



IN THE MATTER OF an application submitted by 1050 Pacific Street LLC pursuant to Sections 197-c and 201 of the New York City Charter for an amendment to the Zoning Map, Section No. 16c:

1. changing from an M1-l District to an M1-4/R7A District property bounded by Pacific Street, a line 225 feet southeasterly of Classon Avenue, Dean Street, and Classon Avenue; and
2. establishing a Special Mixed Use District (MX-20) bounded by Pacific Street, a line 225 feet southeasterly of Classon Avenue, Dean Street, and Classon Avenue;

Borough of Brooklyn, Community District 8, as shown on a diagram (for illustrative purposes only) dated October 29, 2018, and subject to the conditions of CEQR Declaration E-510.

This application for a zoning map amendment was filed by 1050 Pacific Street LLC on January 26, 2016. The applicant proposes to change an M1-1 zoning district to an M1-4/R7A zoning district. This application, in conjunction with the related action (N 160176 ZRK), would facilitate an eight-story mixed-use development with 103 dwelling units and 15,790 square feet of commercial space at 1050 Pacific Street in the Crown Heights neighborhood of Brooklyn, Community District 8.

RELATED ACTIONS

In addition to the zoning map amendment (C 160175 ZMK) that is the subject of this report, implementation of the proposed project also requires action by the City Planning Commission on the following application, which is being considered concurrently with this application:

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|---------------------|--|
| N 160176 ZRK | Zoning text amendment to establish a Special Mixed Use District (MX-20) and designate a Mandatory Inclusionary Housing (MIH) area. |
|---------------------|--|

BACKGROUND

The applicant seeks a zoning map amendment to change an M1-1 zoning district to an M1-4/R7A district and a zoning text amendment to establish an MIH area coterminous with the rezoning area. The project site is in the Crown Heights neighborhood of Brooklyn, on the western portion of a block bounded by Pacific Street to the north, Dean Street to the south, Franklin Avenue to the east,

and Classon Avenue to the west.

The rezoning area encompasses 10 full and two partial tax lots (Block 1134, Lots 2, 4, 5, 7, 8, 9, 11, 12, 96, 97, p/o 81, and p/o 17), which are developed with one-story warehouse-style buildings occupied by commercial uses, a three-story mixed-use building with a ground floor eating and drinking establishment and residential units above, and open storage. The development site (1050 Pacific Street) is currently used as truck parking.

The area to be rezoned is currently in an M1-1 district that has existed since 1961, a remnant of the early 1900s when Atlantic Avenue served as a freight rail corridor and where goods were transferred and processed. After freight service was discontinued in the early 1900s, and after passenger rail service was subsequently moved below grade, industrial buildings along Atlantic Avenue and on nearby blocks evolved to become an auto-oriented character as allowed per the 1961 M1-1 zoning regulations.

M1-1 districts have a maximum floor area ratio (FAR) of 1.0 for manufacturing and commercial uses and 2.4 for certain community facility uses, such as medical offices and houses of worship. M1-1 districts generally support low-rise, one- to two-story buildings and allow a range of light industrial uses, such as repair shops, wholesale service and storage facilities. Offices, retail and other commercial uses are also allowed as-of-right. Building heights are regulated by a sky exposure plane beginning at 30 feet above the street line. Off-street parking and loading facilities are required, according to the type and size of the use. No new residential uses are permitted.

Zoning in the surrounding area has been subject to several prior land use approvals, including the Crown Heights West Rezoning (C 130213 ZMK), initiated by the Department of City Planning at the request of Community Board 8 and the local Council Member, and approved by the City Council on September 24, 2013. This application rezoned an approximately 55-block area south of the proposed rezoning area with contextual residential zoning districts to maintain the existing scale and character of the neighborhood, create incentives for affordable housing development via the voluntary Inclusionary Housing program, and match commercial zoning to reflect the existing

retail character. As part of this area-wide zoning, R7A districts, which permit up to 4.6 FAR for residential use, were mapped extensively along Franklin Avenue and specific mid-block locations, while R7D districts, which permit up to 5.6 FAR for residential use, were mapped at three block frontages along the Bedford Avenue corridor. The M1-1 area had been considered to be added within the Crown Heights West Rezoning, but was removed to expedite the implementation of the contextual rezoning.

The surrounding area contains a diverse mix of uses. Classon Avenue, along with nearby Franklin and Washington avenues, serves as a local commercial corridor characterized by many mixed-use buildings with ground floor retail and residences above. The area zoned M1-1 consists of auto repair and supply businesses, open parking and storage, non-conforming residential uses, and low-rise industrial buildings used primarily for warehousing. The area outside of the M1-1 district is predominantly residential and characterized by multi-family apartment buildings generally ranging from three to 12 stories.

The rezoning area is well-served by public transit. The Franklin Avenue subway station provides access to the C subway line and Franklin Avenue Shuttle, located less than a half of a mile to the northeast. Additionally, multiple bus lines nearby provide connections to Downtown Brooklyn. The B65 line runs east/west along Dean Street and Bergen Street and the B25 line runs east/west along Fulton Street. The B48 line at Classon Avenue and the B45 line at Washington Avenue provide north/south bus service. Dean Street and Bergen Street also have protected bicycle lanes, and Atlantic Avenue serves as a major east-west connection for vehicular use.

The Department of City Planning is currently conducting a land use study, in partnership with Community Board 8, of the M1-1 zoning districts within Community Districts 3 and 8, including the rezoning area. This “M-Crown” study’s two core goals are to create opportunities for new housing, including affordable housing, and to foster job-generating uses. The Department has been closely engaged with Community Board 8 in this effort. A land use framework released in 2018 identified sub-areas where a mix of new residential and non-residential uses would be appropriate, as well as sub-areas where only non-residential uses at increased densities would be allowed to

support existing clusters of commercial and industrial uses. Along Classon Avenue and Grand Avenue south of Atlantic Avenue, the framework recommended moderate density, mixed-use growth to reinforce the north-south connections of these corridors, while recommending that the interior portions of blocks also support mixed-use growth with an appropriate bulk envelope consistent with the scale of mid-block side streets. The subject 1050 Pacific Street rezoning area is in the mixed-use sub-area, encompassing part of the Classon Avenue corridor and the mid-block side street along the frontages of both Dean Street and Pacific Street. Classon Avenue and Pacific Street are both 70 feet wide.

The applicant is seeking a zoning map amendment and a zoning text amendment. The zoning map amendment would change the M1-1 district to an M1-4/R7A district on the western side of the block from Pacific Street to Dean Street, a distance of 225 feet parallel to Classon Avenue. The proposed R7A district allows up to 4.6 FAR for residential uses when mapped in an Inclusionary Housing area, a maximum base height of 75 feet, or seven stories, and a maximum building height of 95 feet, or nine stories. Residential buildings and portions of buildings must comply with Quality Housing program regulations. Off-street parking is generally required for 50 percent of the dwelling units and optional for income-restricted units within the Transit Zone. The rezoning area and surrounding blocks are located within the Transit Zone. M1-4 districts permit a maximum FAR of 2.0 for a range of commercial and industrial uses with no off-street parking requirement. When paired, M1-4 and R7A districts form a Special Mixed Use or MX District (MX-20) where most light industrial uses would be permitted as-of-right, while others are subject to restrictions, and heavy industrial (Use Group 18) uses are excluded altogether, except for small breweries.

The development site consists of an interior through lot (Block 1134, Lot 12) comprising approximately 23,180 square feet. The proposed actions would facilitate the development of an eight-story mixed-use building with approximately 105,670 square feet of floor area (4.56 FAR) with a base height of 62 feet, followed by a 15-foot setback above the sixth floor, and then rising to a building height of 95 feet. The building would contain 103 dwelling units, 33 of which would be permanently affordable, and 15,790 square feet of commercial space on the ground floor, which is intended for local retail. Forty-two parking spaces accessory to the residential units are proposed

in the cellar level. The MIH units would not require parking, as this site is within the Transit Zone. The commercial space would not generate a parking requirement based on the proposed non-residential square footage and parking requirements of the proposed M1-4/R7A district.

