September 16, 2020 / Calendar No. 11

IN THE MATTER OF an application submitted by the New York City Department of Housing Preservation and Development 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, Borough of Brooklyn,

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 the New York City Department of Housing Preservation and Development (HPD) on August 30, 2019. The proposed text amendment would establish a Mandatory Inclusionary Housing (MIH) area within the project area (Block 1489, Lots 1 and 11). This application, in conjunction with the related actions, would facilitate the development of a new eight-story mixed-use building containing 107 affordable residential units and ground floor retail space at 1510 Broadway in the Ocean Hill neighborhood of Brooklyn, Community District 16.

RELATED ACTIONS

Community District 16.

In addition to the zoning text amendment (N 200082 ZRK) that is the subject of this report, the proposed project also requires action by the City Planning Commission on the following applications, which are being considered concurrently with this application:

C 200084 HAK	Urban Development Action Area designation, project approval, and disposition of City-owned property to a developer selected by HPD
C 200083 PQK	Acquisition of property by the New York City Department of Citywide Administrative Services (DCAS)
C 200085 ZMK	Zoning map amendment to rezone the project area from R6/C1-3 to R7- 1/C2-4

BACKGROUND

A full background discussion and description of this application appears in the report for the related UDAAP action (C 200084 HAK).

ENVIRONMENTAL REVIEW

This application (N 200082 ZRK), in conjunction with the applications for the related actions (C 200084 HAK, C 200083 PQK, and C 200085 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 designated CEQR number is 19HPD057K. The lead agency is HPD.

A summary of the environmental review appears in the report for the related UDAAP action (C 200084 HAK).

PUBLIC REVIEW

This application (N 200082 ZRK) was duly referred to Brooklyn Community Board 16 and the Brooklyn Borough President on December 2, 2019, in accordance with the procedures for non-ULURP matters, along with the applications for the related actions (C 200084 HAK, C 200083 PQK, and C 200085 ZMK), which were certified as complete by the Department of City Planning and were 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 200082 ZRK) on January 28, 2020, and on that date, by a vote of 15 in favor, five opposed, and six abstentions, adopted a resolution recommending approval of the application.

Borough President Recommendation

The Brooklyn Borough President considered this application (N 200082 ZRK) and on April 10, 2020 issued a recommendation to approve the application with conditions. A summary of the Borough President's recommendation appears in the report for the related UDAAP action (C 200084 HAK).

City Planning Commission Public Hearing

On August 17, 2020 (Calendar No. 2), the City Planning Commission scheduled August 19, 2020 for a public hearing on this application (N 200082 ZRK) and the related applications (C 200084 HAK, C 200083 PQK, and C 200085 ZMK). The hearing was duly held on August 19, 2020 (Calendar No. 33).

Five speakers testified in favor of the application, and one in opposition, as described in the report for the related UDAAP action (C 200084 HAK), and the hearing was closed.

CONSIDERATION

The Commission believes that the proposed zoning text amendment (N 200082 ZRK), in conjunction with the related actions (C 200084 HAK, C 200083 PQK, and C 200085 ZMK), is appropriate.

A full consideration and analysis of the issues and the reasons for approving the application appear in the report for the related UDAAP action (C 200084 HAK).

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 <u>underlined</u> 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

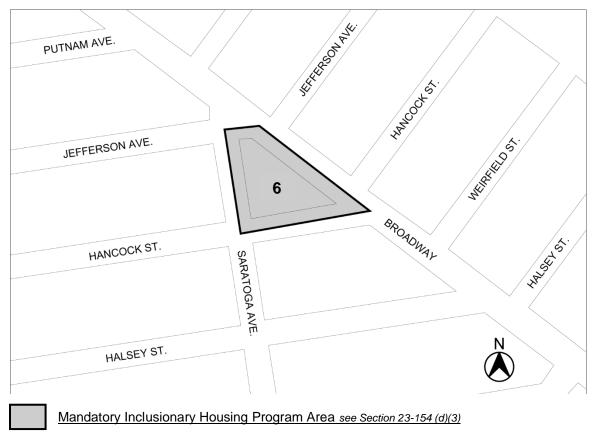
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Brooklyn Community District 16

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Map 5 - [date of adoption]

[PROPOSED MAP]



Area 6 - [date of adoption] - MIH Program Option 1 and Option 2

Portion of Community District 16, Brooklyn

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The above resolution (N 200082 ZRK), duly adopted by the City Planning Commission on September 16, 2020 (Calendar No. 11), 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 Chair DAVID J. BURNEY, ALLEN P. CAPPELLI, ESQ., ALFRED C. CERULLO III, MICHELLE DE LA UZ, JOSEPH I. DOUEK, RICHARD W. EADDY, HOPE KNIGHT, ANNA HAYES LEVIN, ORLANDO MARIN, LARISA ORTIZ, RAJ RAMPERSHAD 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: 1. 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, Room 2E, 22 Reade Street, New York, NY 10007
 - FAX: (212) 720-3356 and note "Attention of the Calendar Office"
- Send one copy of the completed form with any attachments to the <u>applicant's representative</u> at the address listed below, one copy to the Borough President, and one copy to the Borough Board, when applicable. 2.

