CITY PLANNING COMMISSION

October 3, 2007/Calendar No. 9

C 070506 HAX

IN THE MATTER OF an application submitted by the Department of Housing Preservation and Development (HPD):

- 1) pursuant to Article 16 of the General Municipal Law of New York State for:
 - a) the designation of property located at 3100 3rd Avenue (Block 2364, Lot 45), 3120 3rd Avenue (Block 2364, p/o the air rights over lot 58), 3106 3rd Avenue (Block 2364, Lot 49), and 507 East 158th Street (Block 2364, Lot 70), part of Site 17 within the Melrose Commons Urban Renewal Area, as an Urban Development Action Area; and
 - b) an Urban Development Action Area Project for such area; and
- 2) pursuant to Section 197-c of the New York City Charter for the disposition of such property to a developer selected by HPD;

to facilitate development of an eight-story mixed-use building, tentatively known as Melrose Commons RFP Site B-1, with approximately 96 residential units, with commercial and community facility uses, to be developed under the Department of Housing Preservation and Development's Cornerstone Program, Community District 1, Borough of the Bronx.

Approval of three separate matters is required:

- 1. The designation of property located at 3100 3rd Avenue (Block 2364, Lot 45), 3120 3rd Avenue (Block 2364, p/o the air rights over lot 58), 3106 3rd Avenue (Block 2364, Lot 49), and 507 East 158th Street (Block 2364, Lot 70), part of Site 17 within the Melrose Commons Urban Renewal Area, as an Urban Development Action Area; and
 - 2. An Urban Development Action Area Project for such property; and

3. The disposition of such property to a developer selected by the New York City Department of Housing Preservation and Development.

The application for the Urban Development Action Area designation and project approval and disposition of city-owned property was filed by the Department of Housing Preservation and Development (HPD) on June 4, 2007.

Approval of this application would facilitate construction of an eight story mixed-use building containing approximately 96 dwelling units for moderate and middle-income families plus one unit for a superintendent, ground-floor retail and community facility space on the site. The proposed project is tentatively known as Melrose Commons RFP Site B-1.

The Department of Housing Preservation and Development states in its application that:

The Project Area consists of underutilized vacant properties, which tend to impair or arrest the sound development of the surrounding community, with or without tangible physical blight. Incentives are needed in order to induce the correction of these substandard, insanitary, and blighting conditions. The project activities would protect and promote health and safety and would promote sound growth and development. The Project Area is therefore eligible to be an Urban Development Action Area and the proposed project is therefore eligible to be an Urban Development Action Area Project pursuant to Article 16 of the General Municipal Law.

RELATED ACTIONS

In addition to approval of the UDAAP designation and disposition of City-owned property which is the subject of this report, implementation of the proposal also requires action by the City

Planning Commission on the following applications which are being considered concurrently with this application:

C 070507 ZSX Special permit, pursuant to Section 74-681 of the New York City

Zoning Resolution, to permit development over a railroad right-of-

way or yard;

C 080002 ZMX Zoning Map Amendment eliminating from within an existing R8

District a portion of a C1-4 District.

BACKGROUND

The Department of Housing Preservation and Development (HPD) is seeking the designation of 3100, 3106 & 3120 3rd Avenue and 507 East 158th Street (Block 2364, Lots 45, 49, 70 and p/o 58) as an Urban Development Action Area, approval as an Urban Development Action Area Project for such area and disposition of city-owned property (C070506HAX). In addition, HPD is seeking approval of a special permit (C070507ZSX) for the development over a rail or transit right-of-way or yard and a zoning map amendment (C080002ZMX) to facilitate construction of an eight-story mixed-use building with approximately 124,380 square feet of floor area with a total of 96 dwelling units for moderate and middle-income families plus one unit for a superintendent. The project is to be developed under HPD's Cornerstone Program.