The applicant also proposes a zoning text amendment to establish a Special Mixed-Use District (MX-20) and designate an MIH area coterminous with the proposed M1-4/R7A district. The proposed text amendment would Map MIH Options 1 and 2. Option 1 requires that at least 25 percent of the residential floor area be provided as housing permanently affordable to households with incomes at an average of 60 percent of the area median income (AMI). Within that 25 percent, at least 10 percent of the square footage must be used for units affordable to residents with household incomes at an average of 40 percent of the AMI, with no unit targeted to households with incomes exceeding 130 percent of the AMI. Option 2 requires that 30 percent of residential floor area be set aside for affordable housing units for residents with incomes averaging 80 percent of the AMI. No more than three income bands can be used to average out to 80 percent, and no income band can exceed 130 percent of the AMI. The applicant intends to pursue MIH Option 2, and to provide 33 units of permanently affordable housing.

ENVIRONMENTAL REVIEW

This application (C 160175 ZMK), in conjunction with the application for the related action (N 160176 ZRK), 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 17DCP205K.

After a study of the potential environmental impact of the proposed action, a Negative Declaration was issued on October 29, 2018. The Negative Declaration included (E) designations to avoid the potential for significant adverse impacts related to hazardous materials, air quality, and noise (E-510). The requirements of the (E) designation are described in the Environmental Assessment Statement and Negative Declaration.

UNIFORM LAND USE REVIEW

This application (C 160175 ZMK) was certified as complete by the Department of City Planning on October 29, 2018, and duly referred to Brooklyn Community Board 8 and the Brooklyn Borough President in accordance with Title 62 of the Rules of the City of New York, Section 2-02(b), along with the related application for a zoning text amendment (N 160176 ZRK), which was referred in accordance with the procedures for non-ULURP actions.

Community Board Public Hearing

Brooklyn Community Board 8 held a public hearing on this application (C 160175 ZMK) on December 6, 2018 and on December 13, 2018, by a vote of 24 in favor, none opposed, and one abstention, adopted a recommendation approving the application, with the following conditions:

- “The western boundary of the area to be rezoned be moved to 1.00 feet east of Classon Avenue and exclude the lots on Classon Avenue as part of the rezoning;
- The applicant make a binding commitment to develop the residential component of the project per R6A MIH, with remaining bulk for non-residential use, with full lot ground floor lot coverage for non-residential use, not including lobby, core and parking entrance;
- Should such a commitment not be received, the rezoning be amended to R6A/M 1-4; and
- The application be amended to select MIH Option 1 at 60% AMI.
- That 0.25 FAR of the ground floor be reserved for light industrial and artisan uses as provided in the M-CROWN communications.”

Borough President Recommendation

This application (C 160175 ZMK) was considered by the Brooklyn Borough President, who on February 7, 2019 issued a recommendation to approve the application with the following conditions:

1. “That the City Council and/or CPC limit the rezoning of the existing M1-1 district within 100 feet of Classon Avenue to M1-4
2. That prior to considering the application, the City Council obtain commitments in writing from the applicant, 1050 Pacific Street LLC, that clarify the extent it would:

- a. Restrict residential floor area ratio (FAR) to R6A MIH
 - b. Provide additional non-residential floor area to maximize M-Crown permitted uses
 - c. Limit non-residential use within 30 feet of both street walls to restricted M-Crown uses
- 3. That the City Council and/or CPC require Mandatory Inclusionary Housing (MIH) Option 1
- 4. That prior to considering the application, the City Council obtain commitments in writing from the applicant, 1050 Pacific Street LLC, that clarify how it would:
 - a. Memorialize a bedroom mix having at least 50 percent two- or three-bedroom affordable housing units, and at least 75 percent one- or more bedroom affordable housing units, but for accounting for studios serving households at 40 percent AMI
 - b. Subject to the inclusion of studio and/or one-bedroom apartments according to MIH Option 1, implement outreach efforts to assist senior households earning up to 40 percent AMI, including those that are formerly homeless, as a means to maximize participation in the affordable housing lottery
 - c. Utilize a combination of locally-based affordable housing development non-profits to serve as the administering agent, and having one or more such entities play a role in promoting affordable housing lottery readiness
 - d. Engage car-sharing companies to lease multiple spaces within the development's garage
 - e. Explore additional resiliency and sustainability measures such as incorporating blue/green/white roof treatment, passive house, rain gardens, street tree pit enhancements, solar panels, and/or wind-turbines
 - f. Implement a rat baiting plan prior to and during demolition, including site excavation and foundation preparation, in consultation with CB 8 and local elected officials
 - g. Retain Brooklyn-based contractors and subcontractors, especially those who are designated local business enterprises (LBEs) consistent with Section 6-108.1 of the City's Administrative code and minority- and women-owned business enterprises (MWBEs) as a means to meet or exceed standards per Local Law 1 (no less than 20 percent participation), as well as coordinate

Be it further resolved:

- 1. That 1050 Pacific Street LLC commit to a building service workforce that is recruited from the local population and paid prevailing wages, with appropriate benefits
- 2. Should the City Council determination result in the project proceeding according to MIH Option 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 shelter

3. That the 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 being 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.”

City Planning Commission Public Hearing

On January 30, 2019 (Calendar No. 7) the City Planning Commission scheduled February 13, 2019 for a public hearing on this application (C 160175 ZMK), in conjunction with the public hearing on the application for the related action (N 160176 ZRK). The hearing was duly held on February 13, 2019 (Calendar No. 40). Three speakers testified in favor of the application, and one testified in opposition.

The applicant’s land use attorney spoke in favor, describing the project site’s location in the M Crown study area, the surrounding context, and the proposed actions. He noted that the blocks to the south were rezoned to R7A with an Inclusionary Housing bonus as part of the previously approved Crown Heights West Rezoning and that, under the proposed MX district, residential as well industrial uses would be allowed within the rezoned area. He also stated that 50 bicycle parking spaces would be provided and that residential accessory parking, beyond what is required by zoning, would be provided. He also stated that the applicant intended to develop the entire residential portion of the building with two-bedroom units.

The attorney also stated that MIH Option 2 was selected for the project in consultation with the Council Member and that, in response to the Community Board’s request, the applicant is seeking to locate light industrial uses within a portion of the ground floor. Regarding the rezoning boundary extending to Classon Avenue, the attorney said there was no land use rationale for scaling back the rezoning area to just the mid-block land owned by the applicant.

A representative from the 32BJ property service workers’ union expressed opposition to the proposed development, requesting that the applicant commit to prevailing wages for building

service workers. The speaker stated that the owner is in productive discussions with the applicant.

A representative from the Community Board spoke in favor of the application. He noted that the Board's recommendation to reduce the rezoning boundary was not based on general land use principles, but rather the anticipation that an area-wide rezoning of the M Crown study area would be undertaken in the future. He explained that numerous public outreach meetings have been conducted with Prospect Heights residents regarding the M -Crown study. He stated that the Board viewed 1050 Pacific Street favorably based on the ratio of residential to non-residential square footage, the applicant's willingness to set aside a portion of the building for specific uses, and a recognition of striking a balance between uses desired by the community and what is economically feasible.

Another representative of the applicant team spoke in favor, clarifying an earlier statement that the applicant was committed to setting aside 25 percent of the commercial space as light industrial, not 0.25 FAR.

There were no other speakers, and the hearing was closed.

CONSIDERATION

The Commission believes that this application for a zoning map amendment (C 160175 ZMK), in conjunction with the related application for zoning text amendment (N 160176 ZRK), is appropriate.

Together these actions would facilitate an eight-story mixed-use development with approximately 105,670 square feet of floor area (4.56 FAR) with a base height of 62 feet, followed by a 15-foot setback above the sixth floor, and then rising to a building height of 95 feet. The proposed development would contain 103 dwelling units, 33 of which would be permanently affordable pursuant to MIH, and 15,790 square feet of commercial space on the ground floor.

The subject block and the neighboring blocks in the existing M1-1 zoning district are substantially

underdeveloped. Unchanged since 1961, the M1-1 zoning is a remnant of a past era and does not reflect current neighborhood conditions and needs, particularly the burgeoning residential demand and need for affordable housing. While Crown Heights and nearby areas have experienced a resurgence of activity and growth, the M1-1 zoning has directly constrained new development by limiting density to 1.0 for commercial and industrial uses, and imposing a high parking requirement that is incongruous with a transit-accessible area. Moreover, numerous lots in, and adjacent to, the rezoning area are either vacant or used for open parking and storage, contributing to an unattractive, barren streetscape.

