



IN THE MATTER OF an application submitted by Atlantic East Affiliates, LLC, pursuant to Section 201 of the New York City Charter, for an amendment of the Zoning Resolution of the City of New York, modifying Appendix F for the purpose of establishing a Mandatory Inclusionary Housing area in the Borough of Brooklyn, Community District 16.

This application for an amendment of the Zoning Resolution of the City of New York concerning modifications to Appendix F (Inclusionary Housing Designated Areas and Mandatory Inclusionary Housing Areas) was filed by Atlantic East Affiliates, LLC (the applicant) on November 14, 2016 to establish a Mandatory Inclusionary Housing (MIH) area on portions of two blocks (Block 1435, Lots 6 and part of 11 and Block 1435, Lots 40, 42, 43, and part of 36) at the southwest and southeast corners of the intersection of Atlantic Avenue and Eastern Parkway in Brooklyn Community District 16. This application, in conjunction with the application for the related action (C 170142 ZMK), would facilitate the development of a new 10-story mixed use building, containing approximately 67 affordable dwelling units in the Ocean Hill neighborhood of Community District 16 in Brooklyn.

RELATED ACTION

In addition to the zoning text amendment (N 170143 ZRK) which 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 170142 ZMK Zoning Map Amendment to change R6 and R6/C2-3 zoning districts on portions of two blocks to an R8A/C2-4 district.

BACKGROUND

A full background discussion and description of this application appears in the report for the related action for a zoning map amendment (C 170142 ZMK).

ENVIRONMENTAL REVIEW

This application (N 170143 ZRK), in conjunction with the application for the related action (C 170142 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 17DCP068K.

A summary of the environmental review appears in the report for the related zoning map amendment (C 170142 ZMK).

PUBLIC REVIEW

This application (N 170143 ZRK) was duly referred to Brooklyn Community Board 16 and the Brooklyn Borough President on November 28, 2016, in accordance with the procedures for non-ULURP matters, along with the application for the related action, (C 170142 ZMK), which was certified as complete by the Department of City Planning on November 28, 2016, and was duly referred to Brooklyn Community Board 16 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 16 held a public hearing on this application (N 170143 ZRK) and the application for the related action (C 170142 ZMK) on January 24, 2017 and on that date, by a vote of 25 in favor, one opposed, and one abstention adopted a resolution recommending approval of the application without conditions. A summary of the vote and recommendations of Community Board 16 appears in the report for the related action for a zoning map amendment (C 170142 ZMK).

Borough President Recommendation

The Brooklyn Borough President held a public hearing on this application (N 170143 ZRK) and the application for the related action (C 170142 ZMK) on February 6, 2017, and issued a

recommendation that the City Planning Commission and City Council approve this application with conditions. A summary of the Borough President's recommendation appears in the report of the related action for a zoning map amendment (C 170142 ZMK).

City Planning Commission Public Hearing

On February 22, 2017 (Calendar No. 6), the Commission scheduled March 8, 2017 for a public hearing on this application (N 170143 ZRK), in conjunction with the application for the related action (C 170142 ZMK). The hearing was duly held on March 8, 2017 (Calendar No. 22). There were four speakers in favor of the application and none in opposition, as described in the report for the related application for a zoning map amendment (C 170142 ZMK), and the hearing was closed.

CONSIDERATION

The Commission believes that this application for a zoning text amendment (N 170143 ZRK), in conjunction with the related application for a zoning map amendment (C 170142 ZMK), 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 170142 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 Housing Designated Areas

