CITY PLANNING COMMISSION

October 30, 2017/Calendar No. 3 C 170418 ZSK

IN THE MATTER OF an application submitted by NYC Economic Development Corporation pursuant to Sections 197-c and 201 of the New York City Charter for the grant of a special permit pursuant to Section 74-743 of the Zoning Resolution to modify the height and setback requirements of Sections 23-664 (Modified height and setback regulations for certain Inclusionary Housing buildings or affordable independent residence for seniors) and 35-65 (Height and Setback Requirements for Quality Housing Buildings) to facilitate a proposed mixed use development, within a large scale general development, on property bounded by Bedford Avenue, Union Street, a line 100 feet westerly of Rogers Avenue, and President Street (Block 1274, Lot 1), in R7-2 and R7-2/C2-4 Districts, Borough of Brooklyn, Community District 9.

This application (C 170418 ZSK) for a special permit to create a large-scale general development (LSGD) was filed by the New York City Economic Development Corporation (NYCEDC), on behalf of the Deputy Mayor for Housing and Economic Development (ODMHED) on May 16, 2017 to facilitate a mixed-use development located at 1555 Bedford Avenue (Block 1274, Lot 1) in the Crown Heights neighborhood of Brooklyn, Community District 9.

RELATED ACTIONS

In addition to the special permit for an LSGD (C 170418 ZSK) that is the subject of this report, implementation of the proposed project also requires action by the City Planning Commission on the following applications, which are being considered concurrently with this application:

C 170416 ZMK	Zoning map amendment to change the project area from an R6 district to R7-2 and R7-2/C2-4 districts;
N 170417 ZRK	Zoning text amendment to designate a Mandatory Inclusionary Housing (MIH) area;
C 170419 ZSK	Special permit to modify parking requirements; and
C 170420 PPK	Disposition of City-owned property

BACKGROUND

A full background discussion and description of this application appears in the report of the related action for a disposition of City-owned property (C 170420 PPK).

ENVIRONMENTAL REVIEW

This application (C 170418 ZSK), in conjunction with the applications for the related actions (C 170416 ZMK, C 170419 ZSK, and C 170420 PPK), 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 16DME005K. The lead agency is the Office of the Deputy Mayor for Housing and Economic Development.

A full background discussion and description of this application appears in the report of the related disposition action (C 170420 PPK).

UNIFORM LAND USE REVIEW

This application (C 170418 ZSK), in conjunction with the related actions (C 170416 ZMK, C 170419 ZSK, and C 170420 PPK), was certified as complete by the Department of City Planning (DCP) on May 22, 2017 and was duly referred to Community Board 9 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 170417 ZRK), which was duly referred in accordance with the procedures for non-ULURP actions.

Community Board Public Hearing

Brooklyn Community Board 9 held a public hearing on this application (C 170418 ZSK) on June 19, 2017, and on June 27, 2017, by a vote of none in favor, 35 opposed, and with one abstention, issued a recommendation to disapprove the application with modifications. A summary of the vote and recommendations of Community Board 9 appears in the report for the related disposition action (C 170420 PPK). A revised Community Board recommendation was received on

September 21, 2017 to reflect Community Board 9's accurate recommendation to disapprove without modifications.

Borough President Recommendation

This application (C 170418 ZSK) was considered by the Borough President, who held a public hearing on July 10, 2017, and on September 1, 2017, issued a recommendation disapproving the application with modifications. A summary of the Borough President's recommendation appears in the report for the related disposition action (C 170420 PPK).

City Planning Commission Public Hearing

On September 6, 2017 (Calendar No. 8), the City Planning Commission scheduled September 19, 2017, for a public hearing on this application (C 170418 ZSK) and related actions. The hearing was duly held on September 19, 2017 (Calendar No. 20). There were 23 speakers in favor of the application and 14 in opposition, as described in the report for the related disposition application (C 170420 PPK), and the hearing was closed.

CONSIDERATION

The Commission believes that the proposed special permit for an LSGD (C 170418 ZSK), in conjunction with the related actions, is appropriate. A full consideration and analysis of issues and the reasons for approving this application appear in the related report for the disposition of City-owned property (C 170420 PPK).

FINDINGS

The Commission hereby makes the following findings pursuant to ZR Section 74-743 of the Zoning Resolution (Special provisions for bulk modification):

1. the distribution of #floor area#, #open space#, #dwelling units#, #rooming units# and the location of #buildings#, primary business entrances and #show windows# will result in a better site plan and a better relationship among #buildings# and open areas to adjacent #streets#, surrounding development, adjacent open areas and shorelines than would be

possible without such distribution and will thus benefit both the occupants of the #large-scale general development#, the neighborhood and the City as a whole;

2. the distribution of #floor area# and location of #buildings# will not unduly increase the #bulk# of #buildings# in any one #block# or unduly obstruct access of light and air to the detriment of the occupants or users of #buildings# in the #block# or nearby #blocks# or of people using the public #streets#;

3. not applicable;

4. considering the size of the proposed #large-scale general development#, the #streets# providing access to such #large-scale general development# will be adequate to handle traffic resulting therefrom;

5. not applicable;

6. not applicable;

7. not applicable;

8. not applicable;

9. not applicable;

10. a declaration with regard to ownership requirements in paragraph (b) of the #large-scale general development# definition in Section 12-10 (DEFINITIONS) has been filed with the Commission; and

11. not applicable;

RESOLUTION

RESOLVED, that having considered the Final Environmental Impact Statement (FEIS), for which a Notice of Completion was issued on October 19, 2017, with respect to this application (CEQR No. 16DME005K) the City Planning Commission finds that the requirements of the New York State Environmental Quality Review Act and Regulations have been met and that:

1. Consistent with social, economic and other essential considerations, from among the reasonable alternatives thereto, the action is one which minimizes or avoids adverse environmental impacts to the maximum extent practicable; and

2. The adverse environmental impacts disclosed in the FEIS will be minimized or avoided to the maximum extent practicable by incorporating as conditions to the approval, pursuant to the Restrictive Declaration attached as Exhibit A hereto, those project components related to the environment and mitigation measures that were identified as practicable.

This report of the City Planning Commission, together with the FEIS, constitute the written statement of facts, and of social, economic and other factors and standards, that form the basis of the decision, pursuant to Section 617.11(d) of the SEQRA regulations; 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 consideration and findings described in this report, the application of the NYC Economic Development Corporation pursuant to Sections 197-c and 201 of the New York City Charter for the grant of a special permit pursuant to Section 74-743 of the Zoning Resolution to modify the height and setback requirements of Sections 23-664 (Modified height and setback regulations for certain Inclusionary Housing buildings or affordable independent residence for seniors) and 35-65 (Height and Setback Requirements for Quality Housing Buildings) to facilitate a proposed mixed use development, within a large scale general development, on property bounded by Bedford Avenue, Union Street, a line 100 feet westerly of Rogers Avenue, and President Street (Block 1274, Lot 1), in R7-2 and R7-2/C2-4 Districts, Borough of Brooklyn, Community District 9, is approved, subject to the following terms and conditions:

1. The property that is the subject of this application (C 170418 ZSM) shall be developed in size and arrangement substantially in accordance with the dimensions, specifications and zoning computations indicated on the following plans, prepared by Cooper, Robertson & Partners, filed with this application and incorporated in this resolution:

Drawing No.	Title	Last Date Revised
U-001.	Zoning Lot Site Plan	05/15/2017
U-002.	Zoning Analysis, Base Plane & Lot Coverage	05/15/2017
U-003.	Zoning Diagrams - Axonometrics	05/15/2017
U-006.	Zoning Diagram – Waiver Plan	05/15/2017
U-007.	Zoning Sections	05/15/2017
U-008.	Zoning Sections	05/15/2017
U-009.	Zoning Sections	05/15/2017
U-010.	Zoning Sections	05/15/2017

2. Such development shall conform to all applicable provisions of the Zoning Resolution, except for the modifications specifically granted in this resolution and shown on the plans listed above which have been filed with this application. All zoning computations are subject to verification and approval by the New York City Department of Buildings.