The Commission commends Community Board 8's leadership on the M Crown study, as well as the Department's ongoing engagement with the Community Board, to develop a shared vision and framework to guide future growth within the area. The land use framework developed by the Department in response to the Community Board's goals and vision would encourage mixed use, residential, commercial, and community facility uses within the project area and the proposed rezoning would be in conformance with the framework. The proposed development's density, scale, and mix of uses are in alignment with the Department's framework for the M Crown study area.

The proposed zoning map amendment (C 160175 ZMK) is appropriate. The action will map an M1-4/R7A district along the western frontage of Classon Avenue from Dean Street to Pacific Street to a depth of 225 feet. R7A districts allow up to 4.6 FAR for residential uses when mapped in an Inclusionary Housing area, a maximum base height of 75 feet, or seven stories, and a maximum building height of 95 feet, or nine stories. Residential buildings and portions of buildings must comply with Quality Housing program regulations. Off-street parking is generally required for fifty percent of the dwelling units and optional for income-restricted units within the Transit Zone. M1-4 is a manufacturing district that permits a maximum FAR of 2.0 for a range of commercial and industrial uses, with no off-street parking requirement. When paired, M1-4/R7A districts signify a Special Mixed Use or MX District where most light industrial uses are permitted as-of-right. The MX district is appropriate given the surrounding context and would ensure that industrial uses remain in conformance with zoning. The Commission believes that this proposal is

not only better aligned with the Department’s framework, but also consistent with the 2013 Crown Heights West Rezoning, which mapped R7A districts on particular mid-blocks one block to the south.

The Commission is pleased that the applicant would set aside non-residential space to activate the ground floor, support job growth with new commercial space, and provide an open area located between the two buildings for tenants and visitors. Regarding the recommendations from Community Board 8 and the Borough President to mandate non-residential uses on the ground floor of the new building, the Commission notes that non-residential ground floor requirements are typically mapped along established retail corridors to promote and maintain a lively and engaging pedestrian experience along commercial avenues. Requiring active ground floor uses on a side street with no existing retail or active ground-floor presence could create isolated non-residential space that might remain unoccupied due to a lack of a market for such space. Such a requirement could also impede the economics for the construction of new buildings, leaving the rezoning area in its undeveloped state. For these reasons, the Commission does not believe that mandating non-residential uses on the ground floor would be appropriate at this side street location, but would be appropriate along Classon Avenue, an established corridor with existing commercial and community facility uses. Finally, mixing residential and industrial uses in the same building in this area was shown to be financially infeasible in the Department’s “Can Industrial Mixed-Use Buildings Work in NYC?” report, which analyzed a typical site in the area. Such buildings also have the potential to create a streetscape with loading docks and windowless walls that would be uninviting and pose conflicts with the new residential uses. Additionally, a mechanism to restrict certain uses on the ground floor, as requested by the community board, would be beyond the scope of the proposed actions.

The Commission believes that the proposed rezoning boundary, which extends from the applicant’s property to Classon Avenue, is critical to maintaining a rational district boundary, consistent with sound and well-established land use policy. Modifying the boundary would have the potential to result in an irregular mid-block parcel detached from Classon Avenue, a significant north-south corridor that connects the neighborhoods of Crown Heights and Bedford Stuyvesant.

The proposed zoning text amendment (N 160176 ZRK) is appropriate. The action would establish a Special Mixed Use District (MX-20), in connection with the M1-4/R7A zoning map amendment, and designate a new MIH area coterminous with the rezoning area, supporting the creation of sorely needed affordable housing for Crown Heights. The text amendment will map MIH Options 1 and 2, and the applicant intends to use Option 2 for the proposed development.

While not a condition of this approval, the Commission notes that the applicant, in response to the Borough President's recommendation to adjust the bedroom unit mix and conduct outreach to local nonprofit groups to serve as an administering agent for the affordable housing, in a letter addressed to the Borough President dated February 1, 2019, stated that the residential portion would consist entirely of two-bedroom units and that it intends to use HPD-approved groups to market the affordable units. In that letter, the applicant noted that it intends to use local Minority and Women-owned Business Enterprises for a portion of the building construction and that the proposed ground floor commercial would generate local jobs. The letter also stated that several environmentally sustainable elements would be incorporated into the development, such as water conserving plumbing fixtures, energy efficient heating and cooling systems, and rain gardens for the 11 projected tree pits to reduce stormwater runoff.

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 Sections 197-c and 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 by changing the Zoning Map, Section 16c:

1. changing from an M1-l District to an M1-4/R7A District property bounded by Pacific Street, a line 225 feet southeasterly of Classon Avenue, Dean Street, and Classon Avenue; and

2. establishing a Special Mixed Use District (MX-20) bounded by Pacific Street, a line 225 feet southeasterly of Classon Avenue, Dean Street, and Classon Avenue;

Borough of Brooklyn, Community District 8, as shown on a diagram (for illustrative purposes only) dated October 29, 2018, and subject to the conditions of CEQR Declaration E-510.

The above resolution (C 160175 ZMK), duly adopted by the City Planning Commission on April 8, 2019 (Calendar No. 3), is filed with the Office of the Speaker, City Council, and the Borough President together with a copy of the plans of the development, in accordance with the requirements of Section 197-d of the New York City Charter.

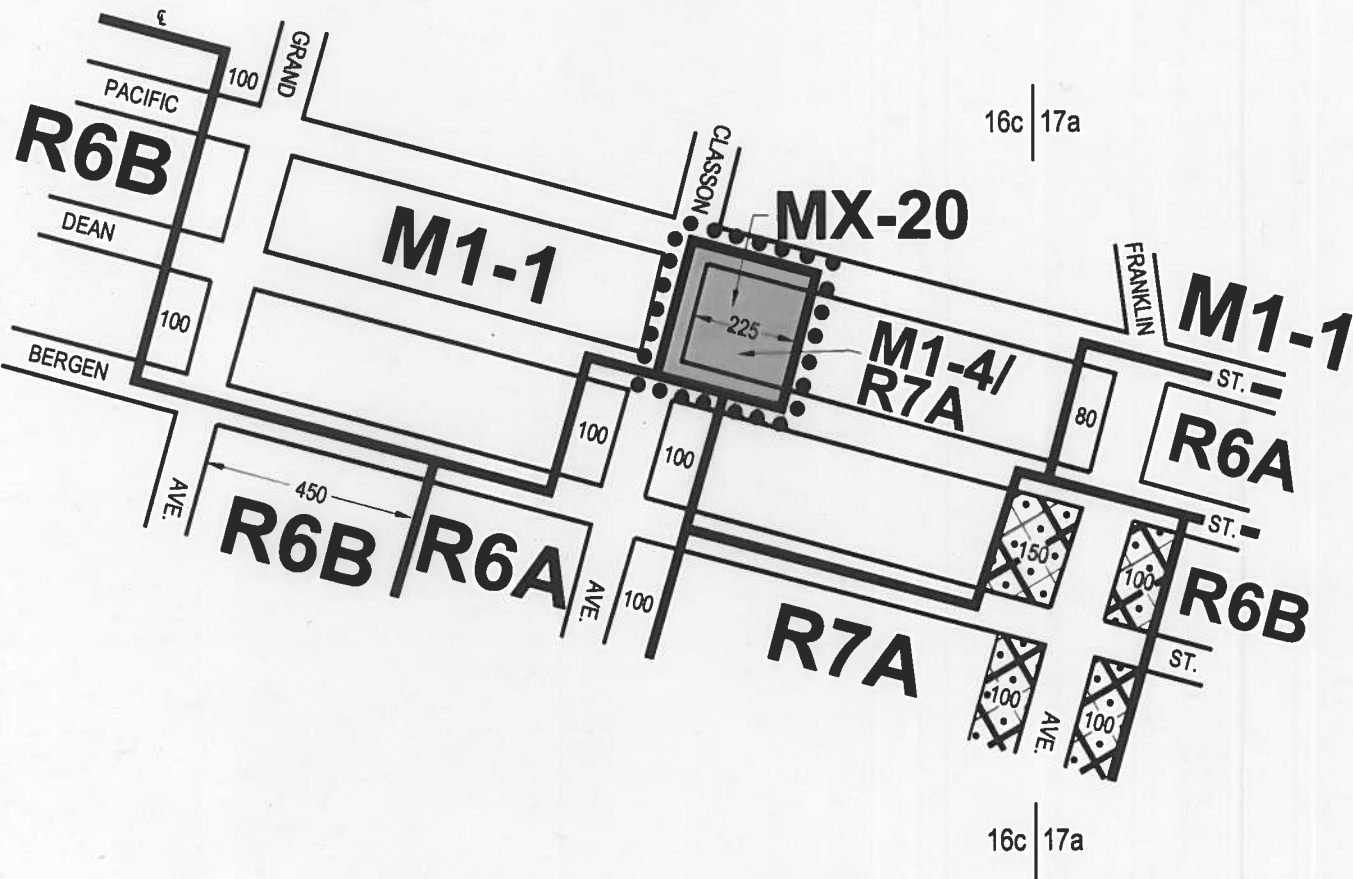
MARISA LAGO, *Chair*

KENNETH J. KNUCKES, Esq., *Vice Chairman*

**ALFRED CERULLO, MICHELLE R. de la UZ, JOSEPH I. DOUEK,
RICHARD W. EADDY, ANNA HAYES LEVIN, ORLANDO MARÍN, LARISA ORTIZ,
RAJ RAMPERSHAD,**