* * *

Brooklyn

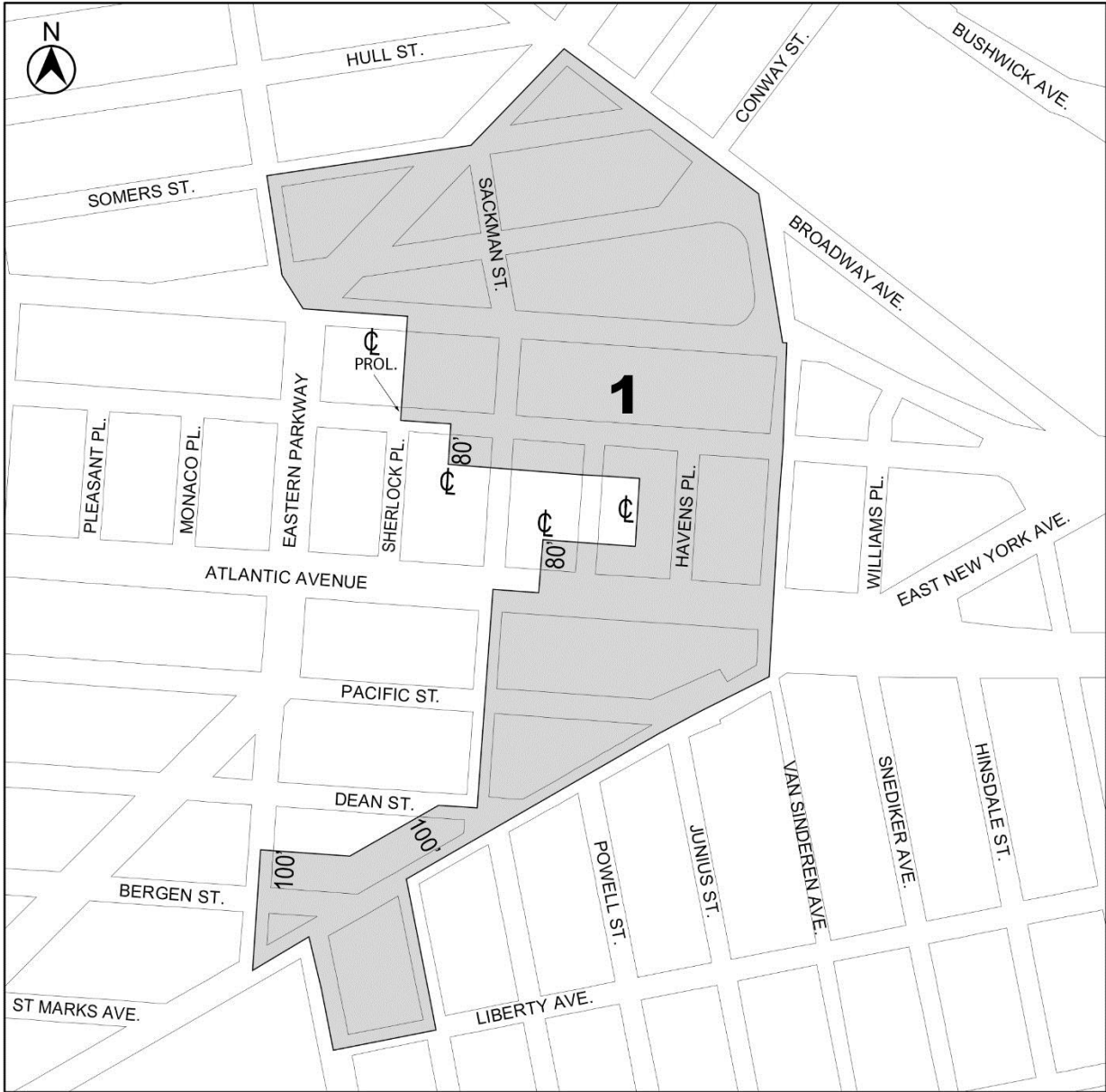
* * *

Brooklyn Community District 16

In the R6A, R6B, R7A, ~~and~~ R7D and R8A Districts within the areas shown on the following Map 1:

Map 1 – [date of adoption]