Docket Description:

Applicant(s):		Applicant's Repre	sentative:	
	ī			
Recommendation submitted by:				
Date of public hearing:	Location:			
Was a quorum present? YES NO A public hearing requires a quorum of 20% of the appointed members of the board,				
but in no event fewer than seven such members.				
Date of Vote:	Location:			
RECOMMENDATION				
Approve	Approve With Modifications/Conditions			
Disapprove	Disapprove With Modifications/Conditions			
Please attach any further explanation of the recommendation on additional sheets, as necessary.				
Voting				
# In Favor: # Against: # Abstainin	ng: Total memb	ers appointed to th	e board:	
n na seconda de la constante de				
Name of CB/BB officer completing this form	Title		Date	

Brooklyn Borough President Recommendation

CITY PLANNING COMMISSION 120 Broadway, 31st Floor, New York, NY 10271 <u>CalendarOffice@planning.nyc.gov</u>



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#: 1510 Broadway – 200085 ZMK, 200082 ZRK, 200084 HAK, 200083 PQK

Applications submitted by the New York City Department of Housing Preservation and Development (HPD), and the New York City Department of Citywide Administrative Services (DCAS) for the following actions: The designation of an irregular block, bounded by Broadway, Hancock Street, and Jefferson and Saratoga avenues as an Urban Development Action Area (UDAA) and Urban Development Action Area Project (UDAAP), and the disposition of such property to a developer selected by HPD; the acquisition of a portion of the site by the City of New York, for potential future use by the Metropolitan Transit Authority (MTA) to service the Halsey Street J subway line; a zoning map amendment to change the project area from an R6/C1-3 district to an R7-1/C2-4 district, and a zoning text amendment to establish a new Mandatory Inclusionary Housing (MIH) area. Such actions would facilitate the construction of an eight-story building with approximately 107 affordable housing units, 9,800 square feet (sq. ft.) of ground-floor commercial use, and an opportunity to improve the adjacent Halsey Street subway station with an Americans with Disabilities Act (ADA)-accessible elevator.

BROOKLYN COMMUNITY DISTRICT NO. 16

BOROUGH OF BROOKLYN

RECOMMENDATION

□ APPROVE ☑ APPROVE WITH MODIFICATIONS/CONDITIONS □ DISAPPROVE
 □ DISAPPROVE WITH
 MODIFICATIONS/CONDITIONS

SEE ATTACHED

Epi Z Adams

April 9, 2020

BROOKLYN BOROUGH PRESIDENT

DATE

RECOMMENDATION FOR: 1510 Broadway – 200085 ZMK, 200082 ZRK, 200084 HAK, 200083 PQK

The New York City Department of Housing Preservation and Development (HPD), and the New York City Department of Citywide Administrative Services (DCAS) submitted applications for the following actions: The designation of an irregular block, bounded by Broadway, Hancock Street, and Jefferson and Saratoga avenues as an Urban Development Action Area (UDAA) and Urban Development Action Area Project (UDAAP), and the disposition of such property to a developer selected by HPD; the acquisition of a portion of the site by the City of New York, for potential future use by the Metropolitan Transit Authority (MTA) to service the Halsey Street J subway line; a zoning map amendment to change the project area from an R6/C1-3 district to an R7-1/C2-4 district, and a zoning text amendment to establish a new Mandatory Inclusionary Housing (MIH) area. Such actions would facilitate the construction of an eight-story building with approximately 107 affordable housing units, 9,800 square feet (sq. ft.) of ground-floor commercial use, and an opportunity to improve the adjacent Halsey Street subway station with an Americans with Disabilities Act (ADA)-accessible elevator.

On February 12, 2020, Brooklyn Borough President Eric Adams held a public hearing on this disposition request. There was one speaker on the item who requested clarification of the tax exemption duration and affordability term.

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 stated that 1510 Broadway would contain a mix of studios, one-bedroom units, two-bedroom units, and three-bedroom apartments. Sixteen of the 107 represented apartments would be reserved for the formerly homeless, with rents ranging from \$360 for a studio to \$650 for a three-bedroom unit. The affordability program would target 20 units at 40 percent Area Median Income (AMI), which would rent for \$522 to \$597, 19 units at 50 percent AMI, which would rent for \$683 to \$1,205, 18 units at 60 percent AMI, which would rent for \$843 to \$1,482, and 34 units at 80 percent AMI, with rents ranging from \$1,163 to \$2,037.