DAVID BURNEY, *Commissioner*, ABSTAINING

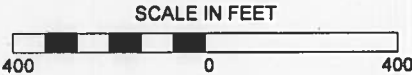
ALLEN P. CAPPELLI, Esq., *Commissioner*, VOTING NO



CITY PLANNING COMMISSION
CITY OF NEW YORK
DIAGRAM SHOWING PROPOSED
ZONING CHANGE
ON SECTIONAL MAP
16c
BOROUGH OF
BROOKLYN

[Signature]
S. Lenard, Director
Technical Review Division

New York, Certification Date
OCTOBER 29, 2018



NOTE:

- Indicates Zoning District Boundary.
- The area enclosed by the dotted line is proposed to be rezoned by changing from M1-1 to an M1-4/R7A District, and by establishing a Special Mixed Use District (**MX-20**)
- Indicates a C2-4 District.
- Indicates a Special Mixed Use District (**MX-20**).

Application #: **C 160175 ZMK**

CEQR Number: 17DCP205K

Project Name: **1050 Pacific Street Rezoning**

Borough(s): Brooklyn

Community District Number(s): 8

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

SUBMISSION INSTRUCTIONS

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

Docket Description:

IN THE MATTER OF an application submitted by 1050 Pacific LLC pursuant to Sections 197-c and 201 of the New York City Charter for an amendment of the Zoning Map, Section No. 16c by:

- changing from an M1-1 District to an M1-4/R7A District property bounded by Pacific Street, a line 225 feet southeasterly of Classon Avenue, Dean Street, and Classon Avenue; and,
- establishing a Special Mixed Use District (MX-20) bounded by Pacific Street, a line 225 feet southeasterly of Classon Avenue, Dean Street, and Classon Avenue;

Borough of Brooklyn, Community District 8, as shown on a diagram (for illustrative purposes only) dated October 29, 2018 and subject to the conditions of CEQR Declaration E-510.

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|---|---|
| Applicant(s): 1050 Pacific LLC P.O. Box 21041 Brooklyn, NY 11202 | Applicant's Representative: Richard Lobel Sheldon Lobel, P.C. 18 East 41st Street, 5th Floor New York, NY 10017 |
| Recommendation submitted by: Brooklyn Community Board 8 | |
| Date of public hearing: 12/6/18 | Location: BNIA, 465 Sterling Pl, Bklyn, LI 1238 |
| Was a quorum present? YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> | |
| <small>A public hearing requires a quorum of 20% of the appointed members of the board, but in no event fewer than seven such members.</small> | |
| Date of Vote: 12/13/18 | Location: 1000 Dean St, Bklyn, NY 11238 |
| RECOMMENDATION <div style="display: flex; justify-content: space-between;"> <div> <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove </div> <div> <input checked="" type="checkbox"/> Approve With Modifications/Conditions <input type="checkbox"/> Disapprove With Modifications/Conditions </div> </div> | |
| <u>Please attach any further explanation of the recommendation on additional sheets, as necessary.</u> | |
| Voting # In Favor: 24 # Against: 0 # Abstaining: 1 Total members appointed to the board: 47 | |
| Name of CB/BB officer completing this form Julia Neale | Title Comm. Coord. |
| Date 1/8/19 | |



COMMUNITY BOARD NO. 8

1291 ST. MARKS AVENUE • BROOKLYN, NEW YORK 11213

TEL.: (718) 467-5620 • FAX: (718) 778-2979

Eric Adams
Borough President

January 8, 2019

Nizjoni Granville
Chairperson

Robert Matthews
Chairperson Emeritus

Michelle T. George
District Manager

Ms. Marisa Lago, Director
Dept. of City Planning
120 Broadway, 31st Floor
New York, NY 10271

**Re: ULURP Application 160175ZMK, N160176ZRK for 1050 Pacific Street Rezoning
Project ID: P2013K0549 (CEQR 17DCP205K)**

Dear Director Lago,

At the December 13, 2018 Community Board 8 general meeting, members voted 24 in favor, 0 opposed, with 1 abstention to support the ULURP application for the aforementioned site application contingent upon the following:

- The western boundary of the area to be rezoned be moved to 100 feet east of Classon Avenue and exclude the lots on Classon Avenue as part of the rezoning;
- The applicant make a binding commitment to develop the residential component of the project per R6A MIH, with remaining bulk for non-residential use, with full lot ground floor lot coverage for non-residential use, not including lobby, core and parking entrance;
- Should such a commitment not be received, the rezoning be amended to R6A/M1-4; and
- The application be amended to select MIH Option 1 at 60% AMI.
- That 0.25 FAR of the ground floor be reserved for light industrial and artisan uses as provided in the M-CROWN communications.

The applicant has expressed a willingness to agree to the conditions of the Board's support. We thank you for the opportunity to participate in such an important decision facing our community. If you have any questions, comments, or concerns, please do not hesitate to contact us.

Sincerely,

Nizjoni Granville
Chairperson

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Brooklyn Borough President Recommendation

CITY PLANNING COMMISSION

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

calendaroffice@planning.nyc.gov



INSTRUCTIONS

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

APPLICATION #: 1050 PACIFIC STREET – 160175 ZMK, 160176 ZRK

Applications submitted by 1050 Pacific LLC pursuant to Sections 197-c and 201 of the New York City Charter for zoning map amendments to rezone the western section of a block extending from Classon Avenue for 225 feet, between Dean and Pacific streets. The zoning map amendment would change the properties from M1-1 to M1-4/R7A, and establish a Special Mixed Use District (MX-20) within the rezoning area. The zoning text amendment would designate the site as a Mandatory Inclusionary Housing (MIH) area. Such actions would facilitate the development of an eight-story mixed-use building containing 103 dwelling units in CD 8. Approximately 33 apartments would be affordable to households at an average of 80 percent Area Median Income (AMI), according to MIH Option 2. The development would provide approximately 15,800 square feet (sq. ft.) for commercial use on the ground floor, and accessory parking for 42 vehicles and 54 bicycles in the cellar, for both commercial and residential uses.

COMMUNITY DISTRICT NO. 8

BOROUGH OF BROOKLYN

RECOMMENDATION

☐ APPROVE

☒ APPROVE WITH
MODIFICATIONS/CONDITIONS

☐ DISAPPROVE

☐ DISAPPROVE WITH
MODIFICATIONS/CONDITIONS

SEE ATTACHED

BROOKLYN BOROUGH PRESIDENT

February 7, 2019

DATE

RECOMMENDATION FOR: 1050 PACIFIC STREET – 160175 ZMK, 160176 ZRK

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On December 17, 2018, Brooklyn Borough President Eric L. Adams held a public hearing on the acquisition request. There were two speakers on the item, including a member of the Brooklyn Community Board 8 (CB 8) Land Use Committee who clarified the board's support for the application, and a representative of 32BJ Service Employees International Union (32BJ SEIU), who noted the need for a commitment to well-paying building service jobs on this project.

Borough President Adams noted that CB 8 has updated its M-Crown zoning recommendations for the M1-1 district, based on the New York City Department of City Planning (DCP) M-Crown framework, which contains the proposed rezoning.