The proposed project site is located on the north side of E. 158th Street between Third and Brook avenues. It occupies the southern portion of Site 17 in the Melrose Commons Urban Renewal Area and is zoned R8 with a C1-4 overlay. The site has an area of 20,730 square feet and contains city-owned vacant parcels and a vacant commercial building to be demolished. Lot 58, located along Brook Avenue, is an open trench occupied with an abandoned railroad line. The City owns the property starting at 15'10" above the tracks. The tracks and the air rights up to

15'10" are privately owned. A community garden was formerly located on lot 70. Adjacent to the project site along Third Avenue and remaining properties on the block are occupied one-story commercial buildings and the northern portion of Melrose Commons Site 17 with vacant city-owned parcels.

The proposed project would be developed under the Quality Housing program and would also contain approximately 8,985 square feet of commercial space on the ground floor, an approximately 1,637 square foot community room, and approximately 1,246 square feet of community facility space. An accessory parking garage with 80 spaces is to be located underground with a two-way entrance from East 158th Street. A landscaped court yard of approximately 2,818 square feet would also be provided in the rear of the building. In addition, the developer is proposing to cover the railroad right of way and provide landscaping and access from the sidewalk to the building. The proposed use is consistent with the Urban Renewal residential designation.

The surrounding area is primarily residential in character with recently constructed subsidized housing including Puerta de Vitalidad with 60 units on Third Avenue and East 158th Street, Plaza de los Angeles with 105 units of New York City Housing Partnership homes located along Elton Avenue between East 156th and East 158th streets, La Casa de Felicidad a housing for the elderly development located on Third Avenue and East 158th Street and Melrose Court, a 265 unit condominium development located on Brook Avenue and East 157th Street. Retail and service establishments are found along Third Avenue and along East 161st Street. St. Peter and Paul

Church, school and rectory are located at Third Avenue and East 159th Street. Located on the block immediately south of the project site across East 158th Street is Flynn Playground.

Six bus lines stop within two blocks of the site; Bx 41 which runs along Melrose and Webster avenues; the Bx 2 that runs along Melrose Avenue and the Grand Concourse; the Bx 6 runs on East 161st Street (and connects with the 161st Street subway station); and the Bx 15, Bx 21 and Bx 55 lines which operate on Third Avenue.

REQUIRED ACTIONS

Special permit for development over a railroad right-of-way (C 070507 ZSX)

Because a portion of the project will be developed over a former railroad right-of-way, a special permit pursuant to Section 74-681 is required. Approximately 899 square feet above the former New York Central Lines rail right-of-way are included in the site. This right-of-way was officially declared abandoned in March and April of 2003 by the Surface Transportation Board.

Zoning Map Amendment (C 080002 ZMX)

HPD is also seeking approval for a zoning map amendment, which will enable the building design to conform to the constraints of the site and allow for greater façade articulation while still providing active commercial uses on East 158th Street and 3rd Avenue. The proposed zoning map amendment is for the elimination of a portion of an existing C1-4 overlay from an existing R8 zoning district located on Brook Avenue and East 158th Street, on parts of lots 49, 58 and 70. The C1-4 overlay will remain on the majority of the block, enabling commercial development on the northern part of Melrose Commons Site 17.

ENVIRONMENTAL REVIEW

This application (C 070506 HAX), in conjunction with the related applications (C 070507 ZSX and C 080002 ZMX), 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 06HPD008X. The lead agency is the Department of Housing Preservation and Development.

It was determined that this application would not result in environmental impacts that would be substantially different from or greater than those described in the 1994 FEIS and 2007 FEIS for the Melrose Commons URA project. In a letter dated July 6, 2007 with a copy of the Notice of Minor Modification and the Technical Memorandum for the CEQR No. 88-087X application, it was determined that the proposed changes do not alter the conclusions of the FEIS and that therefore the Notice of Completion issued on April 27, 2007 remains in effect.

