other categories. Given the significant increase in the number of homeless families with school-aged children entering the public shelter system, Borough President Adams believes it is appropriate for HPD to extend local lottery preference to include the school zone attended by children of households residing at immediate and neighboring City-funded or -operated homeless shelters.

This is especially important given the number of students living in homeless shelters. The New York City Independent Budget Office (IBO) recently produced a report analyzing homeless rates in schools. School student registration data identifies those residing in public shelters as Students in Temporary Housing (STH). Using data from the 2014-2015 school year, a review of the 50 schools in Brooklyn with the highest percentage of STH enrollment identifies approximately 4,300 students attending such schools with more than 18 percent of the enrollment categorized as STH.

Research indicates that students living in temporary accommodations are most challenged in attaining academic success. These students are more likely to lack access to technology such as computers that would aid with homework and research assignments, as well as access to a quiet space to complete assignments and study for exams. In addition, commuting between a school and shelter requires significantly more time for many students. These commutes often make it difficult to

participate in extracurricular school activities, which might otherwise enhance the students' academic and community experiences.

Many parents and students find it important to maintain school continuity despite the circumstances faced by households dependent on the City's homeless shelter system. Borough President Adams believes that it should be the City's responsibility to take action that would eliminate or reduce such hardships. One such action would be to enable economically-challenged households with children in public schools to qualify for community local preference based on where the children attend school.

According to an interactive map provided by the Institute for Children, Poverty, and Homelessness (ICPH), there are four elementary schools within several blocks of the proposed development, which are located in New York City Community School Districts (CSDs) 13 and 15. This area contains a combined total of approximately 180 homeless students. Should the City Council obligate the developer team of MDG Design + Construction and the Church to provide units according to MIH Option 1, and should HPD incorporate its Our Space Initiative, Borough President Adams believes it would be appropriate for such students and their families to be considered part of the 50 percent local preference for the 142-150 South Portland Avenue housing lottery.

Borough President Adams believes that HPD should modify its affordable housing lottery community preference standards to include the school zone attended by a child of a household residing at a City-funded or -operated homeless shelter.

Accommodating Rent-Burdened Households in Lieu of Strict Area Median Income Standards

Borough President Adams supports Mayor de Blasio's goal of achieving 200,000 affordable housing units over the next decade. Brooklyn is one of the fastest-growing communities in the New York City metropolitan area and the ongoing Brooklyn renaissance has ushered in extraordinary changes that were virtually unimaginable even a decade ago. Unfortunately, Brooklyn's success has led to the displacement of longtime residents who can no longer afford to live in their own neighborhoods. Borough President Adams is committed to addressing the borough's affordable housing crisis through the creation and preservation of much-needed affordable housing units for very low- to middle-income Brooklynites. Among numerous approaches and strategies, Borough President Adams is committed to advancing his affordable housing policy through his role in the ULURP process. The development of much-needed affordable housing provides opportunities to existing neighborhood residents at risk for displacement or increased degree of being rent-burdened.

Data shows that more than 80 percent of those making 50 percent of AMI or less are rent-burdened. The crisis is even worse among the lowest income citizens, those making 30 percent of AMI or less, currently \$23,310 for a family of three. Among this population, well over 50 percent pay more than half of their income toward rent. More than one-fifth of New York City households — over two million people — earn less than \$25,000 a year and almost one-third earn less than \$35,000. As the City's housing crisis grows worse, the burden falls most heavily on these low-income households, many of them senior citizens.

There are residents living in rented apartments within CD 2 who reside in unregulated housing, or regulated apartments subjected to a legal regulated rent increase in which landlords have been renting below the legally-permitted regulatory rent (preferential rent) and have been seeking to increase rent at lease renewal according to the legal amount permitted.

For ZIP code 11217, disclosed data from the New York City Rent Guidelines Board (RGB) dated June 1, 2017 list 1,355 such units, representing 45 percent of all rent-stabilized units. The continued

significant increase in rents has resulted in an increased rent burden and/or residential displacement. Therefore, there is a pressing need to provide more affordable housing units in this area.

In this section of CD 2, too many households fall into low- and very low-income categories and are often rent-burdened. Given the risk for displacement, the City should take steps to increase the probability that rent-burdened households qualify for as many affordable housing lotteries as possible.