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 Brooklyn Community District 16 (CD 16) residents, and whether the applicant's marketing strategy would include a financial literacy campaign to assist local residents in becoming lottery-eligible, the applicant stated intent to retain the Local Development Corporation of East New York (LDCENY) as its administering agent. The LDCENY representative clarified that the organization would pursue a multi-pronged effort to provide outreach, information, and assistance to local residents, in obtaining the affordable housing units.

In response to Borough President Adams' inquiry as to what consideration has been given to providing space for local arts and cultural non-profit organizations, the applicant stated that it has set aside 700 sq. ft. of the represented commercial space to be reserved for such a use, and that they would conduct community outreach to locate a tenant.

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, New York City Department of Environmental (DEP) rain gardens, and/or solar panels, the applicant stated intent to achieve LEED Silver certification, which includes elements of passive house design. The applicant also confirmed that rain gardens would be incorporated with the required new street trees.

Consideration

Brooklyn Community Board 16 (CB 16) approved this application on January 28, 2020.

The proposed land use actions would affect a prominent, trapezoidal block of Broadway, located in the northernmost corner of CD 16. The block consists of two tax lots: The vacant, City-owned Lot 11 (the development site), which has a total area of 21,312 sq. ft., and the privately-owned, 3,450 sq. ft. Lot 1 is improved with a two-story warehouse. The development site has approximately 281 feet of frontage on Broadway, 123 feet of frontage along Hancock Street, 33 feet of frontage on Jefferson Avenue, and 133 feet of frontage on Saratoga Avenue. The block is currently zoned R6 with a C1-3 commercial overlay mapped over the entire development site.

The project sponsor is Macquesten Development, LLC, an affordable housing developer in the tri-state area. If approved, this application would yield a mixed-use project with a floor area ratio (FAR) of 4.59, and a maximum height of eight stories. The building's commercial space would be located exclusively along Broadway, with an 850 sq. ft. loading dock located on Hancock Street. Residential access would be provided via two entrances on Hancock Street and Jefferson Avenue. An approximately 170 sq. ft. section of the site's southeast frontage would be reserved for an MTA elevator, to be constructed upon reacquisition by the City.

1510 Broadway would contain 107 fully-affordable housing units, with 16 reserved for formerly homeless, including three studios, seven one-bedroom units, five two-bedroom units, and one three-bedroom apartment. The other 99 units, ranging from studios to three-bedroom apartments, would be targeted to households at 40, 50, 60, and 80 percent AMI. Under the proposed R7A MIH/C2-4 zoning, the adjacent private site could be expected to be redeveloped into a six-story, mixed-use building with 19 market-rate and five affordable housing units.

The surrounding context includes residential, commercial, and community facility uses. The predominant housing types are one- and two-family homes and three- to four-story walk-up buildings. However, the blocks south of the site contain a cluster of elevator apartment buildings of more than 10 stories. In the vicinity are also similar City-owned vacant sites slated for affordable housing development, including 1531 Broadway, located in CD 4. Commercial and mixed-use buildings are concentrated along Broadway, which is overlaid with C1-3 and C2-4 districts. Community facility uses in the area include houses of worship, institutional buildings, and multiple shelters, located across Broadway.

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.

Moreover, in Ocean Hill as well as adjacent Bedford-Stuyvesant and Bushwick, and across New York City, there is a pressing need for affordable and stable housing, among elderly adults, homeless households, low-income families, and other populations. Increasing the supply of affordable apartments for a range of incomes and household types in mixed-use buildings is a critical strategy for promoting a sustainable neighborhood and city.

Borough President Adams supports the development of underutilized land for productive uses that address the City's need for additional affordable housing. The proposed development would be consistent with Mayor Bill de Blasio's goal of achieving 300,000 affordable housing units over the next decade, according to "Housing New York: A Five-Borough, Ten-Year Plan," as modified in 2017. It is Borough President Adams' policy to support the development of affordable housing and seek for such housing to remain "affordable forever," wherever feasible.

Borough President Adams supports zoning actions that result in a permanently affordable residential floor area. Overall, 40 percent of the units at 1510 Broadway would be permanently affordable, through a combination of MIH designation and HPD requirements for permanent affordability on public land. As a result, the additional zoning rights at the site would yield 43 permanently affordable units. Such development is consistent with Borough President Adams' policy for new residential developments to produce housing that remains affordable in perpetuity. Moreover, the MIH program options target a broad range of incomes, in line with his objective to provide affordable housing at various AMI tiers.

Borough President Adams advocates the creation of permanent housing for those seeking refuge in shelters. He believes that a new residential development on City-owned land presents important opportunities to integrate such units with affordable apartments for low- and moderate-income households. Due to 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 include 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 Bedford Courts, where 10 percent would be set aside for the formerly homeless families; Ebenezer Plaza, where 20 percent of the units would be set aside for the formerly homeless, and Linden Terrace, with a set-aside of 10 percent.