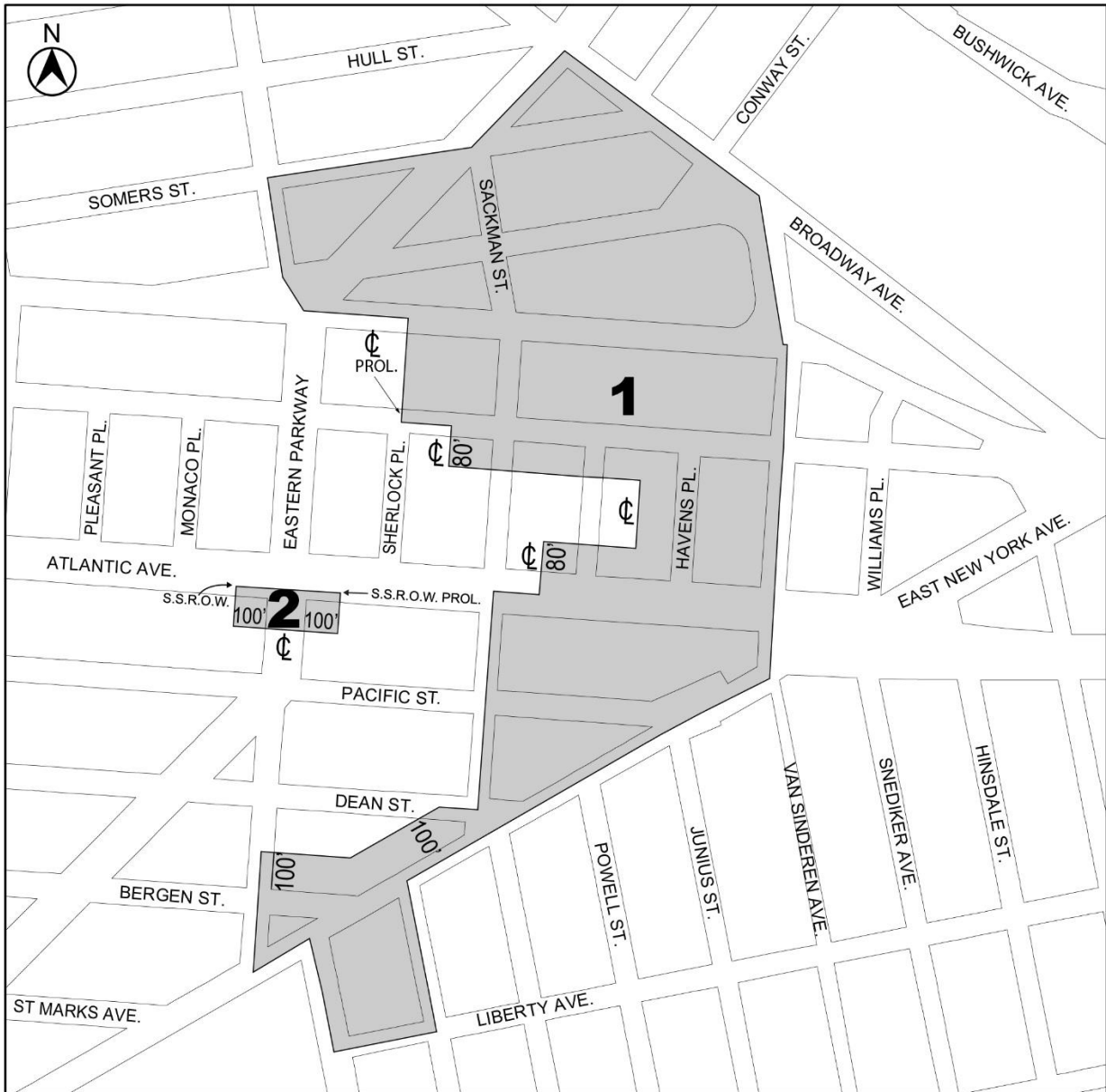
[EXISTING MAP]



■ Mandatory Inclusionary Housing Program Area *see Section 23-154(d)(3)*

Area 1 — 4/20/16 MIH Program Option 1 and Deep Affordability Option

[PROPOSED MAP]



- Mandatory Inclusionary Housing Program Area *see Section 23-154(d)(3)*
- Area **1** — 4/20/16 MIH Program Option 1 and Deep Affordability Option
- Area **2** — [date of adoption] MIH Program Option 1 and Option 2