A strict rent-to-income requirement of not exceeding 30 percent of income for yearly rent payment ends up disqualifying many income-challenged households from the affordable housing lotteries. As a result, these rent-burdened households do not meet the housing lottery's minimum household earnings because too often they are already paying the same rent, or are in excess of the rent stated for the affordable housing unit. Thus, the requirement to pay no more than 30 percent of household income is actually hurting people who are already living in substandard housing and are paying more than 30 percent of their income toward housing.

As first noted in his East New York Community Plan ULURP response, Borough President Adams believes that it is time to break the mold in which families that are already paying too much rent for substandard housing are disqualified. Borough President Adams seeks to qualify rent-burdened households to be eligible for selection through the housing lottery process. Such eligibility would ensure rent-burdened households receive the maximum opportunity to secure regulated affordable housing units, expanding the number of eligible households for government-regulated affordable housing lotteries.

One means to address rent burden should be achieved by amending the ZR to adjust the AMI qualifications so they include such households that would maintain or reduce their rent burden. For such lotteries resulting from MIH housing lottery offerings, DCP needs to amend the ZR to allow for exceptions to the 30 percent of income threshold so that households that are burdened, though paying the same or more rent than the lottery unit rent, would be eligible to live in affordable, newly-produced, and quality housing accommodations.

Borough President Adams believes that the CPC and/or the City Council should echo his call to seek the modification of the MIH section of the ZR pertaining to MIH-designated areas to be adopted with a requirement that permits households with rent-burdened status to qualify for such affordable housing units pursuant to MIH.

Implementing a Rat Mitigation Plan In and Around the Development Site to Address Known Infestation Issues in Fort Greene

In Fort Greene and nearby neighborhoods, recent construction has disturbed rat colonies and dens, creating a public health and quality-of-life issue for local residents. Recently, Borough President Adams met with those living in the vicinity of the Pacific Park development to observe the problem firsthand. He has since engaged with City Council representatives on proposed legislation that would enforce rat abatement standards during construction phases when rat colonies and their dens are most likely to be disturbed. These include site preparation activities such as borings and drilling followed by excavation, underpinning, and preparation for pouring concrete foundations and footings. Borough President Adams hopes that City Council involvement will lead to certification of rat abatement mitigation procedures at multiple stages of development projects.

However, as such standards are not in place today, Borough President Adams believes that it is appropriate to utilize his advisory role in the ULURP process to secure rat abatement mitigation procedures in order minimize quality-of-life issues for the development's Fort Greene neighbors. Without adequate abatement and mitigation measures, demolition and excavation at 142-150 South

Portland Avenue may create ground disturbances that exacerbate the existing rodent problem in Fort Greene. Therefore, Borough President Adams urges the developers to create a rat mitigation strategy including, but not limited to, a robust baiting plan, rat-related enforcement measures, and other pest control measures in and around the proposed development site.

Therefore, Borough President Adams believes that MDG Design + Construction and the Church should commit to a rat mitigation plan implemented prior to and during demolition that includes site excavation and foundation preparation, in consultation with CB 2 and local elected officials.

Recommendation

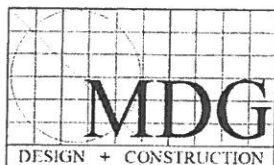
Be it resolved that the Brooklyn borough president, pursuant to Section 201 of the New York City Charter, recommends that the City Planning Commission (CPC) and City Council approve this application with the following conditions:

1. That the proposed R8A Mandatory Inclusionary Housing (MIH) zoning district be restricted to 135 feet along South Portland Avenue starting at a point 100 feet from the south side of Hanson Place, to the centerline of the block between South Portland Avenue and South Elliott Place, with the remainder of the proposed R8A zoning district being retained as a R7A Voluntary Inclusionary Housing (VIH) district
2. That the proposed C2-4 commercial overlay zoning on the south side of Hanson Place be eliminated
3. That, pending the adoption of an R8A district, the proposed enlargement of the Special Downtown Brooklyn District (SDBD) between South Elliott Place and South Portland Avenue be restricted to a depth of 135 feet starting at a point 100 feet from the south side of Hanson Place, unless the Hanson Place Seventh Day Adventist Church (the "Church") provides a deed restriction that would effectively limit the height of the southern section of the building to 95 feet for a distance of 25 feet from the adjacent R7A zoning district boundary line. If no deed restriction is provided, that the proposed modification to Zoning Resolution (ZR) Section 101-22 be further modified to permit building height within 25 feet of an adjacent R7A district to exceed 95 feet to match the height of an existing adjacent building
4. That the New York City Department of Housing Preservation and Development (HPD) incorporate in the funding regulatory agreement and provide in writing to City Council the following:
 - a. The extent that it would work with the developer, MDG Design + Construction and the Church, enable the constructed Mixed/Middle-Income Program units through its project financing, to provide as near to 50 percent two- and three-bedroom units as feasible in order to accommodate a greater percentage of families with children
 - b. Subject to City Council determination, that the project would proceed according to MIH Option 1, the extent that it would work with the developer to enable more studio and one-bedroom units with rents at 30, 40, and 50 percent AMI, in tandem with an enhanced percentage of studio and one-bedroom units that might provide opportunities for senior households

- c. Subject to City Council determination, that the project would proceed according to MIH Option 1, the extent that it will incorporate HPD's Our Space Initiative
 - d. That one or more locally-based non-profits be utilized to play a role in promoting affordable housing lottery readiness and marketing of the affordable housing
- 5. That prior to considering the application, the City Council obtain commitments in writing from the applicants, MDG Design + Construction and the Church, that clarify how they would memorialize the extent that they would pursue:
 - a. A commitment to provide permanently affordable housing according to MIH Option 1
 - b. Resiliency and sustainability measures such as passive house design, green/blue/white roofs, solar panels, and wind turbines, as well as advancing the New York City Department of Environmental Protection (DEP) green infrastructure/stormwater strategies
 - c. Incorporating third party oversight compliance standards and operating procedures intended to eliminate wage theft.

Be it further resolved that:

- 1. Should the City Council determination result in the project proceeding according to MIH Option 1, HPD modify its affordable housing lottery community preference standards to include the school zone, thus capturing the population of public school children residing at City-funded or -operated shelters
- 2. The City Planning Commission (CPC) and/or the City Council call for the modification of the Mandatory Inclusionary Housing (MIH) section of the ZR pertaining to MIH-designated areas to be adopted with a requirement that permits households with rent-burdened status (allow for exceptions to the 30 percent of income threshold for households paying the same or more rent than what the housing lottery offers) to qualify for such affordable housing units pursuant to MIH
- 3. MDG Design + Construction and the Church commit to a rat baiting plan implemented prior to and during demolition that includes site excavation and foundation preparation, in consultation with Brooklyn Community Board 2 (CB 2) and local elected officials



Brooklyn Borough President
Hon. Eric L. Adams
Borough Hall
209 Joralemon Street
Brooklyn, New York 11201

March 20, 2018

Hon. Eric Adams:

South Portland LLC (the "Applicant") is an affiliate of MDG Design + Construction ("MDG"), a leading real estate firm that develops, constructs, and manages high-quality affordable housing, and is the applicant for the 142-150 South Portland Avenue project currently under review by your office. The Applicant is partnering with the Hanson Place Seventh Day Adventist Church (the "Church") in the development of the project.

There are four actions contemplated by the project: (1) a zoning map amendment (a) to change an R7A zoning district to an R8A zoning district for property bounded by Hanson Place, South Portland Avenue, South Elliot Place, and a line approximately mid-block between Hanson Place and Academy Park Place, and (b) to establish a C2-4 zoning district along Hanson Place; (2) a zoning map amendment to extend the Special Downtown Brooklyn District ("SDBD") coterminous with the rezoning area; (3) a text amendment to the SDBD regulations in ZR § 101-22 to impose a 95-foot height limitation within 25 feet of an R7A district on South Portland Avenue; and (4) a text amendment to establish the rezoning area as a Mandatory Inclusionary Housing ("MIH") Area.

The proposed actions would facilitate the development of a new thirteen-story and cellar mixed residential and community facility building at 142-150 South Portland Avenue. The proposed building will have church space on the ground floor, additional community facility space in the cellar, and approximately 100 residential units on the upper floors. All of the residential units in the building will be income-restricted for either low- or middle-income households.