According to the applicant, 1510 Broadway will not be utilizing the Our Space Initiative. However, as this project would provide deeply affordable housing, with approximately 15 percent of the units reserved for the formerly homeless, it is consistent with Borough President Adams' policies to implement such setasides within developments constructed on City-owned properties.

Additionally, Borough President Adams seeks for new developments to achieve an affordable unit mix that reflects the needs of low- to middle-income rent-burdened families. According to the applicant, 1510 Broadway would contain eight studios, 48 one-bedroom units, 38 two-bedroom units, and 13 three-bedroom apartments. Such unit mix is consistent with Borough President Adams' policy to promote the construction of family-sized affordable housing units.

Borough President Adams believes that the requested zoning for this project is appropriate. In 2014, as part of his Henry Apartment ULURP recommendation, he noted his belief that the Broadway transit corridor was an appropriate place to consider amending the zoning to permit residential density. The CD 3 section of Broadway had previously seen its residential zoning increased by approximately 50 percent. He believed that such zoning might be just as appropriate for the section of Broadway in CDs 1, 4, and 16 extending from the Brooklyn-Queens Expressway to Broadway Junction. The requested R7A provides is consistent with his advocacy to at least match such density as has been permitted in the CD 3 section of Broadway.

Borough President Adams believes that it is appropriate to zone for increased density in proximity to public transportation. The 1510 Broadway development site is immediately adjacent to multiple forms of transit.

The Nassau Street Express J train Halsey Street station exit is located on the southeastern side of the block. The Q24 bus travels along Broadway, stopping directly in front of the site. Additional service is available via the B7 and B26 buses, one block south, at Broadway and Halsey Street. In addition, the development provides consideration for subsequent incorporation of an elevator for the Halsey Street station. Therefore, Borough President Adams supports the establishment of the R7A zoning designation.

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 locally-based enterprises (LBEs) and minority- and women-owned business enterprises (MWBEs), is central to Borough President Adams' economic development agenda. This site for development provides opportunities for the developer to retain a Brooklyn-based contractor and subcontractor, especially those that are designated LBEs consistent with Section 6-108.1 of the City's Administrative Code, and MWBEs that meet or exceed standards per Local Law 1 (no less than 20 percent participation).

As funding for 1510 Broadway includes financing for which HPD contributes no less than \$2 million, MacQuesten Development, LLC would be required to participate in HPD's MWBE Building Opportunity Initiative's Build Up program, and meet the State's additional labor participation requirements. Borough President Adams believes that, based on the Build Up program and State requirements, there would be reasonable opportunities to address demonstrated disparities in LBE/MWBE participation in the affordable housing development process. Development projects that receive HPD subsidies are required to spend at least one-quarter of HPD-supported costs on certified MWBEs during the course of design and construction. Developers may adopt a goal higher than the minimum.

Through HPD's initiative, Borough President Adams believes that the project developer should continue the emphasis to retain Brooklyn-based contractors and subcontractors, especially those who are designated LBEs, consistent with Section 6-108.1 of the City's Administrative Code, and LBE and MWBE establishments, as a means to meet or exceed standards per Local Law 1 (no fewer than 20 percent participation).

While Borough President Adams generally supports the proposed development, he calls on MacQuesten Development, LLC and HPD to incorporate specific commitments in the Land Disposition Agreement (LDA). Specifically, there should be the achieving and retaining of permanent affordability, maximizing community participation to obtain the affordable housing units, setting aside a portion of the non-residential space for arts, cultural, and/or non-profit organizations, incorporating resilient and sustainable energy and stormwater practices in the development, and implementing Vision Zero pedestrian safety improvements. With regard to the affordable housing lottery, Borough President Adams believes that HPD should modify its community preference standards to include the local homeless student population, and for this project, extend local preference for the affordable housing lottery to residents of Brooklyn Community Districts 3 and 4 (CDs 3 and 4) living within border ZIP codes 11233 and 11207. Additionally, he calls on the City Planning Commission (CPC) and the City Council to modify MIH regulations so as to qualify rent-burdened households for affordable housing developed pursuant to MIH.

Achieving and Retaining Permanent Affordability

In areas where new developments can be realized on City-owned sites, Borough President Adams supports the disposition of such sites being developed for affordable housing to remain permanently affordable, as a means to minimize the loss of affordable housing units.

Where HPD has designated for-profit companies to develop affordable housing on City-owned property, the duration of such affordable housing is often driven by financial considerations. Standard regulatory agreements used by government agencies typically involve 30- to 60-year terms, which may be extended for a duration of 15 years, with further renewals possible. However, property owners are under no obligation to seek such extensions. Without such obligation to retain housing affordability, those units would no longer be an affordable housing resource once tenants move out after the regulatory agreements expire.