Portion of Community District 16, Brooklyn

* * *

The above resolution (N 170143 ZRK), duly adopted by the City Planning Commission on April 5, 2017 (Calendar No. 14), 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*

**RAYANN BESSER, ALFRED C. CERULLO, III, IRWIN G. CANTOR, P.E.,
JOSEPH DOUEK, RICHARD W. EADDY, CHERYL COHEN EFFRON,
HOPE KNIGHT, ANNA HAYES LEVIN, ORLANDO MARIN, LARISSA ORTIZ,**
Commissioners



Community/Borough Board Recommendation

Pursuant to the Uniform Land Use Review Procedure

Application #:	Project Name:
CEQR Number:	Borough(s):
	Community District Number(s):

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 #C10000ZSQ" ~~XXXXXXXXXX~~
 - 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:

Applicant(s):		Applicant's Representative:	
Recommendation submitted by:			
Date of public hearing:		Location:	
Was a quorum present? YES <input 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:		Location:	
RECOMMENDATION			
<input type="checkbox"/> Approve		<input type="checkbox"/> Approve With Modifications/Conditions	
<input type="checkbox"/> Disapprove		<input type="checkbox"/> Disapprove With Modifications/Conditions	
Please attach any further explanation of the recommendation on additional sheets, as necessary.			
Voting			
# In Favor:	# Against:	# Abstaining:	Total members appointed to the board:
Name of CB/BB officer completing this form		Title	Date

Brooklyn Borough President Recommendation

CITY PLANNING COMMISSION
22 Reade Street, New York, NY 10007
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

1860 EASTERN PARKWAY – 170142 ZMK AND 170143 ZRK

In the matter of the applications submitted by Atlantic East Affiliates LLC, pursuant to Section 197-c and 201 of the New York City Charter, for zoning map and zoning text amendments for the property bounded by Atlantic Avenue and Pacific Street, on either side of Eastern Parkway Extension, in the Ocean Hill section of Brooklyn Community District 16 (CD 16). The zoning map amendment would eliminate from within the existing R6 district a C2-3 district, change from an R6 district to an R8A district, and establish a C2-4 district overlay, and the zoning text amendment would designate the property a Mandatory Inclusionary Housing (MIH) area. Such amendments would facilitate, in collaboration with True Holy Church, a 10-story mixed-use residential building with 67 affordable housing units. The new building would accommodate the new church space at the cellar and ground floor.

BROOKLYN COMMUNITY DISTRICT NO. 16

BOROUGH OF BROOKLYN

RECOMMENDATION

APPROVE

APPROVE WITH

MODIFICATIONS/CONDITIONS

DISAPPROVE

DISAPPROVE WITH

MODIFICATIONS/CONDITIONS

SEE ATTACHED

BROOKLYN BOROUGH PRESIDENT

March 2, 2017

DATE

RECOMMENDATION FOR: 1860 EASTERN PARKWAY – 170142 ZMK AND 170143 ZRK

Atlantic East Affiliates LLC, pursuant to Section 197-c and 201 of the New York City Charter, seek zoning map and zoning text amendments for the property bounded by Atlantic Avenue and Pacific Street, on either side of Eastern Parkway Extension, in the Ocean Hill section of Brooklyn Community District 16 (CD 16). The zoning map amendment would eliminate from within the existing R6 district a C2-3 district, change from an R6 district to an R8A district, and establish a C2-4 district overlay, and the zoning text amendment would designate the property a Mandatory Inclusionary Housing (MIH) area. Such amendments would facilitate, in collaboration with True Holy Church, a 10-story, mixed-use residential building with 67 affordable housing units. The new building would accommodate the new church space at the cellar and ground floor.

On February 6, 2017, Brooklyn Borough President Eric L. Adams held a public hearing on these amendments. There were no speakers on this item.