3. Such development shall conform to all applicable laws and regulations relating to its construction, operation and maintenance.

4. All leases, subleases, or other agreements for use or occupancy of space at the subject property shall give actual notice of this special permit to the lessee, sub-lessee or occupant.

5. Development pursuant to this resolution shall be allowed only after the restrictive declaration attached hereto as Exhibit A, with such administrative changes as are acceptable to Counsel to the Department of City Planning, has been executed and recorded

in the Office of the Register of the City of New York, County of Kings. Such restrictive declaration shall be deemed incorporated herein as a condition of this resolution.

6. Upon the failure of any party having any right, title or interest in the property that is the subject of this application, or the failure of any heir, successor, assign, or legal representative of such party, to observe any of the covenants, restrictions, agreements, terms or conditions of this resolution whose provisions shall constitute conditions of the special permit hereby granted, the City Planning Commission may, without the consent of any other party, revoke any portion of or all of said special permit. Such power of revocation shall be in addition to and not limited to any other powers of the City Planning Commission, or of any other agency of government, or any private person or entity. Any such failure as stated above, or any alteration in the development that is the subject of this application that departs from any of the conditions listed above, is grounds for the City Planning Commission or the City Council, as applicable, to disapprove any application for modification, cancellation or amendment of the special permit hereby granted.

7. Neither the City of New York nor its employees or agents shall have any liability for money damages by reason of the city's or such employee's or agent's failure to act in accordance with the provisions of this special permit.

The above resolution (C 170418 ZSK), duly adopted by the City Planning Commission on October 30, 2017 (Calendar No. 3) is filed with the Office of the Speaker, City Council, and the Borough President in accordance with the requirements of Section 197-d of the New York City Charter.

MARISA LAGO, *Chair*

KENNETH J. KNUCKES, ESQ., *Vice Chairman*
RAYANN BESSER, ALFRED C. CERULLO, III, JOSEPH DOUEK,
RICHARD W. EADDY, CHERYL COHEN EFFRON, HOPE KNIGHT,
ANNA HAYES LEVIN, ORLANDO MARIN, LARISA ORTIZ, *Commissioners*

MICHELLE R. DE LA UZ, *Commissioner,* voting "No"

NYCPLANNING
DEPARTMENT OF CITY PLANNING | CITY OF NEW YORK

Community/Borough Board Recommendation

Pursuant to the Uniform Land Use Review Procedure

Application #: **C 170418 ZSK**	Project Name: **Bedford Union Armory**
CEQR Number: 16DME005K	Borough(s): Brooklyn Community District Number(s): 09

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

SUBMISSION INSTRUCTIONS

1. 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"
2. 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 NYC Economic Development Corporation pursuant to Sections 197-c and 201 of the New York City Charter for the grant of a special permit pursuant to Section 74-743 of the Zoning Resolution to modify the height and setback requirements of Sections 23-664 (Modified height and setback regulations for certain Inclusionary Housing buildings or affordable independent residence for seniors) and 35-65 (Height and Setback Requirements for Quality Housing Buildings) to facilitate a proposed mixed use development, within a large scale general development, on property bounded by Bedford Avenue, Union Street, a line 100 feet westerly of Rogers Avenue, and President Street (Block 1274, Lot 1), in R7-2* and R7-2/C2-4* Districts, Borough of Brooklyn, Community District 9.

* Note: The site is proposed to be rezoned by changing from an R6 District to R7-2 and R7-2/C2-4 Districts under a concurrent related application for a Zoning Map change (C 170416 ZMK).

Plans for this proposal are on file with the City Planning Commission and may be seen at 120 Broadway, 31st Floor, New York, N.Y. 10271-0001.

Applicant(s):	**Applicant's Representative:**
NYC Economic Development Corporation 110 William Street New York, NY 10038	Robert Holbrook NYC Economic Development Corporation 110 William Street New York, NY 10038

Recommendation submitted by:
Brooklyn Community Board 9

Date of public hearing: June 19, 2017 **Location:** M.S. 61, 400 Empire Blvd., Brooklyn, NY 11225

Was a quorum present? YES ☒ NO ☐ *A public hearing requires a quorum of 20% of the appointed members of the board, but in no event fewer than seven such members.*

Date of Vote: June 27, 2017 **Location:** M.S. 61, 400 Empire Blvd., Brooklyn, NY 11225

RECOMMENDATION

☐ Approve ☐ Approve With Modifications/Conditions
☒ Disapprove ☐ Disapprove With Modifications/Conditions

Please attach any further explanation of the recommendation on additional sheets, as necessary.

Voting

 # In Favor: **# Against:** 35 **# Abstaining:** 1 **Total members appointed to the board:** **36**

Name of CB/BB officer completing this form	*Title*	*Date*
Michael Liburd	Chair,ULURP/Land Use Com	9/21/2017

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

BEDFORD UNION ARMORY – 170416 ZMK, 170417 ZRK, 170418 ZSK, 170419 ZSK, 170420 PPK

Applications submitted by the New York City Economic Development Corporation (EDC), pursuant to Sections 197-c and 201 of the New York City Charter, seeking: a zoning map amendment to change an existing R6 district to an R7-2 district with a C2-4 commercial overlay; a zoning text amendment to establish a Mandatory Inclusionary Housing (MIH) area; a special permit to modify the height and setback requirements, and a special permit to reduce the number of required accessory, off-street, residential parking spaces from 129 to 118. Additionally, the New York City Department of Citywide Administrative Services (DCAS), pursuant to Sections 197-c and 201 of the New York City Charter, seeks the disposition of City-owned property at 1555 Bedford Avenue in the Crown Heights neighborhood of Brooklyn Community District 9 (CD 9).

Such actions would facilitate the redevelopment of the Bedford Union Armory into mixed-use development. The armory shed and head house would contain 57,700 square feet (sq. ft.) of recreational facilities, 25,000 sq. ft. of commercial office space, 25,000 sq. ft. of community facility space, two new residential buildings, including a condominium building along President Street in place of the stables that would contain 60 dwelling units, with 20 percent of the units set aside as affordable homeownership residences, and a through-block, multi-family, mixed-income rental building on the site of an existing garage building, containing 330 dwelling units, with 50 percent of the units affordable to households earning on average 80 percent of area median income (AMI).

BROOKLYN COMMUNITY DISTRICT NO. 9 | BOROUGH OF BROOKLYN

RECOMMENDATION

☐ APPROVE
☐ APPROVE WITH MODIFICATIONS/CONDITIONS
☐ DISAPPROVE
☒ DISAPPROVE WITH MODIFICATIONS/CONDITIONS

SEE ATTACHED

Eric L. Adams

BROOKLYN BOROUGH PRESIDENT

September 1, 2017

DATE

RECOMMENDATION FOR: BEDFORD UNION ARMORY – 170416 ZMK, 170417 ZRK, 170418 ZSK, 170419 ZSK, 170420 PPK

Applications submitted by the New York City Economic Development Corporation (EDC), pursuant to Sections 197-c and 201 of the New York City Charter, seeking a zoning map amendment to change an existing R6 district to an R7-2 district with a C2-4 commercial overlay; a zoning text amendment to establish a Mandatory Inclusionary Housing (MIH) area; a special permit to modify the height and setback requirements, and a special permit to reduce the number of required accessory, off-street, residential parking spaces from 129 to 118. Additionally, the New York City Department of Citywide Administrative Services (DCAS) seeks the disposition of City-owned property at 1555 Bedford Avenue in the Crown Heights neighborhood of Brooklyn Community District 9 (CD 9).