In response to Borough President Adams' inquiry regarding CB 8's recommendations for the M-Crown area, and how the requested zoning district and extent of the envisioned use are consistent with the board's vision, the representative stated that this application pairs an M1-4 zoning district with an R7A district, which allows the proposed space to be used for M-Crown uses. The representative noted the community board's preference that the proposed development devote .25 floor area ratio (FAR) of commercial space to such uses, and that the applicant had previously discussed facilitating local maker space on the ground floor.

In response to Borough President Adams' inquiry regarding the qualifying income range for prospective households based on household size, the anticipated rents based on the number of bedrooms, and the distribution of units by bedroom size, the applicant's representative stated that the project would consist entirely of two-bedroom apartments. For this reason, the applicant strongly prefers to maintain MIH Option 2, with 30 percent of the floor area affordable to households at an average 80 percent AMI. The representative expressed that at 80 percent AMI, the qualifying average income for a family of three would be \$75,000, and the rent for a two-bedroom unit would be \$1,820.

In response to Borough President Adams' inquiry as to whether one of the community's affordable housing administering agents would be used in the tenant selection process in order to ensure the highest level of participation from CD 8, and whether the applicant's marketing strategy would include a financial literacy campaign to assist local residents in becoming lottery-eligible, the representative stated that Council Majority Leader Laurie A. Cumbo has expressed preference for a local non-profit as the administering agent for this project. The representative acknowledged that the applicant has no prior experience working with such organizations in Crown Heights, but would seek to partner with an established administering agent in the community.

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, solar panels, and/or wind turbines, the representative expressed willingness to explore blue/green roofs and solar panels in the proposed development.

In response to Borough President Adams' inquiry regarding the inclusion and participation of locally-owned business enterprises (LBEs) and women-owned business enterprises (MWBEs) in the construction process, the representative noted that the applicant uses MWBE contractors on all of its projects, and has reached out to local businesses to fill building maintenance jobs. The applicant intends to continue these policies at 1050 Pacific Street.

Subsequent to the hearing, Borough President Adams received a letter from the applicant's representative, dated February 1, 2019, reiterating the developer's intent to pursue MIH Option 2 and market the units through an affordable housing administering agent. The letter also elaborated on the applicant's commitment to MWBE hiring and environmental sustainability at 1050 Pacific Street.

Consideration

On December 13, 2018, CB 8 approved this application with the following conditions: That the western boundary of the rezoning area be restricted to 100 feet east of Classon Avenue and exclude the Classon Avenue-facing lots; that the applicant make a binding commitment to develop the residential bulk pursuant to R6A MIH, with full ground-floor lot coverage for non-residential uses, excluding the lobby, elevator core, and parking entrance, and that, in the absence of such commitment, the rezoning be amended to R6A/M1-4. The board also requested that 0.25 FAR of the ground floor be reserved for artisan and light industrial uses, consistent with the board's vision for M-Crown, and that the application be amended to MIH Option 1 instead of MIH Option 2.

The applicant's property consists of an unimproved 23,183 sq. ft. through lot, with approximately 116 feet of frontage on Dean Street and 95 feet of frontage on Pacific Street. The property is currently utilized by a rental truck business. The applicant seeks to rezone this lot and nine adjacent lots to the west, most fronting Classon Avenue, from M1-1 to an M1-4/R7A (MX) district, and establish an MIH area coterminous with the rezoning boundary. The non-applicant lots range from 2,112 to 4,283 sq. ft. in size and house a variety of uses, from co-working spaces to eating and drinking establishments and warehouses, in one- to three-story buildings. Three of the affected lots are currently vacant.

The surrounding context includes a vibrant mix of commercial, industrial, and residential uses, located within an M1-1 zone bordered by Atlantic Avenue to the north and Bergen Street to the south. 1000 Dean Street, a 150,000 sq. ft. historic building that was renovated in 2014 to house a mix of commercial uses and a ground-floor food hall, is located across the street from the project site. Most buildings in the M1-1 zone range from one to four stories and typical uses include offices and warehouses. There are numerous unimproved lots, utilized primarily for open storage.

This M1-1 district contains CB 8's M-Crown study area, which emerged from the 2013 Crown Heights West rezoning and a 2015 CB 8 resolution calling on the New York City Department of City Planning (DCP) to establish a zoning framework for the area. The board found an urgent need for affordable housing and jobs within CD 8, coupled with a high rate of underutilized and vacant properties in the M1-1 zone. The M-Crown plan treats the M1-1 district as an opportunity zone and seeks to increase available density for commercial/manufacturing uses mixed with residential floor area on certain blocks. Its strategies include using market rate office, residential, and retail

development to cross-subsidize affordable housing and creative artisanal and maker economy work spaces. It also seeks affordability levels based on the median income for CD 8 and maximizing potential for living wage jobs. With regard to job creation, the M-Crown planning framework seeks to grow and retain creative artisanal and maker economy jobs, while fostering a wide range of employment categories, including eating and drinking establishments, entertainment, hotels, retail, medical, and office uses.

The proposed development at 1050 Pacific Street would be built to 4.56 FAR with a total floor area of approximately 105,670 zoning sq. ft. split between two eight-story buildings fronting Dean and Pacific streets. The two sections would be connected by a shared 15,790 sq. ft. commercial ground floor and a courtyard. The developer intends to provide 42 automobile and 54 bicycle parking spaces in the cellar for the envisioned commercial and residential uses. However, no parking is required for the affordable housing units due to the development's location in a transit zone. The amount of commercial floor area proposed permits the applicant to waive accessory parking for the intended commercial use.

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.

According to MIH Option 2, the development rights generated from the R7A section of the site would result in, at minimum, 30 percent of the residential zoning floor area made permanently affordable according to MIH, resulting in approximately 33 permanently affordable housing units. Development adhering to the MIH program is consistent with Borough President Adams' policy for affordable housing developments to remain permanently affordable.

Borough President Adams supports developments that provide housing opportunities to a diverse range of household incomes, allowing a wide range of households to qualify for affordable housing through the City's affordable housing lottery. The affordability options of the MIH program provide a range of opportunities to address the need for housing that serves a broad range of diverse incomes, consistent with Borough President Adams' objectives to provide affordable housing to households through various income band targets. As a result, the redevelopment of 1050 Pacific Street would target units to households at multiple income tiers through the affordable housing lottery.

Borough President Adams believes that zoning to increase density is appropriate in proximity to public transportation. Nearby transportation includes the Long Island Rail Road (LIRR), New York City Transit (NYCT) subways, and several bus lines. The closest subway station, Franklin Avenue, is served by the Eighth Avenue Express A and Local C trains, as well as the Franklin Avenue Shuttle. The LIRR stops at Nostrand Avenue, approximately four blocks east of the site. Nearby buses include the B48, which travels along Classon Avenue, and the B65, which runs along Bergen and Dean streets.

Borough President Adams is generally supportive of the proposed development at 1050 Pacific Street. However, he believes that the proposal could be improved by ensuring non-residential use along Classon Avenue, providing more non-residential floor area consistent with the M-Crown plan; designating an MIH option that targets very low-income households; memorializing a percentage of apartment types suited to families; maximizing community participation to obtain the affordable

units, including senior households; promoting access to car-share vehicles; incorporating resilient and sustainable energy and stormwater practices, and achieving a high level of local hiring for the project's construction. With regard to the affordable housing lottery, Borough President Adams believes that the New York City Department of Housing Preservation and Development (HPD) should modify its community preference standards to include the local homeless student population, and calls on the City Planning Commission (CPC) and City Council to modify MIH regulations so as to qualify rent-burdened households for affordable housing developed pursuant to MIH. Finally, he encourages the applicant to provide high-quality building service jobs at 1050 Pacific Street.

Reducing the Requested Rezoning to Limit Residential Use Without Ground Floor Non-Residential Use Requirements

Borough President Adams recognizes the community board's concerns regarding the extent of the proposed rezoning on Classon Avenue, which includes nine non-applicant lots. While the current M1-1 zoning does not permit residential use, the requested R7A MIH district would unlock 4.6 FAR of residential development rights and create an inducement to redevelop the Classon Avenue-facing lots as primarily residential buildings.