In response to Borough President Adams' inquiry to clarify details with regard to the affordable housing, the applicant stated that this project was designed to be a ground lease, which means the developer would be leasing the property from the church. The regulatory agreement states that the apartments will be affordable for the 60-year term of the lease. At the end of the lease, the property reverts back to the church and a new regulatory agreement would be negotiated.

In response to Borough President Adams' inquiry to clarify the marketing strategies for the tenant selection process, the representative stated that marketing will start out with a financial literacy campaign to ensure the highest community participation. The project provides for 50 percent community preference, inclusive of formerly homeless veterans, and will also include social services onsite for the veterans, administered by Ridgewood Bushwick Senior Citizen's Council (RBSCC).

In response to Borough President Adams' policy of promoting the use of renewable and sustainable energy resources and promoting practices to retain stormwater runoff, the applicant's representative stated this project will be constructed based on Passive House design standards. Such standards result in a building with a reduced carbon footprint, higher energy performance, and 45 percent savings in energy costs for the building overall. The façade of the building will consist of stucco material, which provides a much higher energy performance. Additionally, there are plans for solar panels on the rooftop of the proposed building, as well as water retention through retention tanks on the roof. The project has also received a grant from the New York State Energy Research and Development Authority (NYSERDA) through their multi-family performance program, which will allow the developer to provide the sustainable measures and continue to push the envelope.

In response to Borough President Adams' policy of maximizing job opportunities for Brooklynites and procure supplies locally through the inclusion of Local Business Enterprises (LBE) and Minority- and Women-Owned Business Enterprises (MWBE), the representative stated that part of their team includes an MWBE general contractor, who will also make efforts to ensure that hiring is done locally. The developer will work in partnership with a local development corporation and New York State Chapter of the National Association of Minority Contractors (NYSAMC), of which the developer is also a member, in order to provide an inclusive outreach effort.

Consideration

Brooklyn Community Board 16 (CB 16) approved this application without conditions.

True Holy Church, a fixture in this area since 1952, owns the site, where it occupies a one-story house of worship, approximately 10,550 square feet of floor area, and provides religious services and social programs to the community.

In a joint effort, in conjunction with Brisa Builders Corporation (Brisa), and RBSCC, True Holy Church proposes actions, under the name of Atlantic East Affiliates LLC (AEA), which would rezone portions of two blocks located on the southern side of Atlantic Avenue, 100 feet to the east and west from the intersection of Eastern Parkway, in order to reconstruct and expand its church as well as develop affordable housing.

The proposed rezoning area includes a portion of the lot adjacent to the church, as well as three full lots across the street and a portion of a fourth lot. AEA proposes that MIH Option 1 be utilized for the proposed development site, while allowing the owners of the remaining lots (generally west of the Eastern Parkway Extension) to be included in the proposed rezoning area, in order to have the ability to choose in the future which MIH Option better suits potential development.

The proposed development would contain approximately 6,730 square feet of community facility floor area at the ground level and 4,845 square feet of community facility floor area at the cellar level, to be utilized by the True Holy Church. The entrance to the church would be located along the Atlantic Avenue frontage, and the residential entrance and lobby would be located along the Eastern Parkway frontage. There would also be an additional 1,400 square-foot space for a non-profit tenant on the ground floor in the northwest corner of the building, fronting Atlantic Avenue and Eastern Parkway, with entrances on both streets.

The proposed 67 dwelling units will be affordable at or below 60 percent of area median income (AMI), utilizing the Extremely Low and Low-Income Affordability (ELLA) program, to provide housing for very low- and low-income individuals. The unit distribution would include 17 studios, 25 one-, 16 two- and nine three-bedroom units. As this location is about a block away from a men's shelter, with a high population of veterans who are supported by the church through other programs, 15 percent of the units will be set aside for formerly homeless veterans.