Such actions would facilitate the redevelopment of the Bedford Union Armory (Armory) for mixed-use. The Armory shed and head house would contain 57,700 square feet (sq. ft.) of recreational facilities, 25,000 sq. ft. of commercial office space, and 25,000 sq. ft. of community facility space. Additionally, the proposed actions would facilitate the construction of two residential buildings; a condominium building along President Street in place of the stables that would contain 60 dwelling units, with 20 percent of the units set aside as affordable homeownership residences, and a through-block, multi-family, mixed-income rental building on the site of an existing garage, containing 330 dwelling units, with 50 percent of the units affordable to households earning on average 80 percent of Area Median Income (AMI).

On July 10, 2017, Brooklyn Borough President Eric L. Adams held a public hearing on the proposed zoning map amendment and disposition. Twenty-three individuals signed up to speak on this item, eight in favor, and 15 opposed.

The applicant did not have the opportunity to present and no speakers had the opportunity to testify because the hearing was closed as a public safety precaution.

Subsequent to the hearing, Borough President Adams received written testimony in opposition from local residents citing the potential for displacement, and advocating a community land trust for the Armory. Some expressed concerns about BFC Partners' (BFC)'s construction and hiring practices, while others cited the presence of asbestos and other contaminants at the site, as well as its future use by children and families. In particular, written testimony in opposition co-authored by an architect and a professor emeritus of Pratt Institute stated that the environmental review carried out by the developer does not address the presence of asbestos and other contaminants at the Armory, particularly the roof of the drill shed. He advocated for the site to be developed into a state-of-the-art micro energy station and urban farm capable of generating annual revenues of nearly $20 million.

Subsequent to the hearing, Borough President Adams received an online petition in opposition to the proposal that has been signed by approximately 250 individuals, as of August 28, 2017. The petition advises New York City Council Member Laurie Cumbo that the disposition of the site to the developer for $1 constitutes a misappropriation of City-owned land.

Subsequent to the hearing, Borough President Adams received written testimony in support from the First Baptist Church of Crown Heights noting the need for affordable housing and community facilities in Crown Heights, and expressing concern that if the proposed development does not proceed, the Armory will remain vacant for decades to come.

Additionally, written testimony in support was received from two non-profit organizations that plan to occupy space in the redeveloped Armory. The Brooklyn Community Pride Center intends to serve vulnerable populations in Crown Heights, including LGBT individuals and low-income people of color. New Heights Youth, Inc., a sports-based youth development and education non-profit that works with children citywide is seeking to expand its Brooklyn-based programs. Several of the organization's employees submitted letters in support of new community and recreational facilities at the Bedford Union Armory.

Finally, subsequent to the hearing, Borough President Adams received written testimony in support from 400 area residents, citing the need to redevelop a vacant City-owned property and provide housing and community facilities in Crown Heights. The letters noted the area's lack of quality athletic spaces for youth, and expressed support for redeveloping the Armory as a fitness and sports center for Crown Heights residents.

Consideration

On June 27, 2017, Brooklyn Community Board 9 (CB 9) disapproved these applications. On August 11, 2017, Borough President Adams received a letter clarifying CB 9's recommendation on the Bedford Union Armory. CB 9 seeks a revised plan that will primarily serve the local community, while drawing residents of nearby neighborhoods, in order to generate revenue for area businesses. CB 9 recommended enhancing the commercial and recreational aspects of the proposal, building 100 percent affordable units instead of market-rate housing, and targeting Armory programs to seniors and youth.

The Bedford Union Armory site, located at 1555 Bedford Avenue in the Crown Heights neighborhood of CD 9, is owned by the City of New York and occupies the majority of a block bounded by Bedford and Rogers avenues, and President and Union streets. The area containing the project site is zoned R6, with a C8-2 zoning district mapped across the street on Bedford Avenue. The surrounding context is defined by two- to six- story multi-family residential buildings. There are several significant cultural and educational institutions in close proximity including the Brooklyn Museum and Medgar Evers College.

The Armory is a historic building, constructed in 1907 and decommissioned in 2011. It is not a designated New York City landmark. The project site has a total lot area of 122,180 sq. ft. consisting of the drill shed and head house, the former stables, and an accessory garage. The drill shed and head house comprise approximately 107,750 sq. ft.; the two-story stables are original to the Armory and occupy approximately 29,000 sq. ft. The parking garage dates to 1917-1931. All of these structures are currently vacant.

The Armory proposal calls for the rehabilitation and reuse of the drill shed and head house into a recreational facility and a mixed commercial/community facility. The City intends to ground-lease these structures to the designated developer, BFC. The stables would be sold and demolished to facilitate the construction of a condominium of approximately eight stories and 60 units, 12 offered as affordable homeownership residences. The garage would be replaced with Bedford Courts, a mixed-use rental building of approximately 16 stories and 330 units (165 affordable), on the eastern portion of the site. The development will generate a total of 108,000 rentable sq. ft. of community, education, and recreation space.

The construction of the condominium is intended to support the development of the recreational facility and its commercial and community facility space. Though the land beneath the stables would be sold for $1, proceeds from the sale of the market-rate condominiums would be underwriting a significant portion of the developer's nearly $12 million contribution to the anticipated $31 million capital investment of the drill shed and head house. The annual operating cost of the recreational facility would be supported by the market-rate rentals at Bedford Courts. The remaining 50 percent of the units will be designated affordable pursuant to an agreement with the New York City Department of Housing

Preservation and Development (HPD). Bedford Courts will participate in MIH Option 2 with 50 percent of the units made affordable to households earning a blended 80 percent AMI. Overall, 20 percent of the 330 units would target households at 40 and 50 percent AMI, while 30 percent would target households at 110 percent AMI. The other 50 percent will be market-rate apartments. The bedroom mix favors studios and one-bedrooms, which comprise 70 percent of the apartments. The proposal also includes 118 parking spaces, a reduction from the 129 spaces required for a development of this size. The reduction in accessory group parking facilities is intended to allow the developer to maximize affordable housing at the site.

Recognizing the lack of quality recreational space in CD 9, EDC seeks to provide affordable access to community facilities for local residents. As a large community facility, the Armory has significant potential to house local non-profits and social services. EDC has engaged more than a dozen such organizations to occupy 25,000 sq. ft. of community facility space. BFC would make lower lease payments to EDC in exchange for providing the community discounted access to the recreational facility and auditorium, and subsidized space for non-profit organizations and/or educational institutions. BFC will contract with CAMBA to operate the recreational facilities and manage relationships with athletic and education sub-operators.

Elected officials have called for 100 percent affordable housing at the site, citing the AMI bands as too high for residents of CD 9. Officials have also suggested establishing the Armory as a community land trust, an idea supported by CB 9.

Borough President Adams has heard concerns regarding asbestos and other contaminants at the Armory and the need for proper mitigation as part of the building's rehabilitation, given the number of young people expected to use the recreational facilities. Phase I and Phase II Environmental Site Assessments (ESAs) have been conducted as part of the Draft Environmental Impact Statement (DEIS) prepared for the project. The ESAs established the presence of several contaminants at the site, including asbestos and petroleum. A Remedial Action Plan (RAP) and an associated Construction Health and Safety Plan (CHASP) will be prepared prior to construction to address these findings.

Borough President Adams supports the development of underutilized land and vacant properties for productive uses that address the City's need for additional affordable housing. The redevelopment of the Armory would address the need for additional affordable housing and community space, as well as an improved City University of New York (CUNY) facility.