Borough President Adams believes that there are effective ways to preserve such housing as permanently affordable. One means is through disposition of public land to one or more well-established non-profit affordable housing development organizations. This provides some assurance that non-MIH units would remain affordable for the lifetime that the non-profit entity remains in operation. Unlike for-profit developers, non-profit community development organizations typically have a core mission to advocate for, preserve, and provide affordable housing. New York City has multiple non-profit entities with a successful record of developing and managing affordable housing, as well as fulfilling agreements with City agencies. Borough President Adams supports the disposition of affordable housing to such non-profits for these reasons, as for-profit companies are generally driven by financial considerations.

Another strategy that warrants implementation is the disposition of property to a community land trust (CLT). CLTs are non-profit stewardship entities that maintain community ownership of real estate assets. They are governed by boards that contain a diverse array of stakeholders, including community development organizations, elected officials, and local residents. CLTs are seen as an effective tool to reduce land speculation and preserve affordability in communities. In recent years, New York City has taken important steps to foster the development of CLTs. In 2017, City Hall solicited proposals from interested stewardship groups, while the City Council passed legislation authorizing and codifying CLTs. There are currently more than a dozen CLTs in various stages of development across the city, with at least two in Brooklyn. Borough President Adams believes that CLTs are a viable solution to safeguard HPD's substantial investments in affordable housing throughout the borough.

Finally, HPD structures its financing to require a balloon payment at the end of the regulatory term to induce developers to seek refinancing from the City, with an obligation to extend the duration of affordability. As HPD provides financing to extend the term of affordability, if there were a mandate in the land disposition agreement (LDA) to obligate the developer/owners to secure such refinancing, based on such public funds remaining available when the initial mortgage term expires, there would essentially be a guarantee of extended affordability.

Specific regulatory measures, when implemented, can ensure that units remain as affordable housing options for the city's residents. Borough President Adams believes that it is reasonable that residential floor area developed on City-owned land leased to private developers remain permanently affordable. As the City conveys its land to developers — even through 99-year ground leases — it should utilize the LDA as a mechanism to ensure that affordable housing is preserved in perpetuity.

In this case, given that this development site is public land, Borough President Adams believes it is essential to maintain these apartments as affordable in perpetuity. This would ensure that development at 1510 Broadway would be insulated from variable economic enticements, and remain an affordable housing resource in the community.

Therefore, prior to considering the application, the City Council should obtain commitments, in writing from HPD that its LDA with MacQuesten Development, LLC would memorialize a mechanism to ensure that even the non-MIH units are maintained as permanent affordable housing, that would be triggered prior to the end of the development's regulatory term.

Maximizing Community Participation in the Affordable Housing Units

As the developer, MacQuesten Development, LLC would enter into a regulatory agreement with HPD governing the project's affordable housing plan. It would be charged with ensuring that all 107 units comply with the regulatory agreement. This may involve verifying a prospective tenant household's qualifying income, and approving the rents of affordable housing units. MacQuesten Development, LLC would attest to HPD that the initial lease-up of the affordable housing units is consistent with the income requirements and follow up to ensure compliance.

It is Borough President Adams' policy to advocate for mission-driven affordable housing non-profits to play a role in affordable housing development as such developments are likely to remain permanently affordable. Such organizations are equipped to maximize community participation in affordable housing opportunities.

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. As represented at Borough President Adams' hearing, the developer would partner with LDCENY, an HPD housing ambassador with a proven track record of marketing affordable housing units and promoting affordable housing lottery-readiness. For the LDCENY, the northernmost section of CD 16 is not within its standard core service. Therefore, Borough President Adams believes that LDCENY outreach efforts should be supplemented by area-specific providers.

Borough President Adams believes that prior to considering the application, the City Council, in consultation with CB 16 and other local elected officials, should be consulted by MacQuesten Development, LLC to have such entities play a role in maximizing community participation in the proposed development.

Set Aside Portion of Commercial Space for Local Cultural Entities

Borough President Adams believes that development on City-owned land should seek to maximize public benefit such as affordable housing. He also recognizes that, like residents, local businesses and cultural organizations benefit from affordable rents that allow them to remain in the community.

It is one of Borough President Adams' policies to assist community-based non-profit organizations with securing affordable space in the borough. These organizations play an important role in the neighborhoods they serve but often struggle to secure the necessary space to expand and sustain their programs. Many cultural entities have contacted the Office of the Brooklyn Borough President with these concerns. It has been Borough President Adams' policy to review discretionary land use actions for opportunities to promote cultural and non-profit uses.