UNIFORM LAND USE REVIEW

This application (C 070506 HAX), in conjunction with the related applications (C 070507 ZSX and C 080002 ZMX), was certified as complete by the Department of City Planning on January 22, 2007, and was duly referred to Community Board 1 and the Borough President, in accordance with Title 62 of the Rules of the City of New York, Section 2-02 (b).

Community Board Public Hearing

Community Board 1 held a public hearing on this application on August 1, 2007, and on that date, by a vote of 22 to 0 with 0 abstentions, adopted a resolution recommending approval of the application.

Borough President Recommendation

This application (C 070506 HAX) was considered by the Borough President, who issued a recommendation approving this application on August 28, 2007.

City Planning Commission Public Hearing

On September 5, 2007 (Calendar No. 1), the City Planning Commission scheduled September 19, 2007, for a public hearing on this application (C 070506 HAX), in conjunction with the public hearing on the related applications (C 070507 ZSX and C 080002 ZMX). The hearing was duly held on September 19, 2007 (Calendar No. 22), in conjunction with the public hearing on the related applications (C 070507 ZSX and C 080002 ZMX).

There were three speakers who spoke in favor and none opposed to the application. The speakers included a representative from HPD, the project architect, and the developer. The representative of the Department of Housing Preservation and Development briefly described the proposal and the required actions within the context of the Melrose Commons Urban Renewal Plan. The project architect and the developer also appeared in favor of the project.

There were no other speakers and the hearing was closed.

CONSIDERATION

The Commission believes that the application for UDAAP designation, project approval and disposition of city-owned property, along with the related actions, is appropriate.

The application would facilitate the development of vacant and underutilized city-owned land that has had a blighting influence on this area.

The project, to be developed under HPD's Cornerstone Program, consists of the construction of an eight-story mixed-use building with approximately 124,380 square feet of floor area with a total of 96 dwelling units for moderate and middle-income families, plus one unit for a superintendent. In addition, the building would contain commercial and community facility space on the ground floor, an underground accessory parking garage with 80 spaces and a landscaped court yard in the rear of the building.

The Commission notes that this project is consistent with the goals set forth in the Melrose Commons Urban Renewal Plan (part of Site 17) to develop new housing on the subject site. The Commission believes that the proposed project offers an opportunity to address the need for affordable housing for low or moderate income families and will contribute to the continued revitalization of the area.

Special permit for development over a railroad right-of-way (C 070507 ZSX)

The Commission believes that the streets providing access to the proposed development will be adequate to handle the traffic generated. The Commission notes that the FEIS issued on April 27, 2007, for the Melrose Commons Urban Renewal Plan, assessed traffic and parking needs and determined that surrounding streets would be able to accommodate the developments planned in the urban renewal area, including the proposed project.

The Commission also believes that the development would not result in floor area being unduly concentrated on any one portion of the project site. The proposed development, along Brook Avenue, abuts a sliver of railroad right of way where transit use has been terminated. The height bulk and proposed residential density of the proposed building would be compatible with the surrounding context. The Commission further notes that the urban renewal plan includes height restrictions to ensure that future developments will be consistent with the area's existing context.

Zoning Map Amendment (C 080002 ZMX)

The Commission believes that the proposed zoning map amendment for the elimination of a portion of an existing C1-4 overlay from an existing R8 district located on Brook Avenue and East 158th Street, on parts of lots 49, 58 and 70 is appropriate. The proposed zoning map amendment would allow the building's Brook Avenue façade to be designed recognizing the constraints of the site while still complying with zoning regulations.

RESOLUTION

RESOLVED, that the City Planning Commission finds that the proposed disposition of city-owned property located at 3100 3rd Avenue (Block 2364, Lot 45), 3120 3rd Avenue (Block 2364, p/o the air rights over lot 58), 3106 3rd Avenue (Block 2364, Lot 49), and 507 East 158th Street (Block 2364, Lot 70), part of Site 17 within the Melrose Commons Urban Renewal Area, conforms to the objectives and provisions of the Melrose Commons Urban Renewal Plan (C 940226 HUX) dated June 16, 1994.

