



IN THE MATTER OF an application submitted by the Department of Housing Preservation and Development (HPD) pursuant to Section 505 of Article 15 of the General Municipal (Urban Renewal) Law of New York State and Section 197-c of the New York City Charter, for the first amendment to the Saratoga Square Urban Renewal Plan for the Saratoga Square Urban Renewal Area, Borough of Brooklyn, Community Districts 3 and 16.

This application for an amendment to the Saratoga Square Urban Renewal Plan (URP) (C 190163 HUK) was filed by HPD on October 26, 2018. It would modify the use restrictions associated with the URP to facilitate the development of a new 14-story building containing approximately 235 units of affordable housing plus one superintendent's unit, as well as ground-floor retail and community facility space, at 1921 Atlantic Avenue in the Bedford Stuyvesant neighborhood of Brooklyn, Community District 3.

RELATED ACTIONS

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

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| C 190160 HAK | Urban Development Action Area Project (UDAAP) designation, project approval and disposition of City-owned property |
| C 190161 ZMK | Zoning map amendment to eliminate an MX-10 Special District, change the underlying M1-1/R7D zoning district to an R8A zoning district, and establish a C2-4 commercial overlay |
| N 190162 ZRK | Zoning text amendment to Appendix F to establish a Mandatory Inclusionary Housing (MIH) area coterminous with the rezoning area |

BACKGROUND

HPD requests multiple actions, including an amendment to the Saratoga Square URP, UDAAP designation, project approval and disposition of City-owned property and zoning map and text amendments, to facilitate the development of approximately 235 units of affordable housing, a superintendent's unit, and ground-floor retail and community facility space, at 1921 Atlantic Avenue in the Bedford Stuyvesant neighborhood of Brooklyn, Community District 3.

The project site is located on the southern half of the block bounded by Herkimer Street, Bancroft Place, Atlantic Avenue, and Prescott Place. The site is comprised of 12 City-owned lots (Block 1557, Lots, 3, 4, 23, 26, 28, and 31-37) with a combined area of approximately 25,761 square feet, and three privately owned lots controlled by DTF Atlantic, LLC (Block 1557, Lots 1, 2, and 38), with a combined area of approximately 4,454 square feet. The assemblage forms a rectangular 30,164-square-foot site with 180 feet of frontage on the north side of Atlantic Avenue and approximately 168 feet of frontage along both Bancroft Place on the east and Prescott Place on the west. Atlantic Avenue is a 120-foot wide street with regional rail running along the center. Bancroft Place and Prescott Place are both narrow streets measuring 55-feet in width.

The City-owned lots are subject to the Saratoga Square URP, which is in effect through 2032. The URP, approved in 1992 (C 910243 HUK), identified nearly 200 sites on 30 tax blocks in Brooklyn Community Districts 3 and 16 where conditions were deemed to adversely affect quality of life in the area. The URP's objective was to facilitate development of low-rise housing as well as commercial space, community facilities, and recreational areas to support the new housing. Nearly all the sites in the URP were designated for residential use. Many sites were subsequently developed, primarily as low-rise rowhouses. The City-owned property that is subject to this application was designated for industrial development in the URP and remains under the control of HPD. The disposition of these lots (C 910541 HMK) was also approved in 1992, but the sites were never disposed or developed. These properties have remained vacant despite previous attempts by the NYC Economic Development Corporation (EDC) to attract industrial development of the site. The lots controlled by DTF Atlantic, LLC are not subject to the URP, but are also

vacant or underutilized. Lots 2 and 38 contain unoccupied two- and three-story residential buildings, respectively, while Lot 1 is vacant.

In 2007, the project site was rezoned as part of a City-sponsored rezoning covering approximately 206 blocks in the southern half of Bedford-Stuyvesant (C 070447 ZMK). This action mapped a new Special Mixed Use District (MX-10) on the project site, changing the underlying zoning from M1-1 to M1-1/R7D. At the same time, a zoning text amendment established voluntary Inclusionary Housing designated areas (N 070448 ZRY) where the R7D zoning district was mapped.