Though the majority of the built form is composed of a mix of low- to mid-rise non-residential buildings as well as two- to four-story residential buildings, Borough President Adams believes that the intersection of Atlantic Avenue with the Eastern Parkway Extension is an appropriate location to permit higher density and building height. In addition, this location is well served by public transit, including options for bus and subway routes. The Atlantic Avenue L train station serving the L 14th Street – Canarsie Local line is located four blocks from the site, and connects to the Broadway Junction, which is a major transit hub serving the A Eighth Avenue Express, C Eighth Avenue Local, J Nassau Street Express, Z Nassau Street Express, and L 14th Street – Canarsie Local lines. The site is located in a Transit Zone; therefore, no parking will be required due to the project's 100 percent affordability.

Brooklyn is one of the fastest growing communities in the New York 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 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 and supportive housing for the city's most vulnerable residents. In addition, the proposed rezoning for the True Holy Church parcel is a result of

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. True Holy Church is one of many faith-based organizations in the borough that have air rights where affordable housing can be developed.

AEA's development would result in some permanent affordable housing according to MIH as well as units remaining affordable for at least 60 years of the regulatory agreement. It would also provide supportive social services to formerly homeless veterans within the community. There are three shelters to the east of the site that might be able to connect residents to available apartments with the help of such services.

As previously documented, an average daily census of single adults in the New York City Department of Homeless Services (DHS) shelter system was 13,060 in June 2016. This represents an increase of 9.5 percent compared to the average daily census in June 2015. In light of this trend, DHS projects an increase in the single adult shelter census through Fiscal Year 2017 (FY17). In order to transition such population from shelter into permanent housing as successfully as possible, DHS recognizes that the receiving permanent housing providers must provide services to assist formerly homeless single adults exiting the shelter system in remaining stably housed in the community.

Through RBSCC, as a senior service provider founded in 1973, providing services throughout the Ridgewood and Bushwick communities as well as various additional locations in Brooklyn, the development would comply with DHS's vision through a vast array of social services. In order to set aside more units to facilitate transition from shelters and transitional housing, the proposed development would provide an emphasis on studio and one-bedroom apartments as 15 percent of the apartments would be set aside for formerly homeless veterans, including those housed in the three shelters to the east of the site.

As RBSCC has a track record of producing green building inclusive of energy efficiency technologies, it has embraced using the Passive House design standard to develop two 100 percent affordable multi-family buildings in Brooklyn. The trend will continue as the proposed development would integrate sustainable design, including Passive House design standards.

Passive House design uses air sealing, energy recovery, and insulation strategies to improve energy performance and reduce the building's carbon footprint. The proposed development will incorporate insulated walls, sealed windows, thermal solar panels, and other sustainable features to meet the Passive House design standards. The applicant is pursuing tax credits from New York State Homes and Community Renewal (DHCR) to establish this Passive House component.

This development is generally consistent with Borough President Adams' policy regarding sustainable design by following the Passive House design standards and including water retention measures, as well as the provision of infrastructure that would make the building solar ready, should subsequent finances enable the installation of solar panels. Borough President Adams encourages the applicant to coordinate with the Mayor's Office of Sustainability, NYSERDA, and/or the New York Power Authority (NYPA) to further achieve resiliency and sustainability building performance.

Borough President Adams is concerned that too many Brooklyn residents are currently unemployed or underemployed. It is his policy to promote economic development that will create

more employment opportunities. According to averaged data from 2008 to 2012, double-digit unemployment remains a pervasive reality in many of Brooklyn's neighborhoods, with more than half of our community districts experiencing poverty rates of 25 percent or higher. Prioritizing local hiring would assist in addressing this employment crisis. Additionally, promoting Brooklyn-based businesses and including those that qualify as LBE and MWBE is central to Borough President Adams' economic development agenda.

The development is represented by a Brooklyn-based contractor who has a track record of securing participation of subcontractors who are designated LBEs, consistent with section 6-108.1 of the City's Administrative Code, and MWBE establishments, as a means to meet or exceed standards per Local Law 1 (no fewer than 20 percent participation). As part of AEA, Brisa Builders is a 45-year old minority-owned, Brooklyn-based development and construction firm that has developed and built a number of affordable housing projects, including those financed through the United States Department of Housing and Urban Development (HUD), the New York City Housing Development Corporation (HDC), and the New York City Department of Housing Preservation and Development (HPD), and has an extensive portfolio of projects for the faith-based community.