Brooklyn is one of the fastest growing communities in the New York metropolitan area and the ongoing Brooklyn renaissance has ushered in extraordinary changes that were virtually unimaginable even a decade ago. Unfortunately, Brooklyn's success has led to the displacement of longtime residents who can no longer afford to live in their 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.

The proposed rezoning would be consistent with Mayor Bill de Blasio's goal of achieving 200,000 affordable housing units over the next decade according to "Housing New York: A Five-Borough, Ten-Year Plan," through the development of affordable and supportive housing for the City's most vulnerable residents.

It is Borough President Adams' policy to support the development of affordable housing and seek for such housing to remain "affordable forever," wherever feasible. This development would result in a 30 percent permanent affordable housing floor area according to MIH as well as units remaining affordable for at least 35 years of the regulatory agreement. Development adhering to the MIH program is

consistent with Borough President Adams' policy for affordable housing 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.

It is one of Borough President Adams' policies to assist community-based non-profit organizations in securing affordable space. These organizations play an important role in the neighborhoods they serve, but often find it challenging to secure sufficient affordable space to flourish and maintain their programming.

In June 2016, Borough President Adams released "All the Right Moves: Advancing Dance and the Arts in Brooklyn," a report that examines the challenges artists face in the borough, with accompanying recommendations. The report highlights the benefits of arts and dance, including physical fitness and creative self-expression, as well as contributions to Brooklyn's vibrant culture.

Data show that such cultural activities create a variety of positive externalities, including combating the borough's high rate of obesity — 59 percent of adults as of 2013 are obese, according to the New York State Department of Health (NYSDOH). These activities also help children succeed in school, a finding supported by research from the Citizens' Committee for Children of New York, Inc. Moreover, dance has been a significant part of the arts' contribution to economic development in Brooklyn; a 2015 report from the Center for an Urban Future found a 20 percent increase in attendance at events organized by local cultural institutions since 2006. The report also found that dance and the arts benefit the borough's business community. Borough President Adams' findings also detail many challenges facing local arts groups, such as a lack of diversity — United States Census data from 2000 reveal that fewer than half of the individuals working in dance in Brooklyn are people of color. Additionally, funding for the arts has decreased dramatically in New York City in recent years, including 37 percent from the New York State Council of the Arts (NYSCA), 15 percent from the National Endowment for the Arts (NEA), and 16 percent from the New York City Department of Cultural Affairs (DCLA).

Many cultural and dance organizations have contacted Borough President Adams seeking assistance in securing space to grow and sustain their programming. In response to those concerns, Borough President Adams' policy is to review discretionary land use actions for their appropriateness in promoting cultural and dance activities. The community space would be inclusive of affordable recreational activities and provide affordable space to sustain local community organizations, including those that promote access to arts and culture consistent with Borough President Adams' policies.

It is also Borough President Adams' policy to support the enhancement of Brooklyn's institutes of higher learning. Medgar Evers College, a senior college of CUNY, has been given an option to build out the first-floor space in the mixed-income rental building. BFC has been in an ongoing discussion with Medgar Evers College and CUNY about 25,000 sq. ft. of space within the lowest Union Street level of the residential apartment building. With this floor space, Medgar Evers would enable CUNY to advance college programming.

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 New York University (NYU) Furman Center's "State of New York City's Housing and Neighborhoods in 2015," double-digit unemployment remains a pervasive reality for several of Brooklyn's neighborhoods, with more than half of our community districts experiencing poverty rates of nearly 25 percent or greater. Promoting Brooklyn-based businesses, including those that qualify as Local Business Enterprises (LBEs) and Minority- and Woman-Owned Business Enterprises

(MWBEs) is central to Borough President Adams' economic development agenda. It is expected that the redevelopment of the Armory, once completed, would yield approximately 88 direct jobs, including 77 employees to operate and maintain the drill shed and head house facilities, and 11 employees to service the mixed-income Bedford Courts, which has committed to use HireNYC to fill those jobs. All available and feasible positions would be listed with the New York City Department of Small Business Services (SBS)' Workforce1. BFC will also conduct local marketing and outreach throughout the development process, including community events and job fairs. BFC will seek referrals from local organizations, members of CB 9, and the offices of elected officials.

Jobs in the building service sector have long served as a gateway to middle class living for lower-income individuals, including immigrants and people of color. With low barriers to entry and real career prospects, building service jobs, when compensated at prevailing wage standards, provide average wages at twice that of the retail sector and are often filled through local hiring. Borough President Adams believes that building service positions often result in locally-based employment. He notes that BFC has committed to paying a living wage for all permanent jobs at the Armory. BFC is reportedly negotiating a partnership with 32BJ Service Employees International Union (SEIU) for residential building service personnel.

Borough President Adams recognizes that the Armory is a community asset. He supports its redevelopment for a range of commercial, recreational, and residential uses. Though he is generally supportive of developing the site, he shares the concern expressed by local elected officials that City-owned assets in this section of Brooklyn should not leverage market-rate housing to realize the community's cultural and recreational opportunities.

Borough President Adams believes this project should incorporate several major modifications prior to receiving approval from the City Council. Such modifications include no sale of the property, in lieu of condominium construction— repurposing the intended building for affordable rental housing, maximizing and preserving affordable housing opportunities, balancing more affordable housing with appropriate building heights, reducing construction and operating costs to achieve enhanced affordability, accounting for community benefits toward individual users, achieving 100 percent permanent affordability along with a more family-oriented bedroom mix, leveraging affordable housing to cross-subsidize the operation of the drill shed and head house, setting aside affordable housing units for formerly homeless households, promoting pedestrian safety improvements, as well as advancing resilient energy, sustainability, and stormwater management policies.

In addition, the City and State should undertake initiatives to preserve the area's affordable housing stock. Consistent with Borough President Adams' policies, the City should enhance community preference for homeless families and provide access to affordable housing for rent-burdened households. As a prelude to any consideration of a comprehensive rezoning in the area, the City should initiate a community engagement process in concert with CB 9.

Proceeding without Market-Rate Ownership Housing

The redevelopment of the Bedford Union Armory would preserve 84 percent of the existing structure, excluding the stables, which would be demolished to build a 60-unit condominium configured in a building form intended to be contextually sensitive. Unlike the majority of the property that is intended to be disposed pursuant to a ground lease with the property retained in City-ownership, condominium ownership requires disposition of this 266-foot section of the lot along President Street, at a depth of 55 feet, to BFC. According to the DEIS, EDC received a determination from the New York State Office of Parks, Recreation and Historic Preservation (OPRHP) that there are no reasonable alternatives to the demolition of the stables that would allow the project to move forward as planned.

Of the building's 60 units, 12 will be offered as affordable condominium apartments. The construction of the other 48 market-rate housing units does not appear to have locally-based support. In addition, there are those who have voiced concern with regard to the sale of any segment of the property to a private developer and to the demolition of the stables. These concerns were documented in the transmittal letter for CB 9's disapproval of the entire package of ULURP applications for the Armory site.

Borough President Adams concurs that there is no place for luxury condominiums in a development project on City-owned property. He does not support luxury condominiums in this development and that, as such, there should be no need to sell the property to BFC. Given local concern about the appropriateness of utilizing this approximately 14,500 sq. ft. section of the City-owned site for market-rate housing and conveying a portion of the property to a private developer, the future of the land under the stables warrants greater consideration in EDC and BFC's plan.

Borough President Adams believes that repurposing the condominium to rental housing would allow the entire Armory redevelopment to be incorporated into the 99-year ground lease, which covers the Armory's drill shed and head house, and garage building (rental apartment building site), resulting in the City retaining site ownership.

The removal of the market-rate condominiums would require consideration of identifying alternative funding sources and/or cost-cutting measures pertaining to cross-subsidizing the re-activation of the drill shed and head house as a recreation center, as presented by BFC, that would both be transformative and truly affordable for all Crown Heights residents. To the extent that such resources are not identified the proposed recreation center would have to be scaled back.