Mandatory Inclusionary Housing & Middle-Income Housing

Pursuant to the MIH program, approximately 32 residential units in the proposed building will be permanently affordable at the income levels noted below. MIH Option Two, which has been selected by the Applicant, requires that 30 percent of the residential floor area be affordable at an average of 80 percent of the area median income ("AMI"). This project will achieve this affordability requirement with three income bands: approximately 10 units at 40% AMI, 13 units at 60% AMI, and 9 units at 100% AMI. These units will be locked in at the above-noted AMI levels by a regulatory agreement with the New York City Department of Housing Preservation and Development ("HPD").

The proposed development is also being funded through HPD's M² Mixed-Middle-Income Program. Pursuant to the M² Program, all of the non-MIH units will also be income-restricted for a period of thirty years. 2 of these units will be affordable at 60% AMI, 21 will be affordable at 100% AMI, and the remaining 44 units will be affordable at 130% AMI.

The 100 dwelling units in the building will consist of 19 studios, 41 one-bedrooms, 25 two-bedrooms, and 15 three-bedrooms. The 10 units affordable at 40% AMI will consist of 5 studios and 5 one-bedroom units, which will provide housing for seniors and other very low-income individuals at rents of approximately \$475 and 605 per month, respectively. HPD's M² program also encourages the development of smaller, studio and one-bedroom units, so that more affordable housing units can be produced with the same amount of subsidy.

M/WBE Contracting & Local Job Opportunities

The Applicant is committed to the hiring of both Minority and Women-owned Business Enterprises ("M/WBE") subcontractors and local residents for the proposed development.

With respect to M/WBE engagement, preference will be given to M/WBEs that are local to Brooklyn and specifically Fort Greene. The Applicant will provide preferable payment terms as needed, given proper vetting, as some smaller M/WBEs do not always have the financial resources to take on larger jobs. M/WBE's will have access to qualified local residents' resumes collected by the Applicant, as well as access to the Applicant's back office to assist with additional administrative requirements involved when working on publicly-funded jobs. The Applicant will also be subject to HPD's M/WBE Build Up Program, and will therefore spend at least a quarter of HPD-supported costs on certified M/WBEs over the course of design and construction.

With respect to local jobs, the Applicant will work with local elected officials and local workforce and economic development organizations to host a job fair at the Church, and will create a combination of entry-level positions and skilled positions to allow entry points for all skill levels. The Applicant will also create a log of community residents' resumes on file for subcontractors to reference when they have hiring needs. The Applicant will utilize the NYC Hire One referral system to achieve a hiring goal of eight construction jobs, with a minimum guarantee of six qualified Brooklyn residents for construction jobs. The Applicant will also require that any subcontractor that receives a subcontract greater than \$500,000 to have one local hire.

Sustainability

The Applicant is committed to implement sustainability measures wherever possible at the development. The roof above the first floor of the building will be a green roof that also serves as a common area for building residents. The main roof will be a white roof. Advanced water-conservation measures will be implemented, with WaterSense-labeled toilets, showerheads, kitchen faucets, and lavatory faucets. All refrigerators and clothes washers will be Energy Star-certified. All building insulation and exterior door and windows will meet or exceed the New York City Energy Conservation Code ("NYCECC") requirements. The Applicant is also exploring the use of curbside rain gardens to limit runoff.

Labor Standards

The Applicant has instituted a Labor Standards Compliance Program to ensure compliance with all applicable federal, state and local wage laws on non-prevailing wage project sites, and an additional program for prevailing wage projects. The programs are formalized in two extensive compliance manuals developed by MDG in 2014. The Applicant aims to ensure that all subcontractors and their employees are fully aware of their rights and obligations under applicable prevailing wage laws, to promote and ensure compliance with these laws, and promptly address violations that might occur. MDG has also instituted a construction hotline where workers can report suspicions of fraud, abuse, or wage violations. MDG also requires all personnel to carry project identification cards at all times on-site, which are used to sign in and out of job sites, allowing workers to be paid an accurate wage based on the hours worked.

Please be in touch with any questions or for additional information.

Respectfully



Matthew. Rooney
COO, MDG Design + Construction