With all of the above to support rezoning of the True Holy Church site, Borough President Adams still has concerns regarding the extent of the proposed rezoning area, pertaining to the size of the lots across the Eastern Parkway Extension and whether the upzoning would actually produce affordable housing pursuant to MIH.

Extent of the Proposed Rezoning Area

The proposed rezoning area includes three full lots and a portion of a fourth lot across Eastern Parkway that might be considered as desirable development sites at some point subsequent to the rezoning. However, given the size of each individual parcel, there appears to be a reasonable possibility that those sites could be developed for residential housing without the inclusion of floor area pursuant to the MIH program. Therefore, such development would not result in affordable housing, instead displacing occupants of four existing apartments that, given the current state of the neighborhood housing market, are likely paying more affordable rents than would be available in the new construction.

The three lots across the street include: a three-story, 2,500 square-foot lot with three existing residential units; a two-story, 2,500 square-foot lot with commercial use on the ground floor and one residential unit above, and a one-story, 2,992 square-foot lot with an automotive repair shop. The fourth lot across the street consists of a one-story, 7,000 square-foot lot with an automotive repair shop, and will have 20 feet west of the eastern lot line included in the rezoning. According to the Environmental Assessment Statement (EAS), the portion of the affected lot represents approximately 28 percent of the lot, therefore not triggering any potential redevelopment on that site.

Borough President Adams does not concur with the EAS, stating that on their own, the three lots, owned by three separate owners, do not represent potential redevelopments. By including land west of the Eastern Parkway Extension into the adopted rezoning of R8A, there would be nominal incentive to assemble these three lots into one larger lot. According to the EAS, such assemblage has the potential to yield 55 dwelling units, 13 to 16 of which would be affordable, in accordance with either MIH Option 1 or 2.

Borough President Adams is concerned that, subsequent to rezoning, any of the three lots could be developed individually and, due to the small lot sizes, no affordable housing units would be provided for the community or payment would be made into the fund. Simultaneously, this would result in displacement of four households in order to demolish the existing buildings to facilitate new development. According to the New York City Zoning Resolution (ZR) Section 23-154(d)(4), a

single development of no more than 10 residential units or less than 12,500 square feet of residential floor area, on a zoning lot that existed on the effective date of the proposed R8A zoning for the Eastern Parkway Extension at Atlantic Avenue, need not comply with the MIH affordability requirements. The 2,992 square-foot lot could achieve approximately 4.15 floor area ratio (FAR) while avoiding affordability requirements, and the individual lots of 2,500 square feet could achieve nearly 5.0 FAR without being required to provide affordable housing. The corner lot could achieve this floor area in five floors, while the other lots might utilize seven to eight floors.

The existing R6 would maximize residential zoning floor area potential according to Quality Housing wide street regulations that limit the residential FAR to 3.0. The existing zoning provides a reduced development incentive for the displacement of four households without enough certainty that affordable housing would otherwise be provided.

In order to retain these lots as opportunities to provide affordable housing, Borough President Adams believes it is appropriate to withhold the proposed R8A zoning until such time that a developer comes forward with the appropriate assemblage of these lots, preferably with such zoning boundary extended further west to include all four lots as opposed to only a portion of the fourth lot.

Borough President Adams believes that it is appropriate for the City Planning Commission (CPC) or City Council to retain the R6 zoning district designation for the portion of the proposed rezoning on the west side of the Eastern Parkway Extension, in an effort to protect the potential for future provision of affordable housing on those sites.

Recommendation

Be it resolved that the Brooklyn borough president, pursuant to sections 197-c and 201 of the New York City Charter, recommends that the City Planning Commission (CPC) and the City Council approve this application with the following condition:

That in lieu of the proposed R8A zoning district designation, the partial block, west of the Eastern Parkway Extension, shall remain designated as an R6 zoning district.