The applicant's Environmental Assessment Statement (EAS) projects that five of the non-applicant lots would be merged and redeveloped with a mixed-use project containing 55 residential units, and a commercial ground floor. The four other non-applicant lots would become a 44-unit development with ground-floor commercial use. In both cases, the EAS estimates that the buildings would contain approximately 0.8 FAR of commercial use. However, the proposed M1-4/R7A district lacks any zoning requirement to guarantee the inclusion of ground-floor uses. This means that the Classon Avenue properties could be redeveloped as entirely residential buildings. Such exclusively residential development, ranging from eight to nine stories, would substantially alter the character of the M-Crown area, while reducing the floor area potential of the existing manufacturing zoned land for job-producing uses. It would also displace the existing jobs and firms on most of these lots.

Available solutions to advance the M-Crown framework include mapping an R7D district with a commercial overlay on Classon Avenue at an appropriate height and density and/or establishing a Special Enhanced Commercial District (SECD), though CB 8 would prefer a manufacturing district equivalent to the SECD. As such approaches are beyond the scope of the application, they are not available to the CPC and or City Council during this Uniform Land Use and Review Procedure (ULURP) process. Therefore, given the potential for displacement of existing commercial/industrial uses, and the risk of residential development inconsistent with the M-Crown framework, Borough President Adams believes that for the properties in the rezoning area within 100 feet of Classon Avenue, the City Council and/or CPC should limit the proposed M1-4/R7A rezoning to M1-4.

Restricting Residential Floor Area and Maximizing Ground-Floor Commercial Floor Area to Promote Uses Consistent with the M-Crown Plan

The M-Crown framework encourages and or/permits certain uses through floor area increases, mandatory floor area requirements, and preferential zoning floor area. One M-Crown sub-area,

immediately adjacent to 1050 Pacific Street, is proposed as a medium-density contextual manufacturing zone, to maintain and support the current concentration of commercial and industrial uses. According to the framework, most of the sub-areas would allow residential use pursuant to MIH. For the sections of Atlantic Avenue and block ends where residential use would be permitted, the framework seeks ground floor non-residential use. For mixed-use area mid-blocks, such as the 1050 Pacific Street block, the framework mandates the provision of M-Crown required uses in a manner consistent with SECDs, though with more restrictions on permitted

uses. The resulting ground-floor uses would include arts and culture spaces; community facilities, including medical offices; light industrial applications, and studios for uses in the creative arts.

For the mid-block MX zone in which 1050 Pacific Street is located, the framework seeks to promote moderate-density, mixed-use development. This would be achieved through M-Crown guidelines that stipulate a residential FAR of 3.6, approximately 0.25 FAR of M-Crown required uses, and preferential floor area of approximately 1.15 FAR for a wider range of permitted commercial uses. While the applicant has made some effort to achieve consistency with M-Crown goals, such expressed intent has not been memorialized and would still fall short of CB 8's specific goals for mixed-use development in the study area. As represented, 1050 Pacific Street contains 3.88 FAR of residential use, 0.68 FAR of commercial use, and does not commit to any M-Crown required uses. Moreover, the commercial ground floor envisions occupancy by retail uses to an extent that appears to contradict what would be permitted for mid-block properties.

Increasing the amount of commercial floor area in the development would create additional opportunities for the incorporation of required M-Crown uses. One means to encourage more floor area for M-Crown uses is to limit residential floor area, while maximizing ground-floor commercial space. Reducing the proposed development's residential bulk from 3.88 to 3.6 FAR would yield an additional .28 FAR for non-residential occupancy, which could be used to achieve the maximum permitted floor area according to the proposed R7A MIH. Such non-residential floor area could be realized above the ground floor, though this would require a second means of vertical circulation separate from what would be provided for residential occupancy. Another way to increase the amount of non-residential floor area would be to mandate 100 percent ground-floor lot coverage with primary occupancy by commercial/industrial uses, except as required for the lobby, elevator core, and parking entrance associated with the residential component.

As proposed, the 1050 Pacific Street ground floor provides 15,790 sq. ft. of commercial area, with an additional 5,175 sq. ft. of courtyard. If the courtyard were converted to an enclosed non-residential space, it would be able to accommodate additional non-residential uses. However, even with such additional floor area, the ground floor would be heavily utilized by eating and drinking establishments as well as retail uses in lieu of the stipulated mid-block M-Crown uses. Though the applicant has made representation to provide 0.25 FAR consistent with the M-Crown framework uses, such representation has not been memorialized and does not restrict uses along the Dean Street and Pacific Street frontages to those consistent with the M-Crown framework.

While it may be premature to mandate such use restrictions throughout the larger M-Crown framework area, Borough President Adams believes that prior to considering the application, the City Council should obtain commitments, in writing, from the applicant, 1050 Pacific Street LLC, that clarify the extent that it would limit residential FAR to R6A MIH, provide additional non-residential floor area to maximize M-Crown permitted uses, and limit non-residential use within 30 feet of both street walls to restricted M-Crown uses and beyond 30 feet from the street wall to the permitted M-Crown uses.

Designating an MIH Option That Provides for Very Low-Income Households

The New York City Zoning Resolution (ZR) specifies four options for new construction subject to MIH regulations. The option initially proposed for 1050 Pacific Street is one of two that does not require making any units available to very low-income households. However, such households are more likely to be in need of affordable housing as they tend to have a higher segment of rent-burdened tenants. Furthermore, targeting apartments to very low-income households allows seniors, especially one-person households, to qualify for affordable housing lotteries. Borough

President Adams believes that providing affordable housing opportunities for some very low-income households serves a reasonable public purpose for those constituents.

MIH Option 1 requires that 40 percent of the MIH residential floor area be marketed at rents affordable to households at 40 percent AMI. Since MIH Option 1 applies to 25 percent of the residential floor area, approximately 10 percent of the units at 1050 Pacific Street would be affordable to such households. As compared to MIH Option 2, MIH Option 1 reduces the amount of legally permanent affordable housing floor area. However, Borough President Adams believes that designating MIH Option 1 at 1050 Pacific Street would provide project enhancements for very low-income constituents in need of affordable housing. Furthermore, CB 8 has called for MIH Option 1 to be mapped at this site, as part of its conditional approval of the project.

Therefore, prior to considering the application, the CPC and/or the City Council should obtain commitments, in writing, from the developer, 1050 Pacific LLC, to provide permanently affordable housing according to MIH Option 1.

Bedroom Mix

A recent report has identified that rent-burdened households, which typically represent those applying to the City's affordable housing lotteries, are more likely to require family-sized units. Therefore, Borough President Adams seeks for new developments to achieve an affordable unit mix that would adequately reflect the needs of low- to middle-income rent-burdened families.

Borough President Adams believes that right-sizing the bedroom distribution of affordable housing units should be a higher priority than merely the number of affordable housing units itself. Borough President Adams believes that discretionary land use actions are appropriate opportunities to advance policies that constrain what would otherwise be permitted as-of-right.

The developer intends to provide 103 dwelling units at 1050 Pacific Street. The applicant has represented that all of the units would be two-bedroom apartments. If the project were approved with MIH Option 1, it would provide approximately 26 affordable housing units. This family-oriented affordable housing bedroom mix is consistent with Borough President Adams' policy of advocating for at least 50 percent two- or three-bedroom affordable housing units and at least 75 percent one- or more bedroom affordable housing units, consistent with the zoning text for MIH floor area, pursuant to ZR Section 23-96(c)(1)(ii).

However, as such representation is not legally binding, Borough President Adams believes that prior to considering the application, the City Council should obtain commitments, in writing, from the developer, 1050 Pacific LLC, that clarify how it would memorialize a bedroom mix consisting of family-sized affordable housing units.

Achieving Deeper Affordability for for Senior Households

In addition to addressing the need for family-sized units, there is a pressing need for affordable apartments for the aging population, many of whom have limited financial means. Older New Yorkers are a rapidly growing segment of the city's population, with more than 300,000 seniors

residing in Brooklyn alone. As noted in DCP's "Zoning for Quality and Affordability" (ZQA) study, New York's senior population is expected to grow 40 percent by 2040. According to the study, there were 60 applicants for every apartment in lotteries conducted by HPD for senior housing developments. A recent study by LiveOn NY found that there are 200,000 New Yorkers aged 62 and older on the City's affordable housing waiting lists, with an average wait of seven years.

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

Should the CPC and/or City Council impose MIH Option 1, and should the applicant deviate from the proposed 100 percent family-oriented bedroom mix, there might be opportunities to target studio and/or one-bedroom apartments to households earning up to 40 percent AMI. Furthermore, apartment rents set at 40 percent AMI would be more realistically affordable to senior households. Borough President Adams believes that, should the developer ultimately choose to include studio and one-bedroom units according to MIH Option 1, targeted outreach efforts would enhance the possibility of awarding these apartments to senior households. Borough President Adams believes that such outreach is an appropriate means to assist senior citizen households in becoming eligible for the affordable housing lottery.