In June 2016, Borough President Adams released "All the Right Moves: Advancing Dance and the Arts in Brooklyn," a report examining challenges for artists in the borough, with accompanying recommendations. The report highlighted the benefits of arts and dance, which include maintaining physical fitness, promoting creative self-expression, and making significant contributions to the vibrant culture of Brooklyn. Among the difficulties faced by the Brooklyn arts community is an absence of diversity — according to 2000 United States Census data, fewer than half the individuals working in dance are people of color. Additionally, public funding for the arts in New York City has shrunk dramatically in recent years: by 37

percent from the New York State Council of the Arts (NYSCA), by 15 percent from the National Endowment for the Arts (NEA), and by 16 percent from the New York City Department of Cultural Affairs (DCLA).

Data shows that cultural programs generate a variety of positive effects, which include combating the borough's high rate of obesity. As of 2016, 61 percent of Brooklyn adults are overweight or obese, according to the New York State Department of Health (NYSDOH). Research by the Citizens' Committee for Children of New York has found that such activities also help children succeed in school. Moreover, demand for cultural programs continues to grow across Brooklyn. A 2015 report by the Center for an Urban Future found a 20 percent increase in attendance at events organized by local cultural institutions since 2006.

Borough President Adams believes that the inclusion of arts and cultural entities as well as non-profit organizations at 1510 Broadway would provide benefits and enrichment to the community. The development's location is highly advantageous, given its extensive frontage along multiple avenues, strong foot traffic along the Broadway transit corridor, and the area's considerable residential density.

If the proposed rezoning is approved, 1510 Broadway would generate approximately 9,800 sq. ft. of ground-floor commercial space. Borough President Adams believes that a portion of such non-residential floor area could be marketed to local arts/cultural groups, and/or community organizations. However, he is aware that such uses cannot afford to compete with the rent that retail uses would likely pay to lease at this location.

MacQuesten Development, LLC has expressed interest in offering commercial space at 1510 Broadway to arts and cultural nonprofit organizations at reduced rents. Borough President Adams seeks to memorialize such intent as part of the proposed development. Therefore, prior to considering the application, the City Council should obtain commitments, in writing, from HPD that its LDA or Regulatory Agreement with MacQuesten Development, LLC would memorialize setting aside a portion of the commercial space for local non-profit organizations such as arts and/or cultural entities at below-market lease terms, as warranted.

Furthermore, to the extent that the City Council seeks to provide below-market rents to accommodate such arts and/or cultural organizations, MacQuesten Development, LLC should actively solicit such organizations, based on reasonable lease terms, as determined in consultation with CB 16 and local elected officials.

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 at each project site 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). Such modifications tend to increase energy efficiency and reduce a development's carbon footprint. This UDAAP application offers opportunities to integrate resiliency and sustainability measures such as blue/green/white roof finishes, passive house construction principles, and solar panels across the seven NIHOP sites.

In the fall of 2019, the City Council passed Local Laws 92 and 94, which require that newly-constructed roofs, as well as existing roofs undergoing renovation (with some exceptions), incorporate a green roof and/or a solar installation. The laws further stipulate 100 percent roof coverage for such systems, and expand the City's highly reflective (white) roof mandate. It should be noted that the law exempts HPD projects for the first five years, to allow the agency to study the feasibility of incorporating green roofs.

Borough President Adams believes that development on City-owned land should strive for high standards in resiliency and sustainability. Therefore, it is appropriate for the developer to engage 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.

As part of his flood resiliency policy, Borough President Adams encourages developers to introduce best practices to manage stormwater runoff, such as incorporating permeable pavers and/or establishing rain gardens that advance DEP's green infrastructure strategy. He believes that sidewalks with nominal landscaping and/or adjacent roadway surfaces are potential resources that could be transformed through the incorporation of rain gardens, which provide tangible environmental benefits through rainwater collection, improved air quality, and streetscape beautification. Tree plantings can be consolidated with rain gardens as part of a more comprehensive green infrastructure strategy. Where it is not advisable to remove existing street trees, there would be opportunity for street tree pit enhancements to realize enhanced stormwater retention benefits while including more plantings, which would increase infiltration at this location and also make the site more pleasant for its users. In addition, blue/green roofs, permeable pavers, and rain gardens (including street tree pit enhancements) would help divert stormwater from the City's water pollution control plants.

The required Builders Pavement Plan for the proposed development provides an opportunity to install DEP rain gardens along the 1510 Broadway frontages. The ZR requirement to plant street trees results in the provision of shade on days of excessive heat, as well as other aesthetic, air quality, and enhanced stormwater retention benefits. It should be noted that a rain garden would require a maintenance commitment and attention from the landlord. Maintenance includes cleaning out debris and litter that can clog the inlet/outlet and prevent proper water collection, regular inspection to prevent soil erosion, watering during dry and hot periods, and weeding to keep the plants healthy and uncongested for proper water absorption. However, the implementation of rain gardens could help advance DEP green water/stormwater strategies, enhancing the operation of the Newtown Creek Wastewater Treatment Plant during wet weather. Such rain gardens have the added benefit of serving as a streetscape improvement.