Recognizing that the Armory is a unique, City-owned property and an architectural and community asset, Borough President Adams calls on the City to retain ownership of the entire site. Therefore, the disposition ULURP needs to be modified to eliminate the sale of the stables' footprint of approximately 14,500 sq. ft. and be further modified to restrict disposition to a 99-year ground lease. In addition, the development plans should repurpose the proposed condominium building as affordable rental housing.

Pursue Affordable Rental Housing

The proposed rezoning from R6 to R7-2 maintains the same building envelope while adding additional floor area to facilitate a rental apartment building made up of half the units being market-rate housing and the other half at various bands of affordable housing. These districts permit the street wall to extend to a height of 60 feet and require a setback of 20 feet from the street line until additional height meets the zoning lot's sky exposure plane at a cumulative height of 114 feet (because President and Union streets are classified as narrow streets). At that point, the zoning regulations require the building to stay within a sky exposure plane line of a 2.7 vertical to 1.0 horizontal ratio. The sky exposure planes from President and Union streets intersect at a height of approximately 400 feet, with a maximum practical building height of approximately 380 feet to achieve a minimally constructible top floor. These regulations were established to bring light and air to the street below.

Given that the building's footprint is limited by the retention of the drill shed and head house, the majority of the residential floor area would be developed in place of the existing garage. This building would be constructed according to a special permit that seeks to exceed the 60-foot street wall height restriction along both President and Union streets by achieving a height of 97 feet adjacent to the buildings fronting Rogers Avenue and 127 feet abutting the drill shed along Union Street and the proposed condominium building along President Street. At those heights, the building would achieve a setback of 10 feet and rise to a maximum height of 180 feet. Waivers of the zoning regulations allow for the retention of proposed residential density while

containing the overall building height. The resulting apartment building encloses its floor area at a height of 16 stories.

This height results from the inclusion of 164 market-rate housing units which lacks locally-based support. In addition to seeking not to include market-rate condominiums, Borough President Adams concurs that an affordable housing development would be most beneficial. Given local concern about the appropriateness of utilizing this City-owned site for market-rate housing, it is important to consider what should happen to the floor area proposed for the 164 market-rate rental units. Low- to mid-rise buildings ranging from two to six stories constitute the prevailing building form in the Armory's immediate surroundings. There are a few exceptions to this pattern such as Crown Heights Gardens, Ebbets Field Houses, and Tivoli Towers buildings. The redevelopment of the Armory, as proposed, would contribute another such building. This would run contrary to CB 9's advocacy for a neighborhood rezoning that would better reflect the area's built context. Without the market-rate floor area, Bedford Courts' 165 affordable housing rental apartments would likely be contained in eight to nine stories, depending on the treatment of street wall setbacks, though the recreation aspect would then need a replacement source to cover operating costs and discounted users fees that BFC was to provide through a portion of the revenue attributed to the rental income of those market-rate apartments.

While a reduced height would be more in line with the area's built character, it would impede the goal of increasing the number of affordable housing units as a means to achieve a combination of more deeply-affordable housing units. Moreover, having more upper-tier affordable housing units would offer some form of financial compensation in lieu of cross-subsidy intended to cover a portion of the annual operating costs and user subsidies for the drill shed and head house from units with higher rents. To the extent that floor area for with higher rents is not replaced by affordable housing floor area, Borough President Adams acknowledges that any combination of the following strategies: reducing overall building height and reducing/eliminating deviation from the required street wall height and setback regulations, might be pursued. However, the priority should be to achieve more affordable housing opportunities to the extent practical.

Therefore, to the extent economically practical, Borough President Adams calls for repurposing such floor area for the maximum additional number of affordable housing units.

Armory Operating Budget Needs Through Upper-Tier Affordable Unit Bands

Given the extent of opposition to market-rate housing at the Bedford Union Armory site, and the level of support for high-quality recreational facilities, it is necessary to identify alternative funding sources to the market-rate housing for the project's operating costs. Revenue sources would be needed to realize and support the development. Introducing upper tier affordable units at Bedford Courts, including within a rental building in lieu of the proposed condominium structure, could generate sufficient revenue to permanently finance the residential section of the site and the operating costs for the affordable housing. Any excess revenue could then be used to cross-subsidize a portion of the drill shed and head houses' operating costs and/or subsidize user fees.

In neighboring Flatbush, the Caton Flats development has been approved for development with affordable apartments targeted toward middle-income households. Caton Flats is a new 14-story, mixed-use, 100 percent affordable building with approximately 229,000 sq. ft. of floor area and 251 units of affordable housing. It also provides approximately 19,800 sq. ft. of commercial retail floor area, including a new 9,370 square-foot Flatbush Caton Market, and approximately 11,300 sq. ft. of community facility floor area with 4,220 sq. ft. of incubator space. Twenty percent of the units will go to households qualifying for rents pegged to 47 percent AMI, 30 percent of the units will go to households qualifying for rents pegged to 80 percent AMI, and 50 percent of the units will go to households qualifying for rents pegged to 130 percent AMI. There would be a marketing

band of approximately three percent for the 47 percent AMI tier, but as the qualifying income increases, the band expands. For the 80 percent AMI, the marketing band might reach between 90 and 100 percent AMI, and for 130 percent AMI, the marketing band likely expands to 145 percent, though technically households up to 165 percent AMI would be able to qualify if the band were maximized.

The Flatbush area has a dense concentration of rent-stabilized buildings with many apartments that could be subject to preferential rent increases. There is likely a high number of tenants at risk for displacement, and accordingly, active entities assisting tenants in responding to bad landlord practices. Given the surrounding concentration and density of such rental stock, it is probable that the risk of displacement is more substantial in the vicinity of Caton Flats than that of the Bedford Union Armory. It should be noted that Caton Flats has the complete support of its elected officials.

Regarding the Bedford Courts' affordable housing component of 165 rental apartments, 10 percent of the units would be restricted to households earning up to 40 percent of AMI, 30 percent would be restricted to households earning up to 50 percent of AMI, and 60 percent would be restricted to an income band starting at 110 percent of AMI. Compared to Caton Flats, Bedford Courts reaches more households at lower income bands. Therefore, without market-rate housing at Bedford Courts, it's important to consider not just how much floor area designated for market-rate apartments should be retained, but how many such units should exceed moderate income affordability (in excess of 130 percent AMI), and whether it makes sense to shift some apartments at 110 percent AMI to the Caton Flats 130 percent AMI. The remainder of what was to be market-rate apartment floor area could then be repositioned at very low- and low-income AMIs to the extent that the community does not wish to retain the proposed building height of 14 stories or allow the waiver of otherwise required street wall setback above 60/85 feet in height.

Therefore, Borough President Adams believes that prior to approval by the City Council, the BFC and/or EDC should furnish several models of AMI variations that show how repurposing some or all of the market-rate floor area might assist with cross-subsidizing the operating costs and subsidizing of user fees of the drill shed and head house.

Value Engineering to Balance Construction and Operating Costs with Degree of Housing Affordability

The rehabilitation and operation of the drill shed and head house require significant funding sources. As proposed, the project would rely on proceeds from the sale of 48 market-rate condominium units to fill a construction cost gap, and a portion of the revenue from 165 market-rate rental units to guarantee the cost of annual operation. Therefore, proceeding without market-rate housing, and/or an identified subsidy to replace these revenue sources, requires serious consideration for balancing construction and operating costs with the introduction of a percentage of upper-tier affordable housing units.