The M1-1/R7D (MX) mixed district allows residential, community facility, commercial, and light manufacturing uses. Residential and community facility uses are subject to the R7D zoning district regulations, which allow a floor area ratio (FAR) of 4.2 for these uses. If inclusionary housing is provided, a residential FAR of 5.6 is allowed. Residential developments in R7D districts must follow Quality Housing bulk regulations, and may rise to 115 feet or 11 stories, with a required street wall of up to 95 feet with inclusionary housing. Industrial and commercial uses in MX-10 districts are subject to M1-1 regulations, which allow a maximum 1.0 FAR.

The area surrounding the project site is predominantly developed with two- and three-story rowhouses and semi-detached residences. There are several multi-family elevator buildings ranging from six to nine stories just outside of the project area. The south side of Atlantic Avenue near the project site contains a mix of local retail, heavy commercial, and light industrial uses located within an M1-1 zoning district, as well as some non-conforming residential uses. Fulton Street is an active neighborhood retail corridor two blocks north of the project site. Open space in the surrounding area includes the Weeksville Playground, at Atlantic Avenue and Howard Avenue, and the South Pacific Playground, at Pacific Street and Howard Avenue.

The surrounding area is well served by public transportation. The Ralph Avenue subway station, a local stop on the A and C lines, is two blocks northwest of the project site at the intersection of Fulton Street and Ralph Avenue. Local bus services include the B47 and the B25. The B47 bus line runs along Ralph Avenue from Woodhull hospital in north Bedford-Stuyvesant to King's Plaza Shopping Center in Mill Basin. The B25 bus line runs along Fulton Street between the

DUMBO neighborhood and Broadway Junction in East New York. Directly south of the project site, the Long Island Railroad (LIRR) tracks run at grade level along Atlantic Avenue. The LIRR East New York Station is approximately one mile east of the site at the intersection of Atlantic Avenue and East New York Avenue.

The applicant is proposing to construct a 14-story mixed-use building with approximately 235 affordable housing units and one superintendent's unit. The residential units would be a mix of studios, one-bedroom, two-bedroom, and three-bedroom apartments. All units would be rent-restricted and subject to the terms of HPD's Extremely Low- and Low-Income Affordability (ELLA) Option 1 program, which allocates at least 10 percent of units for formerly homeless households, and 30 percent of units to households with incomes ranging from 30 to 50 percent of area median income (AMI). This program allows up to 30 percent of units to be affordable to households with incomes between 70 and 100 percent of AMI, and requires all remaining units to be affordable to households with incomes up to 60 percent of AMI. The Applicant has proposed a zoning text amendment to map Mandatory Inclusionary Housing (MIH) Option 1, which requires 25 percent of residential floor area to be permanently affordable to households with incomes averaging up to 60 percent of AMI.

The proposed development would also include approximately 15,012 zoning square feet of commercial floor area (0.50 FAR) for a proposed grocery store, and approximately 7,953 zoning square feet of community facility space (0.26 FAR) for a proposed aquaponics educational farm, art gallery, neighborhood resources center, and on-site social welfare services for the formerly homeless residents. Retail and community facility uses would be located on the ground floor, and approximately 44 parking spaces serving all uses would be located below grade. Secured bike parking with a capacity of 108 bikes would be provided below grade for residents, while public bike parking would be available with exterior bike racks located near building entrances.

The building is proposed to be built to Enterprise Green Communities standards, with sustainable features such as Variable Refrigerant Flow system, solar panels, and highly efficient appliances. The proposed development would also incorporate Active Design Guidelines elements, including an accessible staircase leading to outdoor recreation spaces available to tenants on the roofs of the

second floor and at the rooftop of the building, two fitness centers, and secured residential bicycle storage. Other residential amenities in the proposed development would include a laundry room on each residential floor, recreation rooms accessible to tenants on the first and second floors, a computer room, and a separate Skype room.