Borough President Adams believes that MacQuesten Development, LLC should consult with DEP, the New York City Department of Transportation (DOT), and the New York City Department of Parks and Recreation (NYC Parks) for consideration regarding the inclusion of rain gardens with integration of street trees, as part of a Builders Pavement Plan. Where the agencies have interest in implementing an enhancement, consultation should be initiated with CB 16 and local elected officials prior to agreeing to take action.

Borough President Adams believes that HPD should codify, in its LDA or Regulatory Agreement with MacQuesten Development, LLC, the integration of resiliency and sustainability measures at 1510 Broadway including DEP rain gardens, green roofs with photovoltaic systems, and passive house construction principles. The City Council should further seek demonstration of the developer's commitment to coordinate with DEP, the New York City Department of Transportation (DOT), and NYC Parks regarding the installation of DEP rain gardens as part of a Builders Pavement Plan, in consultation with CB 16 and local elected officials.

Advancing Vision Zero Policies

Borough President Adams supports Vision Zero policies, including practices that extend sidewalks into the roadway as a means of shortening the path where pedestrians cross in front of traffic lanes. These sidewalk extensions, also known as bulbouts or neckdowns, make drivers more aware of pedestrian crossings and encourage them to slow down.

In 2015, Borough President Adams also launched his own initiative, Connecting Residents on Safer Streets (CROSS) Brooklyn. This program supports the creation of bulbouts or curb extensions at dangerous intersections in Brooklyn. During the program's first year, \$1 million was allocated to fund five dangerous intersections in Brooklyn. By installing additional curb extensions, seniors will benefit because more of their commutes will be spent on sidewalks, especially near dangerous intersections. At the same time, all users of the roadways will benefit from safer streets.

The proposed development at 1510 Broadway would bring a significant number of new residents to the area, while also attracting users to its retail spaces. However, Broadway is a designated New York City local truck route with multiple intersections lacking traffic controls such as stop signs or traffic lights. Given the mix of commercial, community facility, and residential uses along this corridor, the foot traffic stemming from Halsey Street station, and the volume of crossings that would be generated by the new development, it is important to enhance pedestrian safety at this block.

Per his CROSS Brooklyn initiative, Borough President Adams believes there is an opportunity to provide curb extensions at the corner of Broadway and Hancock Street, as well as the intersection of Jefferson Avenue and Broadway, where there are currently painted protected sidewalks. Such enhancements would facilitate safer pedestrian crossings to and from 1510 Broadway.

Borough President Adams recognizes that the costs associated with the construction of sidewalk extensions can be exacerbated by the need to modify infrastructure and/or utilities. Therefore, where such consideration might compromise feasibility, Borough President Adams would urge DOT to explore the implementation of either protected painted sidewalk extensions defined by a roadbed surface treatment or sidewalk extensions as part of a Builders Pavement Plan. If the implementation meets DOT's criteria, the agency should enable MacQuesten Development, LLC to undertake such improvements after consultation with CB 16, as well as local elected officials, as part of its Builders Pavement Plan. The implementation of a sidewalk extension through roadbed treatment requires a maintenance agreement that indemnifies the City from liability, contains a requirement for insurance, and details the responsibilities of the maintenance partner. Borough President Adams would expect MacQuesten Development, LLC to commit to such maintenance as an ongoing obligation.

Borough President Adams believes that prior to considering the application, the City Council should obtain commitments, in writing, from HPD that its LDA or Regulatory Agreement with MacQuesten Development, LLC would coordinate CROSS Brooklyn implementation with DEP, DOT, and NYC Parks for the installation of curb extensions at the corner of Broadway and Hancock Street, as well as the intersections of Jefferson Avenue with Broadway and Saratoga Avenue, either as part of a Builders Pavement Plan or as treated roadbed sidewalk extensions. The City Council should further seek demonstration of MacQuesten Development, LLC's commitment to enter into a standard DOT maintenance agreement for those intersections. Finally, DOT should confirm that implementation of such improvements would not proceed prior to consultation with CB 16 and local elected officials.

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

New York City's community preference policy requires that 50 percent of affordable units filled through affordable housing lotteries be reserved for residents in the local community. 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. A recent New York University (NYU) study found that during the 2016-2017 school year, nearly one in 10 New York City students in kindergarten through fifth grade experienced homelessness.

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 ICPH, there are multiple public schools within several blocks of the proposed development, where the proportion of homeless students is 15 to 40 percent.

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.

Extend Community Preference to Residents of Community Districts 3 and 4 Living Within Border ZIP Codes 11233 and 11207

City local preference policy is at times unfair to community residents who live just beyond the border of a community district. The proposed development is located at the intersection of CDs 3, 4, and 16. Community members living on nearby blocks of CD 3 across Saratoga Avenue and CD 4 across Broadway are also in need of quality affordable housing, and the new development would not only be apparent, but consequential for residents of both districts.