Proportionally, the provision of an enclosed swimming pool accounts for the greatest share of the recreation center's construction and operating costs. In addition to a pool, a state-of-the-art swimming facility requires accessory spaces, such changing rooms and a separate climate control building in the drill shed. Maintaining climate control and compliant water quality at all times requires equipment and labor far exceeding the needs of other facilities proposed for the drill shed and head house. Therefore, in order to proceed with the envisioned swimming pool, the applicant would need to identify and allocate maximum funding to replace revenues diverted from the 48 market-rate condominium units and 165 market-rate rental units.

Though the swimming pool provides a valuable resource for swimming lessons and in-water recreation, such benefits must be balanced with the community and elected officials' desire for 100 percent affordable housing in the development. While the pool operator would be paying rent that would go toward standard operating costs and the subsidized use of the pool, the pool's high operating costs may necessitate that a greater percentage of Bedford Courts' affordable units be built as market-rate apartments, or rented at the threshold of what qualifies as affordable housing in New York City (typically up to 165 percent AMI).

In order for the City Council to make an informed determination, Borough President Adams believes that BFC and/or EDC should furnish the construction cost and annual projected operating cost differential for the drill shed and head house with and without the swimming pool. Based on such disclosure, both entities should offer multiple assumptions as to the number of affordable units at moderate- and/or middle-income variations that might offset the operating cost of the drill shed and head house with and without the swimming pool.

Accounting for the Community Benefits Contribution

As part of the regulatory agreement, the developer is required to provide an annual minimum of $500,000 in community benefits. However, BFC is striving to provide a benefit of $1.5 million. At the Armory, such benefits will include free and/or deeply discounted access to recreational facilities such fitness areas, multi-sport courts, a swimming pool, and a turf field. The courts will have non-designated hours to maximize community use, and swimming lessons will be offered at deeply-discounted rates, based on need. Non-profits slated to occupy administrative space at the site will receive rental subsidies for floor area leases in the head house. Benefits will be reviewed annually for compliance by EDC.

The developer or operator would set up a computerized entry system to account for individual entries as a means to accurately calculate the extent of subsidized admissions. In addition, subsidized entry fees for specialized programming would count as a deduction against the base rent. The difference between a fair rent developed in conjunction with EDC versus the discounted rents for non-profits would function as an additional measure to meet the annual rent.

To date, there has been no detailed disclosure as to how many yearly users would have to be accommodated in order to meet the annual rent waiver subsidy. Without such information, it is impossible to estimate the percentage of the Armory's annual rent that would be offset by user fees and how that might translate into a projected number of individual daily users. Therefore, the exact composition of the community benefits is unknown.

Subsequent to the hearing, Borough President Adams received written clarification from EDC regarding the number of daily subsidized visits to the recreation center necessary to realize the annual $500,000 community benefit. EDC stated that BFC hopes to provide $1.5 million in community benefits and is negotiating with sports operators who are expected to be providing athletic programs at the Armory. The letter noted that the community benefits composition is designed to be adaptable to changing community needs. The agency's response does not portray any projection of individual utilization necessary toward meeting the minimum financial community benefit.

In order to best inform the process, Borough President Adams believes that detailed assumptions should be provided to the City Council to clarify the number of annual users projected to benefit from low-cost and subsidized access to the recreational facilities. Based on such disclosure, the City Council should consider the extent of cumulative subsidy credit provided to the non-profit users in terms of the adequacy of the availability of the recreation center for free and/or highly subsidized non-affiliated utilization of the facility.

Permanent Affordability

The trend of losing affordable housing to deregulation continues to exacerbate the challenge of maintaining an adequate supply of affordable housing. Today, more and more housing units are at risk of becoming deregulated as they approach the end of their affordability agreements and looser regulations kick in, allowing landlords more leeway to raise rents. In many cases, even before those restrictions are up, landlords are looking to buy affordable housing portfolios with the intention of removing current low-income tenants before the agreements run out.

It is Borough President Adams' policy that affordable housing units remain "affordable forever," wherever feasible. He is concerned that too many affordable units are created with a limited regulatory term, which effectively limits the number of years that these units remain affordable. In his 2014 housing report, Borough President Adams called on HPD to implement affordable-forever strategies so that future generations can benefit from sound housing policy decisions of the current administration. In areas where new developments can be realized on City-owned sites, it should be the City's policy to minimize the loss of affordable housing by requiring such units to remain permanently affordable.

The portion of the 165 residential units that would result directly from the zoning floor area constructed pursuant to the MIH program would be consistent with Borough President Adams' policy for permanently affordable housing development. The bonus floor area thus generated results in 30 percent of the residential floor area being set aside for low- and moderate-income households, where median rents would average 80 percent AMI. For the remaining 70 percent of the residential floor area, there is no known formal commitment that would guarantee the duration that these housing units remain affordable. Regulatory agreements used by HPD have not exceeded 60 years, though they have specified a lesser term. The concern is that, as tenants move out after the expiration of such regulatory agreement, those units would no longer be an affordable housing resource. The non-MIH units are intended to be subject to an HPD regulatory agreement that would last a minimum of 30 years. HPD structures its financing to require a balloon payment at the end of the regulatory term to induce developers to seek refinancing from the City, with an obligation to extend the duration of affordability.

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

Therefore, prior to consideration by the City Council, EDC should incorporate language in either the regulatory agreement or the LDA to ensure that non-MIH housing units remain permanently affordable.

Achieving a Family-Sized Affordable Housing Unit Mix

According to the application, the Bedford Courts rental apartments would contain 48 studio units, 182 one-bedroom units, 52 two-bedroom units, and 50 three-bedroom units, with a total of 330 units. One-bedroom apartments would comprise approximately 55 percent of the bedroom mix, with the remaining 45 percent divided evenly among studio-, two-bedroom, and three-bedroom apartments. The 30 percent blend of two- and three-bedroom units is compliant with HPD's term sheets.

A recent report has identified that rent-burdened households, which typically represent households applying to the City's affordable housing lotteries, are more likely to require family-sized unit types. Therefore, Borough President Adams is concerned that the mix of the proposed housing units would not adequately reflect the needs of CD 9's low- to middle-income rent-burdened families. He believes that right-sizing the bedroom distribution is more important than maximizing the number of affordable housing units in this development.

Borough President Adams believes that discretionary land use actions are an appropriate mechanism to advance policies that constrain what would be otherwise permitted as-of-right. He believes that the Bedford Courts tower, where apartment rents are based on 40, 50, and 110 percent AMI, provides an opportunity to achieve family-sized units for the non-elderly. He seeks to require a minimum threshold for accommodating family-sized apartments at those rents. Borough President Adams supports having at least 50 percent of the development be comprised of two- or more bedroom housing units and at least 75 percent one- or more bedroom housing units, consistent with zoning text for Inclusionary Housing floor area pursuant to the Zoning Resolution (ZR) Section 23-96(c)(1)(ii).

Therefore, Borough President Adams seeks that BFC and/or EDC provide a commitment in writing to the City Council to the extent that the dwelling units would reflect a greater percentage of two- and three-bedroom apartments.

Setting Aside Housing Units for Homeless Families

Because of trending increases in rents as compared to real income and other circumstances, certain households formerly from this neighborhood have become homeless and have had to rely on the City's shelter system. Though it is possible that some of these households are able to return to the neighborhood through interim accommodations in transitional housing accommodations such as the facility at 267 Rogers Street, such housing does not provide long-term stability. As an evolution of the City's homeless policy and practices, HPD established the Our Space Initiative (formerly homeless household set-asides). This program funds the new construction of rental units affordable to formerly homeless households with incomes at or below 30 percent AMI. Homeless referrals must come from HPD, and rents are underwritten based on public assistance shelter allowance. The Our Space Initiative subsidy is supplementary to funding available through HPD's New Construction Finance programs.