To facilitate the proposed development, the following land use actions are required.

A zoning map amendment (C 190161 ZMK) is needed to rezone the project site from M1-1/R7D (MX) to an R8A zoning district with a C2-4 overlay along Atlantic Avenue. R8A districts allow a maximum FAR of 7.2 and a maximum building height of 145 feet (approximately 14 stories) with MIH and a ground floor that is at least 13 feet high. C2-4 zoning allows a range of commercial uses serving local needs, but prohibits large and high-intensity uses (Use Groups 9 through 13, 15, and 16) that are generally incompatible with predominantly residential areas.

An amendment to the Saratoga Square URP (C 190163 HUK) is needed to change the allowable use designation within the URP for the City-owned lots within the project site. While the proposed zoning allows for a wide range of uses on the project site, the URP currently restricts the uses on the City-controlled lots within the project site to those uses that are permitted within M1-1 districts. As M1-1 districts do not allow residential uses, the proposed development would not currently be permitted due to the use restrictions in the URP. Therefore, a change in the URP is needed to allow for the proposed residential, community facility, and commercial uses.

Also, UDAAP designation, project approval, and disposition of City-owned property (C 190160 HAK) would allow HPD to dispose of the subject property to DTF Atlantic, LLC, one of the developers selected from HPD's Minority- and Women-owned Business Enterprises (M/WBE) Building Opportunity Request for Proposals.

A zoning text amendment (N 190162 ZRK) to designate an MIH area mapped with Option 1 on the rezoned area would require permanently and deeply affordable residential units. 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 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 AMI, with no unit targeted to households with incomes exceeding 130 percent of AMI.

ENVIRONMENTAL REVIEW

This application (C 190163 HUK) in conjunction with the applications for the related actions (C 190160 HAK, C 190161 ZMK, and N 190162 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 designated CEQR number is 18HPD104K. The lead agency is HPD.

After a study of the potential impact of the proposed actions, a Negative Declaration was issued on November 9, 2018.

UNIFORM LAND USE REVIEW

This application (C 190163 HUK) and the applications for related actions (C 190160 HAK and C 190161 ZMK), were certified as complete by the Department of City Planning on November 13, 2018 and duly referred to Brooklyn Community Board 3 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 190162 ZRK), which was referred in accordance with the procedures for non-ULURP actions.

Community Board Public Hearing

Brooklyn Community Board 3 held a public hearing on this application (C 190163 HUK) on January 7, 2019, and on that date, by a vote of 39 in favor, none opposed, and no abstentions, recommended approval of the project.

Borough President Recommendation

The Brooklyn Borough President held a public hearing on this application (C 190163 HUK) on January 23, 2019, and on February 21, 2019 issued a recommendation to approve with the following conditions:

“1. That the New York City Department of Housing Preservation and Development (HPD) incorporate in its Land Disposition Agreement (LDA) or Regulatory Agreement with DTF Atlantic, LLC, the extent it would:

- a. Commit to retaining 85 percent of the residential floor area as permanently affordable
- b. Commit to incorporating HPD’s Our Space Initiative for no less than five percent and up to 10 percent, as part of tenancing the income-restricted housing units
- c. Memorialize a greater percentage of affordable housing units at no more than 50 percent AMI, developed in consultation with Council Member Alicka Ampry-Samuel
- d. Memorialize a bedroom mix having at least 50 percent two- or three-bedroom affordable housing units, and at least 75 percent one or more one-bedroom affordable housing units
- e. Implement outreach efforts to assist senior households earning up to 40 percent AMI for single-person households, and 50 percent AMI for two-person households, as a means to maximize participation in the affordable housing lottery
- f. Utilize a combination of locally-based affordable housing development non-profits to serve as the administering agent, and have one or more such entities play a role in promoting affordable housing lottery readiness
- g. Memorialize how Urban Pathways would identify, to the extent practical, potential supportive housing tenants from those currently and formerly residing in Brooklyn Community District 3 (CD 3)
- h. Memorialize the extent and duration of effort to secure a Food Retail Expansion to Support Health (FRESH) supermarket or its equivalent based on reasonable lease terms in the financing and regulation agreement with the developer
- i. Engage car-sharing companies to lease multiple spaces within the garage
- j. Commit to constructing curb extensions as part of the Builders Pavement Plan in coordination with the New York City Department of Environmental Protection (DEP) and New York City Department of Transportation (DOT) or, if technically infeasible, enter into a standard DOT maintenance agreement for agency-implemented protected painted treated

roadbed sidewalk extensions, at the intersections of Atlantic Avenue, Bancroft Place, and Prescott Place, with the understanding that DOT implementation would not proceed prior to consultation with Brooklyn Community Board 3 (CB 3) and local elected officials

- k. Explore additional resiliency and sustainability measures such as incorporating blue/green/white roof treatment, passive house construction, rain gardens, solar panels, and/or wind turbines

Be it further resolved:

1. That HPD extend local preference to include residents of ZIP codes 11213 and 11233, encompassing portions of CDs 8 and 16, in writing, to City Council
2. Should the City Council determination result in the project proceeding according to MIH Option 1, that 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 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
4. That DTF Atlantic, LLC commit to a building service workforce that is recruited from the local population and paid prevailing wages, with appropriate benefits”

City Planning Commission Public Hearing

On February 13, 2019 (Calendar No. 6) the CPC scheduled February 27, 2019 for a public hearing on this application (C 190163 HUK). The hearing was duly held on February 27, 2019 (Calendar No. 31).

An applicant team consisting of three speakers testified in favor of the application. A representative from HPD provided a brief overview of the proposed land use actions and noted that the project would be part of HPD’s M/WBE Building Opportunity initiative.

A representative from the development team provided an overview of the proposed development, describing the planned mix of residential unit sizes and affordability levels. The project architect described elements of the project that would help activate the sidewalks and enhance the pedestrian experience surrounding the building. The architect also described the project's sustainability features.

There was one speaker in opposition, representing the union for building service workers. The representative said that the developers have not made a commitment to prevailing wages for building service workers.

There were no other speakers and the hearing was closed.

CONSIDERATION

The Commission believes the proposed first amendment to the Saratoga Square URP (C 190163 HUK), in conjunction with the related actions (C 190160 HAK, C 190161 ZMK, and N 190162 ZRK), is appropriate.

The Commission believes that the use restrictions imposed on the site by the URP are no longer in line with the surrounding development. The site is zoned to allow residential, commercial, and light industrial uses, but the URP prohibits residential development, although the surrounding area is predominantly developed with residential uses, including two- and three-story rowhouses, semi-detached residences, and multiple dwellings up to nine stories in height. Since the URP was adopted in 1992, HPD, assisted by EDC, has been unable to attract interest for an industrial development and the site has remained vacant. The Commission believes that changing the designated use of these lots to allow residential and commercial uses permitted by zoning will more effectively support the URP's objectives of promoting high-quality, affordable housing.

The proposed UDAAP designation, project approval and disposition of City-owned property (C 190160 HAK) is appropriate. Over 85 percent of the project site (25,761 of 30,164 square feet) is City-owned and has been vacant for over 25 years. The three lots controlled by DTF Atlantic,

LLC, are also vacant or are improved with dilapidated, unoccupied housing structures. Combining the City-owned lots with the three privately-owned lots will result in a better site and allow more efficient floor plans. The requested action will facilitate the rehabilitation of several unused or underutilized properties, and provide new high quality affordable housing as envisioned in the URP. The proposed project will activate an underutilized and mostly vacant site, making it more welcoming to both current and future residents of the neighborhood.