As such, Borough President Adams believes that HPD should extend the local preference to portions of CDs 3 and 4 that fall within the border ZIP codes of 11207 and 11233. This is particularly important given that the residential neighborhoods in both districts include small buildings that are not subject to rent protection laws. Borough President Adams believes that, in tandem with his recommendations for deeper affordability, 1510 Broadway could serve as a relocation resource to those at risk for displacement. Therefore, prior to the vote of the City Council, HPD should provide a written commitment advising that in addition to residents of CD 16, local preference be given to residents of CDs 3 and 4, in the adjacent 11207 and 11233 ZIP codes.

<u>Accommodating Rent-Burdened Households in Lieu of Strict Area Median Income (AMI)</u> <u>Standards</u>

Data shows that more than 80 percent of New York City households earning 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.

Within CD 16, a significant number of households residing in unregulated housing and regulated apartments pay too much of their household income toward rent. According to the Association for Neighborhood Housing and Development (ANHD), 60 percent of Brownsville households are rentburdened. The Institute for Children, Poverty & Homelessness (ICPH) found that 32 percent of these households spend 50 percent or more of their income on rent, making them severely rent-burdened. These statistics are of particular concern because CD 16 has the lowest median income of any Brooklyn community district. There is thus a pressing need to increase the supply of permanently affordable housing in Brownsville. Moreover, given the risk of 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 Uniform Land Use Review Procedure (ULURP) recommendation, 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 New York City Zoning Resolution (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.

Exploring the Appropriateness of Increasing Density Along Broadway

As noted in Borough President Adams' ULURP recommendations for Henry Apartments in 2014, he believes that the Broadway transit corridor is an appropriate place to consider amending the zoning-to-permit residential density. The CD 3 section of Broadway had previously seen its residential zoning increased by approximately 50 percent. He believes that such zoning might be just as appropriate for the section of Broadway in CDs 1, 4, and 16 extending from the Brooklyn-Queens Expressway to Broadway Junction. Borough President Adams understands that the New York City Department of City Planning (DCP) has recently considered rezoning the Bushwick section of Broadway, though there are no plans to move forward at the moment. He would urge DCP to further investigate the possibility of such rezoning in consultation with CBs 1, 4, and 16 and local elected officials.

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 City Council <u>approve</u> this application with the following conditions:

- 1. That the New York City Department of Housing Preservation and Development (HPD) incorporate in its Land Disposition Agreement (LDA) or Regulatory Agreement with MacQuesten Development, LLC, written commitments to:
 - a. Retain the residential floor area as permanently affordable
 - b. Utilize one or more locally-based organizations to supplement the efforts of the designated administering agent, the Local Development Corporation of East New York (LDCENY), determined in consultation with Brooklyn Community Board 16 (CB 16) and local elected officials, toward playing a role in maximizing community participation in the proposed development
 - c. Set aside a specified minimum amount of floor area within the commercial space for one or more local non-profit organizations such as arts and/or cultural entities at below-market lease terms, as warranted
 - d. Continue exploration of additional resiliency and sustainability measures such as incorporating rain gardens, blue/green/white roof treatment, passive house construction principles, and solar panels
 - e. Coordination with the New York City Department of Environmental Protection (DEP), New York City Department of Transportation (DOT), and the New York City Department of Parks and Recreation (NYC Parks) regarding the installation of DEP rain gardens as part of a Builders Pavement Plan at 1510 Broadway or within the adjacent protected painted areas, in consultation with CB 16 and local elected officials
 - f. Coordination of CROSS Brooklyn implementation with DEP, DOT, and NYC Parks for the installation of curb extensions at the corner of Broadway and Hancock Street, as well as the intersection of Jefferson Avenue and Broadway (where there are already painted crosswalks) either as part of a Builders Pavement Plan, or as treated roadbed sidewalk extensions
 - g. Enter into a standard DOT maintenance agreement for those intersections, and coordinate with DEP, DOT, and NYC Parks should there be agency implementation of protected painted areas at the corner of Broadway and Hancock Street, as well as the intersection of Jefferson Avenue and Broadway, with the understanding that such improvements would not proceed prior to consultation with CB 16 and local elected officials

Be it further resolved:

- 1. That the New York City Department of Housing Preservation and Development (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
- That HPD extend local preference to also include residents of Brooklyn Community Districts (CDs)
 3 and 4 living within border ZIP codes 11233 and 11207

- 3. That the City Planning Commission (CPC) and/or the City Council call for the modification of the Mandatory Inclusionary Housing (MIH) section of the New York City Zoning Resolution (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
- 4. That the New York City Department of City Planning (DCP) undertake, in consultation with CBs 1, 4, and 16 and its local elected officials, a zoning study that would consider extending the C4-4L district further along Broadway in Community Districts 1, 4, and 16, as well as zoning districts with additional density, as appropriate.