Borough President Adams supports developments that are inclusive of HPD's Our Space Initiative as a means to provide permanent housing to homeless households. There are two pending developments in Brooklyn expected to include the Our Space Initiative, including Ebenezer Plaza, where 20 percent of the units would be set aside for the formerly homeless, and Linden Terrace, with a set-aside of 10 percent. Borough President Adams believes that the Armory is an ideal site to include the Our Space Initiative, given that it is a substantially-sized City-owned property.

Borough President Adams believes it would be appropriate to require BFC to utilize the Our Space Initiative for preferably 20 percent of the units. Therefore, prior to the City Council's public hearing, EDC should provide a written commitment to the City Council to the extent that the development would be incorporating HPD's Our Space Initiative.

Advancing Vision Zero Policies

Borough President Adams is a supporter of Vision Zero, one component of which involves extending sidewalks into the roadway to shorten the path where pedestrians cross in front of traffic lanes. These sidewalk extensions, also known as bulbouts or neckdowns, increase drivers' awareness of pedestrian crossings and encourage them to slow down.

In 2015, Borough President Adams also launched his own initiative, Connecting Residents On Safer Streets (CROSS) Brooklyn. This program supports the creation of bulbouts or curb extensions at dangerous intersections in Brooklyn. During the program's first year, $1 million was allocated to improve five dangerous intersections in Brooklyn. Subsequent funding included $2.2 million in Fiscal Year 2017 (FY17) and $600,000 in FY18. Installing more curb extensions benefits seniors because more of their commute is spent on sidewalks, especially near dangerous intersections. At the same time, all roadway users benefit from safer streets.

Consistent with his CROSS Brooklyn initiative, Borough President Adams believes that redevelopment of the Armory should be followed by the implementation of curb extensions at the block corners. Where such improvement is not feasible, there should be a commitment to pursue and to maintain protected painted sidewalk extensions.

Borough President Adams believes that prior to receiving consideration for the proposed rezoning by City Council, the developer should consult the New York City Department of Transportation (DOT) regarding the provision of curb extensions, either built or painted, across the following intersections: Union Street and Bedford Avenue, President Street and Bedford Avenue, Union Street and Rogers Avenue, and President Street and Rogers Avenue.

Borough President Adams recognizes that the costs associated with construction of sidewalk extensions can be exacerbated by the need to modify infrastructure and/or utilities. Therefore, where such consideration might compromise feasibility, Borough President Adams urges DOT to explore the implementation of protected painted sidewalk extensions until capital resources are secured. If the implementation meets DOT's criteria, the agency should undertake such improvements after consultation with CB 9, as well as local elected officials. Painted extensions require a maintenance agreement that indemnifies the City from liability, contains a requirement for insurance, and details the responsibilities of the maintenance partner. Borough President Adams would expect BFC to commit to such maintenance as an ongoing obligation.

BFC has represented that it would work with DOT and other City agencies to determine whether curb extensions are appropriate, how they can be paid for upfront, and the ongoing maintenance.

Therefore, prior to considering any rezoning, the City Council should seek a demonstration of coordination with DOT and the New York City Department of Environmental Protection (DEP), and a resulting commitment to implement curb extensions either as part of a Builders Pavement Plan or as protected painted sidewalk extensions. The City Council should further seek demonstration of the designated developer's commitment to enter into a standard DOT maintenance agreement for the intersections of Union and President streets with Bedford and Rogers avenues. Furthermore, DOT should confirm that implementation will not proceed prior to consultation with CB 9 and local elected officials.

Advancing Resilient and Sustainable Energy and Stormwater Management Policies

It is Borough President Adams' sustainable energy policy to promote opportunities that utilize solar panels, wind turbines, and/or blue/green/white roofs, 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 would increase energy efficiency and reduce the development's carbon footprint. Furthermore, as part of his flood resiliency policy, Borough President Adams encourages developers to incorporate permeable pavers and/or install bioswales that advance DEP's green infrastructure strategies. Bioswales, blue/green roofs, and permeable pavers would deflect stormwater from the City's water pollution control plants. According to the "New York City Green Infrastructure 2016 Annual Report," green infrastructure

plays a critical role in addressing water quality challenges and provides numerous environmental, social, and economic co-benefits.

It is, therefore, appropriate for the developer to engage government agencies, such as 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 coordinating on this matter.

At the Bedford Courts building, BFC has proposed to incorporate a co-generation plant that would supply the building with electricity as well as hot and chilled water and solar panels on the roof.

Prior to considering the application, the City Council should obtain commitments in writing from BFC that clarify how it would memorialize so as to incorporate additional resiliency and sustainability measures such as incorporating blue/green/white roof finishes, Passive House construction principles, solar panels, and wind turbines in the development.

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 2015," double-digit unemployment remains a pervasive reality for several of Brooklyn's neighborhoods, with more than half of our community districts experiencing poverty rates of nearly 25 percent or greater. Prioritizing local hiring would assist in addressing this employment crisis. Additionally, promoting Brooklyn-based businesses including those that qualify as 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 that meet or exceed standards per Local Law 1 (no less than 20 percent participation).

The construction of both the community and residential components of the Armory will result in 679 direct jobs and 460 additional indirect jobs. BFC has committed to 25 percent MWBE participation and has hired By The Numbers Consulting to manage the MWBE hiring process. The developer is also working with the Brooklyn Chamber of Commerce (BCC) and the New York State Association of Minority Contractors (NYSAMC) to promote MWBE contracting opportunities. Other outreach strategies will include engagement with elected officials, local partnerships, and public information events. BFC expressed intent to utilize MWBE suppliers by all contractors retained on the project.

Borough President Adams believes that BFC efforts implemented to retain Brooklyn-based contractors and subcontractors, especially those that are designated LBEs, should be consistent with section 6-108.1 of the City's Administrative Code, and MWBE firms in order to meet or exceed standards per Local Law 1 (no less than 20 percent participation).

Should BFC elect to seek financing from HPD or the New York City Housing Development Corporation (HDC), the developer will be required to participate in HPD's MWBE Building Opportunity Initiative's Build Up program. For Build Up projects, at least one-quarter of HPD-supported costs are to be spent on certified MWBE construction contractors and service providers. Developers may adopt a higher goal and all payments to certified MWBEs involved in design and construction count toward the goal.

Borough President Adams believes that the Build Up program offers reasonable opportunities to address disparities in MWBE participation in affordable housing development.

Therefore, prior to considering the application, the City Council should obtain commitments in writing from the developer, BFC, that clarify how it would memorialize the extent to which it would retain Brooklyn-based contractors and subcontractors, especially those that are designated LBEs consistent with section 6-108.1 of the City's Administrative Code, and MWBEs.

Preserving the Supply of Affordable Housing

Borough President Adams has heard a great deal of concern regarding the proposed market-rate aspect of the project, specifically its potential to exacerbate gentrification and induce displacement of existing residents. Without regard to whether this development were to be advanced with market-rate housing, when landlords are presented with an opportunity to raise rents in the neighborhood, this typically results in tenant displacement, and the influx of new tenants at increased rents. For non-regulated housing stock there is little recourse beyond targeted downzoning, which may slow the pace of property turnover and redevelopment through the reduction of development rights. For rent-regulated housing, government has taken many steps to combat landlord harassment tactics. However, additional measures can be taken to reduce landlord opt-out based on expiring regulatory agreements, temper preferential rent increases, and thwart legal demolition eviction.