The proposed R8A/C2-4 zoning district (C 190161 ZMK) is appropriate for the site. The project is located along a major 120-foot-wide street, and thus is an appropriate location for increased density and bulk. The C2-4 overlay along Atlantic Avenue is appropriate because this major street is characterized primarily by non-residential uses. Furthermore, the project site is easily accessible by transit, with a subway station and two bus routes less than three blocks away, and is proximate to local retail and institutional uses such as schools and churches, making this an appropriate location to map zoning that will support higher residential density.

The proposed zoning text amendment (C 190162 ZRK) is appropriate. Establishment of an MIH area is consistent with City objectives promoting production of affordable housing. With the proposed MIH Option 1, development on the project site will be required to permanently dedicate 25 percent of residential floor area to affordable housing with average affordability at 60 percent of AMI. This would bring much needed permanent affordable housing to the community.

In response to the Borough President's recommendations to provide more permanently affordable housing and more housing at deeper levels of affordability, the Commission notes that project as proposed includes 25 percent of the residential floor area as affordable in perpetuity, subject to MIH Option 1 terms. The Commission also notes that this project will be subject to a regulatory agreement with HPD meeting the terms of HPD's ELLA Option 1 program, which requires all units to be affordable to households with incomes at 100 percent of AMI or below, and requires at least 40 percent of units to be affordable to very low-income households for at least 30 years. The ELLA Option 1 terms also require 10 percent of units to be set aside for formerly homeless

households.

The Borough President's recommendation to memorialize the bedroom mix with a substantial portion of family-sized units, is outside the scope of this application, but the Commission notes that HPD will be approving the unit distribution, and that the unit mix proposed by the developer generally aligns with the Borough President's recommendations.

In response to the Borough President's recommendation that HPD and the development team target outreach to seniors as well as local residents, the Commission notes that these matters are outside the scope of this application, but encourages the applicant to consider the recommendation and work with local stakeholders to lease the affordable units.

Regarding the Borough President's recommendations to engage with car-sharing companies and memorialize terms for securing a supermarket tenant, the Commission notes that these are beyond the scope of this application, but encourages the applicants to secure commercial tenants that will enhance the quality of life of residents in the development and the surrounding area.

In response to the Borough President's recommendation about resiliency and sustainability measures, the Commission notes that the development team stated at the public hearing that the building will be built to Enterprise Green Community standards and include a green roof.

In response to the Borough President's recommendations to modify the local preference determination for housing applicants, HPD notes that standard policies and procedures will be followed in marketing and selecting residents.

In response to the Borough President's recommendation to modify the Zoning Resolution of the City of New York with regard to eligibility for affordable housing units developed pursuant to MIH, the Commission notes that this is outside the scope of this application.

In response to the Borough President's recommendation regarding hiring, wages, and benefits for building service workers, the Commission notes that this is outside the scope of this application, but encourages the development team to consider this recommendation.

RESOLUTION

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

RESOLVED, by the City Planning Commission, pursuant to Section 197-c of the New York City Charter, the Uniform Land Use Review Procedure, and Section 505, Article 15 of the General Municipal Law of New York State, and after due consideration of the appropriateness of this action, that the proposed first Amended Urban Renewal Plan for Saratoga Square Urban Renewal Area, Community District 3, Borough of Brooklyn, submitted by the Department of Housing Preservation and Development on October 26, 2018, is approved.

MARISA LAGO, *Chair*

KENNETH J. KNUCKLES, Esq., *Vice-Chairman*

ALLEN P. CAPPELLI, Esq., ALFRED C. CERULLO, III,

MICHELLE R. de la UZ, JOSEPH I. DOUEK,

HOPE KNIGHT, ANNA HAYES LEVIN,

LARISA ORTIZ, RAJ RAMPERSHAD, *Commissioners*