RESOLVED, that having considered the Final Environmental Impact Statement (FEIS), for which a Notice of Completion was issued on April 15, 1994 and a letter dated July 6, 2007 with a copy of the Notice of Minor Modification and the Technical Memorandum, with respect to this application (CEQR No.88-087X), the City Planning Commission finds that the requirements of the New York State Environmental Quality Review Act and regulations have been met and that, consistent with social, economic and other essential considerations:

- 1. From among the reasonable alternatives thereto, the action to be approved is one which minimizes or avoids adverse environmental impacts to the maximum extent practicable; and
- 2. The adverse environmental impacts revealed in the Environmental Impact Statement will be minimized or avoided to the maximum extent possible by incorporating, as conditions to the approval, those mitigative measures that were identified as practicable.

The report of the City Planning Commission, together with the FEIS, constitutes the written statement of facts, and of social, economic and others factors and standards; that form the basis of the decision, pursuant to Section 617.11(d) of the SEQRA regulations; and

WHEREAS, the Department of Housing Preservation and Development has recommended the designation of 3100 3rd Avenue (Block 2364, Lot 45), 3120 3rd Avenue (Block 2364, p/o the air rights over lot 58), 3106 3rd Avenue (Block 2364, Lot 49), and 507 East 158th Street (Block 2364, Lot 70), part of Site 17 within the Melrose Commons Urban Renewal Area, in Community District 1, Borough of The Bronx, as an Urban Development Action Area; and

WHEREAS, the Department of Housing Preservation and Development has also recommended the approval of an Urban Development Action Area Project for such property;

THEREFORE be it RESOLVED, that the City Planning Commission, after due consideration of the appropriateness of the actions, certifies its unqualified approval of the matters pursuant to the Urban Development Action Area Act.

- a) the designation of property located at 3100 3rd Avenue (Block 2364, Lot 45), 3120 3rd Avenue (Block 2364, p/o the air rights over lot 58), 3106 3rd Avenue (Block 2364, Lot 49), and 507 East 158th Street (Block 2364, Lot 70), part of Site 17 within the Melrose Commons Urban Renewal Area, as an Urban Development Action Area; and
- b) an Urban Development Action Area Project for such area;

and the City Planning Commission recommends that the New York City Council find that:

- The present status of the area tends to impair or arrest the sound development of the municipality;
- b) The financial aid in the form of tax incentives to be provided by the municipality pursuant to Section 696 of the Urban Development Action Area Act is necessary to enable the project to be undertaken; and
- The project is consistent with the policy and purposes stated in Section 691 of the
 Urban Development Action Area Act; and

BE IT FURTHER RESOLVED, by the City Planning Commission, pursuant to Section 197-c of the New York City Charter, that based on the environmental determination and the consideration described in this report, the application of the Department of Housing Preservation and Development for the disposition of city-owned property located at 3100 3rd Avenue (Block 2364, Lot 45), 3120 3rd Avenue (Block 2364, p/o the air rights over lot 58), 3106 3rd Avenue (Block 2364, Lot 49), and 507 East 158th Street (Block 2364, Lot 70), part of Site 17 within the Melrose Commons Urban Renewal Area, Community District 1, Borough of The Bronx, to a developer to be selected by the Department of Housing Preservation and Development, is approved (C 070506 HAX).

The above resolution (C 070506 HAX), duly adopted by the City Planning Commission on October 3, 2007 (Calendar No. 9), 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.

AMANDA M. BURDEN, AICP, Chair KENNETH J. KNUCKLES, Esq., Vice Chair ANGELA M. BATTAGLIA, IRWIN G. CANTOR, P.E., ANGELA M. CAVALUZZI, R.A., BETTY Y. CHEN, RICHARD W. EADDY, NATHAN LEVENTHAL, JOHN MEROLO, KAREN A. PHILLIPS, DOLLY ILLIAMS, Commissioners

LISA A. GOMEZ, Commissionner, RECUSED