Therefore, prior to considering the application, the City Council should obtain commitments in writing from 1050 Pacific LLC clarifying the extent that it would conduct outreach as a means to maximize participation in the affordable housing lottery and provide opportunities for senior households, including those that are formerly homeless, subject to the inclusion of studio and/or one-bedroom apartments according to MIH Option 1.

Maximizing Community Participation of the Affordable Housing

The ZR requires inclusionary housing units to be overseen by a non-profit administering agent, unaffiliated with the for-profit developing entity, except when otherwise approved by HPD. Such administering non-profit becomes responsible for ensuring that the affordable housing remains in accordance with its regulatory agreement, which governs the development's affordable housing plan. These tasks include verifying a prospective tenant household's qualifying income, and approving the rents of such affordable housing units. The administering non-profit is responsible for submitting an affidavit to HPD attesting that the initial lease-up of the affordable housing units is consistent with the income requirements, as well as following up with annual affidavits to ensure compliance.

It is Borough President Adams' policy to advocate for affordable housing non-profits to play a contributing role in maximizing community participation in neighborhood affordable housing opportunities, including serving as non-profit administering agents for new developments involving affordable housing. Borough President Adams recognizes that CD 8 is served by several non-profit housing advocates such as the Fifth Avenue Committee (FAC), IMPACCT Brooklyn, and the Mutual Housing Association of New York (MHANY) with proven track records of marketing affordable housing units and promoting affordable housing lottery readiness through educational initiatives.

In the letter to Borough President Adams dated February 1, 2019, the applicant's representative stated that the developer would work with the local community to market the MIH units within CD 8 and retain one or more HPD-approved marketing firms to advertise the affordable units.

Borough President Adams believes that prior to considering the application, the City Council should obtain commitments in writing from the applicant, 1050 Pacific Street LLC, clarifying how it would memorialize utilizing one or more locally-based affordable housing development non-profits to

serve as the administering agent, and/or have such entities play a role in promoting affordable housing lottery readiness.

Staging Car-Share Operations Within the Parking Garage

Borough President Adams supports the establishment of Transit Zones in the ZR for the purpose of enabling construction of affordable housing developments without a requirement to provide car-parking accommodations. However, he acknowledges that access to automobiles would enhance mobility for the lives of the area residents. The costs associated with individual car ownership can be very challenging for households of limited financial means, particularly in instances in which such vehicles are not used on a daily basis for commuting to places of employment. However, there can be moments throughout the year when affordable access to automobiles would be considered a quality-of-life enhancement based on the type of mobility that an automobile can provide. While the proposed development site is located in a Transit Zone, access to motor vehicles could be a valuable benefit for current and future residents.

To some extent, a rental car can enhance mobility for certain trips, though it is not as flexible as having direct access to a car for a set amount of time and can be expensive for longer trips. Car rental requires, at minimum, a full day reservation as well as time and effort to access such facilities. In addition, research suggests that car-share availability reduces automobile use for individuals who already own cars, creating environmental benefits and reducing congestion. Given that a percentage of households that would be residing at 1050 Pacific Street are less likely to own cars, and that parking is already a challenge for residents of Crown Heights, Borough President Adams believes that a subset of the parking spaces in the 1050 Pacific Street parking garage could be set aside for a limited number of car-sharing vehicles. The staging of these vehicles within the garage should be pursued through dialogue with car-sharing companies.

According to ZR Section 36-46(a)(1), car-sharing entity parking is permitted to occupy up to five parking spaces though not more than 20 percent of all parking spaces, in group parking facilities. The proposed off-street parking facility at 1050 Pacific Street provides an opportunity for car-share operators (based on reasonable rental pricing) to facilitate utilization of its parking spaces.

Borough President Adams believes that prior to consideration by the City Council, the developer, 1050 Pacific Street LLC, should engage car-sharing companies to lease multiple spaces within the proposed development's garage.

Advancing Resilient and Sustainable Energy and Stormwater Management Policies

It is Borough President Adams' sustainable energy policy to promote opportunities that utilize blue/green/white roofs, solar panels, and/or wind turbines, as well as passive house construction. He encourages developers to coordinate with the New York City Mayor's Office of Sustainability, the New York State Energy Research and Development Authority (NYSERDA), and/or the New York Power Authority (NYPA) at each project site. Such modifications tend to increase energy efficiency and reduce a development's carbon footprint. The proposed development offers opportunities to explore resiliency and sustainability measures such as incorporating blue/green/white roof finishes, passive house construction principles, solar panels, and wind turbines in the development.

Borough President Adams believes 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 incorporate DEP rain gardens along the site's Pacific Street frontage as well as street tree pit enhancements along the site's Dean Street frontage. 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 and/or street tree pit enhancements 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 Red Hook Wastewater Treatment Plant during wet weather. Such rain gardens have the added benefit of serving as a streetscape improvement.

Borough President Adams believes that 1050 Pacific Street 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 a rain garden with integration of street trees, and street tree pit enhancements as part of a Builders Pavement Plan. Where the agencies have interest in implementing an enhancement, consultation should be initiated with CB 8 and local elected officials prior to agreeing to take action.

In the letter to Borough President Adams dated February 1, 2019, the applicant's representative stated intent to incorporate energy-efficient cooling and heating systems, as well as water conservation features at 1050 Pacific Street. The applicant will also study the feasibility of installing rain gardens in the 11 projected tree pits that will result from the proposed development.

Therefore, prior to considering the application, the City Council should obtain in writing from the applicant, 1050 Pacific Street LLC, commitments that clarify how it would memorialize integrating resiliency and sustainability features. The City Council should further seek demonstration of 1050 Pacific Street LLC's commitment to coordinate with DEP, DOT, and NYC Parks regarding the installation of DEP rain gardens and street tree pit enhancements, as part of a Builders Pavement Plan, for development site intersections in consultation with CB 8 and local elected officials.

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

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

However, as such standards are not in place today, Borough President Adams believes that it is appropriate to utilize his advisory role in the ULURP process to secure rat abatement mitigation procedures in order minimize quality-of-life issues for the development's Crown Heights neighbors. Without adequate abatement and mitigation measures, demolition and excavation at 1050 Pacific Street may create ground disturbances that exacerbate existing rodent problems in the area. Therefore, Borough President Adams urges the developers to create a rat mitigation strategy including, but not limited to, a robust baiting plan, rat-related enforcement measures, and other pest control measures in and around the proposed development site.

Borough President Adams believes that 1050 Pacific Street LLC should commit to a rat mitigation plan implemented prior to and during demolition that includes site excavation and foundation preparation, in consultation with CB 8 and local elected officials.

Jobs

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 2017," 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 20 percent or greater. Prioritizing local hiring would assist in addressing this employment crisis. Additionally, promoting Brooklyn-based businesses, including those that qualify as LBEs and MWBEs, is central to Borough President Adams' economic development agenda. This site provides opportunities for the developer to retain a Brooklyn-based contractor and subcontractor, especially those who are designated LBEs consistent with Section 6-108.1 of the City's Administrative Code, and MWBEs who meet or exceed standards per Local Law 1 (no less than 20 percent participation).

In the letter to Borough President Adams dated February 1, 2019, the applicant's representative stated intent to employ locally-based MWBE firms for at least part of the construction process, which is expected to generate up to 80 jobs. In addition, the applicant anticipates that the 1050 Pacific Street retail component will yield approximately 50 local jobs.

Borough President Adams believes that prior to considering the application, the City Council should obtain commitments in writing from the applicant, 1050 Pacific Street LLC, to memorialize retention of Brooklyn-based contractors and subcontractors, especially those who are designated LBEs consistent with Section 6-108.1 of the City's Administrative Code and MWBE as a means to meet or exceed standards per Local Law 1 (no less than 20 percent participation), as well as coordinate the oversight of such participation by an appropriate monitoring agency.

Prevailing Wages and Local Hiring for Building Service Workers

Jobs within the building service and industrial sector have long served as a pathway to middle-class living for lower-income individuals, including immigrants and people of color. Like industrial jobs, building service jobs have low barriers to entry and real career prospects. When compensated at prevailing wage standards, such jobs provide average wages twice that of the retail sector. Additionally, building service opportunities are often filled through local hiring.

Borough President Adams believes that it is appropriate to advocate for economic opportunities that allow families to remain in their neighborhoods, by securing sufficient income to alleviate their rent burdens. He further believes that building service positions often result in locally-based employment. Therefore, Borough President Adams strongly encourages 1050 Pacific Street LLC to commit to hiring locally for building service jobs and paying prevailing wages to this workforce.

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

New York City's community preference policy for affordable housing lotteries provides a pathway for reaching 50 percent or more of applicants residing in the community district where affordable housing is built. There are additional pathways for priority lottery selection such as United States Armed Forces veteran status, certain disabilities, and other categories. Given the significant increase in the number of homeless families with school-aged children entering the public shelter system, Borough President Adams believes it is appropriate for HPD to extend local lottery preference to include the school zone attended by children of households residing at immediate and neighboring City-funded or -operated homeless shelters. This is especially important given the number of students living in homeless shelters. The New York City Independent Budget Office (IBO) recently produced a report analyzing homeless rates in schools. School student registration data identifies those residing in public shelters as Students in Temporary Housing (STH). Using data from the 2014-2015 school year, a review of the 50 schools in Brooklyn with the highest percentage of STH enrollment identifies approximately 4,300 students attending such schools with more than 18 percent of the enrollment categorized as STH.

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

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

According to the Institute for Children, Poverty, and Homelessness (ICPH), there are multiple public schools within several blocks of the proposed development, in Community School District 17 (CSD 17), where the proportion of homeless students is eight to 20 percent. Should the City Council obligate 1050 Pacific Street LLC to provide units according to MIH Option 1, Borough President Adams believes it would be appropriate for such students and their families to be considered part of the 50 percent local preference for the 1050 Pacific Street housing lottery.

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

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

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

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

There are residents living in rented apartments within CD 8 who reside in unregulated housing, or regulated apartments subjected to a legal regulated rent increase in which landlords have been renting below the legally-permitted regulatory rent (preferential rent) and have been seeking to increase rent at lease renewal according to the legal amount permitted.

For ZIP code 11238, disclosed data from the New York City Rent Guidelines Board (RGB) dated June 1, 2017 list 1,850 such units, representing 29 percent of all rent-stabilized units. The continued significant increase in rents has resulted in an increased rent burden and/or residential displacement. Therefore, there is a pressing need to provide more affordable housing units in this area.

In this section of CD 8, too many households fall into low- and very low-income categories and are often rent-burdened. Given the risk for displacement, the City should take steps to increase the probability that rent-burdened households qualify for as many affordable housing lotteries as possible.

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

As first noted in his East New York Community Plan ULURP response, Borough President Adams believes that it is time to break the mold in which families that are already paying too much rent

for substandard housing are disqualified. Borough President Adams seeks to qualify rent-burdened households to be eligible for selection through the housing lottery process. Such eligibility would ensure rent-burdened households receive the maximum opportunity to secure regulated affordable housing units, expanding the number of eligible households for government-regulated affordable housing lotteries.

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

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

Recommendation

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

1. That the City Council and/or CPC limit the rezoning of the existing M1-1 district within 100 feet of Classon Avenue to M1-4
2. That prior to considering the application, the City Council obtain commitments in writing from the applicant, 1050 Pacific Street LLC, that clarify the extent it would:
 - a. Restrict residential floor area ratio (FAR) to R6A MIH
 - b. Provide additional non-residential floor area to maximize M-Crown permitted uses
 - c. Limit non-residential use within 30 feet of both street walls to restricted M-Crown uses
3. That the City Council and/or CPC require Mandatory Inclusionary Housing (MIH) Option 1
4. That prior to considering the application, the City Council obtain commitments in writing from the applicant, 1050 Pacific Street LLC, that clarify how it would:
 - a. Memorialize a bedroom mix having at least 50 percent two- or three-bedroom affordable housing units, and at least 75 percent one- or more bedroom affordable housing units, but for accounting for studios serving households at 40 percent AMI
 - b. Subject to the inclusion of studio and/or one-bedroom apartments according to MIH Option 1, implement outreach efforts to assist senior households earning up to 40 percent AMI, including those that are formerly homeless, as a means to maximize participation in the affordable housing lottery

- c. Utilize a combination of locally-based affordable housing development non-profits to serve as the administering agent, and having one or more such entities play a role in promoting affordable housing lottery readiness
- d. Engage car-sharing companies to lease multiple spaces within the development's garage
- e. Explore additional resiliency and sustainability measures such as incorporating blue/green/white roof treatment, passive house, rain gardens, street tree pit enhancements, solar panels, and/or wind-turbines
- f. Implement a rat baiting plan prior to and during demolition, including site excavation and foundation preparation, in consultation with CB 8 and local elected officials
- g. Retain Brooklyn-based contractors and subcontractors, especially those who are designated local business enterprises (LBEs) consistent with Section 6-108.1 of the City's Administrative code and minority- and women-owned business enterprises (MWBES) as a means to meet or exceed standards per Local Law 1 (no less than 20 percent participation), as well as coordinate the oversight of such participation by an appropriate monitoring agency

Be it further resolved:

1. That 1050 Pacific Street LLC commit to a building service workforce that is recruited from the local population and paid prevailing wages with appropriate benefits
2. Should the City Council determination result in the project proceeding according to MIH Option 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
3. That the 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

1050 Pacific LLC

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

February 1, 2019

Hon. Eric Adams:

1050 Pacific LLC (the “Applicant”) is the applicant for the 1050 Pacific Street Rezoning currently under review by your office. The 1050 Pacific Street development consists of a proposed eight-story mixed residential and commercial building with 103 units, including approximately 33 permanently affordable units, fronting on Pacific and Dean Streets in Community District 8. The proposed zoning map amendment would establish a Special Mixed-Use (“MX”) District (MX-20) pairing R7A and M1-4 zoning districts over the rezoning area. The proposed zoning text amendment would establish the Mandatory Inclusionary Housing (“MIH”) program over the rezoning area.

Mandatory Inclusionary Housing

Pursuant to the MIH program, thirty percent of the residential floor area at the development will be set aside as affordable, resulting in approximately 33 units of permanently affordable housing. The affordable housing income level option proposed for this project is MIH Option 2. MIH Option 2 requires 30 percent of the residential floor area at an average of 80 percent of the area median income (“AMI”). The Applicant plans to provide two-bedroom units throughout the development with projected rents ranging from \$1,800 for affordable units to \$3,200 for market rate units. The Applicant intends to collaborate with the local community to market the affordable units with Community District 8. In addition, the Applicant will retain HPD approved marketing firms to further augment the advertising for the affordable units, but has not finalized these plans for this project. The proposed affordable housing set asides would ensure that the development would address the critical need for new affordable housing in Brooklyn Community District 8. The proposed MIH area would address the City’s Housing New York: A Five-Borough, Ten-Year Plan goals by increasing affordable housing to help ensure the community remains economically diverse in the face of increasing pressure for market-rate development.

M/WBE Contracting & Local Job Opportunities

The Applicant’s commitment to equity extends beyond its plans for affordable housing. The Applicant plans to use local Minority and Women-owned Business Enterprises (“M/WBE”) for at least a portion permanent building operations. In addition, the Applicant expects that construction of the development will generate up to 80 well-paying MWBE jobs in the community. Finally, the Applicant anticipates the local retail spaces in the development will generate approximately 50 sustainable jobs for the community.

1050 Pacific LLC

Sustainability

1050 Pacific Street LLC is committed to environmental sustainability. The Applicant plans to use high-efficiency construction techniques and materials for the development so that it will conserve resources far into the future. For instance, the development will have water conserving plumbing fixtures, a low energy consumption hot water heating system, and energy efficient heating and cooling systems. The Applicant is also investigating installing rain gardens for the 11 projected tree pits at the development site, in line with DEP goals to decrease stormwater runoff throughout the city. Finally, the development will use high-efficiency glass, roof, and wall systems so that the building will require less energy for heating and cooling. The proposed development will help meet the environmental challenges of the 21st century.

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

Respectfully,

A handwritten signature in black ink, appearing to read 'm Rigerman', is positioned above the printed name.

Mark Rigerman
1050 Pacific LLC

Cc: Richard Bearak