According to the DEIS, to the extent that the proposed development may alter the area's socioeconomic characteristics, the new residential units are not expected to cause indirect displacement either by accelerating or introducing a condition that would potentially displace vulnerable residents. Property values and rents in the socioeconomic study area have been increasing over time, similar to housing costs across Brooklyn and New York City. According to the NYU Furman Center's "State of New York City's Housing and Neighborhoods in 2015" report, the median rent has increased from $949 to $1,241 (31 percent) from 2000 to 2014 in the Crown Heights and Prospect-Lefferts Gardens neighborhoods of CD 9. By comparison, there was a 30 percent increase in median rent for the entire borough of Brooklyn during this time period. While the estimated average median income levels of the proposed development across all units are expected to be somewhat higher than the average median household income of the socioeconomic study area, 71 of the rental dwelling units would be affordable to households with incomes consistent at or below the AMI in the socioeconomic study area ($44,263). While the DEIS concludes that the project would not exacerbate the trending risk of displacement, Borough President Adams believes that this is an issue that should not be overlooked.

Regarding legal demolition eviction, rent-stabilized unit status is not a legal deterrent to lawful demolition. There is at least one known example of a development site along Fourth Avenue in Park Slope where rent stabilized tenants were evicted to allow the demolition of a multi-unit development. In this case, the zoning floor area utilization was less than half of the permitted floor area. Therefore, stabilization alone is not a legal deterrent to lawful demolition, especially for structures in areas with rising property values that are significantly underbuilt.

Section 9 NYCRR 2524.5 of the Rent Stabilization Code allows a property owner of a rent-stabilized building not to renew the rent-stabilized leases on the grounds that the property owner intends to demolish the building. This strategy was well-publicized at a June 2016 real estate summit in Brooklyn. A landlord can legally take such steps even when the building does not have excessive development rights. Approval from the New York State Division of Housing and Community Renewal (HCR) is subject to approved plans for future development and proof of financial ability to complete the project, as well as a commitment to pay tenant relocation expenses and stipends according to established formulas.

However, HCR does not require proof of building demolition and such buildings are eventually lawfully reoccupied without rent-regulated status.

A related concern arises from the fact that regulated apartments often include units for which legally permitted regulatory rents (preferential rents) have been established. This occurs when there is a substantial gap between the terms of a tenant's expiring lease and the allowable rent that a landlord might seek as part of a lease renewal, based on the legal amount permitted. A significant increase in such rents would leave tenants rent-burdened and at risk for displacement.

Finally, this section of Brooklyn includes dozens of buildings and hundreds of units with regulatory agreements that expire in the next decade. Though these units remain rent-regulated, for some apartments, tenants might be left without the subsidies that allowed them to afford such rents. Other tenants might face challenging preferential rent adjustments, while others might still be subject to lawful demolition eviction, if regulatory agreements are not extended.

In addition to enhanced strategies to minimize displacement, Borough President Adams believes that steps should be taken to preclude displacement to a practical extent. With regard to lawful demolition eviction, HCR should advance rules to close the loophole for buildings that are not demolished. To lessen the extent of preferential rent implementation, the State should advance legislation that mandates phasing in such rent adjustments similar to the approach used for real property tax increases based on an adjustment of assessed value. In this case, Class 2 residential properties are limited to an increase of eight percent per year and no more than 30 percent over five years. Finally, regarding the issue of expiring regulatory agreements, the City should commit the resources of the preservation component in the Mayor's "Housing New York: A Five-Borough, Ten-Year Plan" to refinance such buildings as a means of extending regulatory agreements. HPD should then engage area property owners to extend expiring regulatory agreements.

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

The City's housing lottery selection preference policy includes a pathway for achieving a preference of 50 percent or more for applicants residing in the community district where such affordable housing is being provided. There are additional pathways identified for priority lottery selection to become the tenant for such affordable housing units, such as United States Armed Forces veteran status, qualified disabilities, and more. Given the extent of the increase in homeless families with school-age children entering the public shelter system, Borough President Adams believes it is appropriate for HPD to also extend local lottery preference to include the school zone and any nearby neighboring school zone attended by a child of a household residing at a City-funded or -operated homeless shelter.

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 as recent as 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 Brooklyn schools with more than 18 percent of the enrollment categorized as STH.

Research indicates that students managing such living accommodations are most challenged in achieving optimum academic performance. Such 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 such assignments and study for exams. In addition,

commuting from the shelter to and from the school for many students consumes significantly more time. Such commutes often make it difficult to participate in extracurricular educational and/or social school activities, which might otherwise enhance the school academic and community experience.

Many parents and students find it important to retain school continuity despite the circumstances that require the household to be dependent on the City's homeless shelter system. Borough President Adams believes that it should be the policy of the City to take actions that would eliminate such hardships. One such action would be to enable the working income-challenged households with children attending public schools to qualify for community local preference on the basis of where the child is enrolled in school.

According to the interactive map provided by the Institute for Children, Poverty, and Homelessness (ICPH), there are six elementary schools within a few blocks of the proposed Bedford Courts development site, in New York City Community School District (CSD) 17, containing a combined total of approximately 500 homeless students. Such students and their families should be considered as part of the 50 percent local preference.

Borough President Adams believes that HPD should modify its affordable housing apartment 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

Borough President Adams supports Mayor Bill de Blasio's goal of achieving 200,000 affordable housing units over the next decade. 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 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. 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 show 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, e.g. 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 a fifth of New York City households — more than two million people — earn less than $25,000 a year and nearly a third earn less than $35,000. As the City's housing crisis gets worse, the burden falls most heavily on these low-income households, including senior citizens.

Many residents of CD 9 live in unregulated housing, or regulated apartments subject 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 such rent to the permitted legal amount. For ZIP code 11225, data disclosed by the New York City Rent Guidelines Board (RGB) in June 2017 list 2,550 such units, representing 20 percent of all rent-stabilized units. Moreover, data show that too many households in proximity to the proposed development fall into low- and very low-income categories and are often rent-burdened. There is, therefore, a pressing need to provide more affordable housing units

in CD 9. Given the risk of displacement, the City should take steps to increase the probability that rent-burdened households qualify for as many affordable housing lotteries as possible.

A strict rent-to-income requirement not exceeding 30 percent of income for annual rent payments ends up disqualifying many income-challenged households from the affordable housing lotteries. As a result, these rent-burdened households do not meet a housing lottery's minimum household rent-to-income requirement. Such households are often 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 recommendations, Borough President Adams believes that it is time to break the cycle in which families that are already paying too much rent for substandard dwellings are disqualified from affordable housing lotteries in new buildings. Borough President Adams seeks to qualify rent-burdened households for selection through the housing lottery process. Such eligibility would ensure rent-burdened households receive the maximum opportunity to secure regulated affordable housing, thus expanding the number of households eligible for government-regulated affordable housing lotteries.

One means to address pervasive rent burden involves amending the ZR to adjust AMI qualifications to include such households that would maintain or reduce their rent burden. For MIH housing lotteries, DCP should amend the ZR to allow exceptions to the 30 percent of income threshold so that rent-burdened households paying the same or greater rent than the lottery unit rent would be eligible to live in affordable, new, and quality housing.

Borough President Adams believes that the CPC and/or the City Council should echo his call to seek modifications to 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. Such modifications would allow exceptions to the 30 percent of income threshold for households paying equal or higher rent than those offered by the housing lottery.

Recommendation

Be it resolved that the Brooklyn borough president, pursuant to sections 197-c of the New York City Charter, recommends that the City Planning Commission (CPC) and the City Council disapprove these applications with the following conditions:

1. Eliminate condominium ownership and repurpose the building as affordable rental housing, and therefore modify ULURP application number 170420 PPK to retain ownership of the entire site by restricting all disposition to a 99-year ground lease.

2. To the extent economically practical, repurpose floor area for the maximum additional number of affordable housing units.

3. That prior to the City Council's public hearing, BFC, and/or EDC provide to the City Council multiple assumptions of the number of units at variations of middle- and moderate-income affordable housing that might assist with covering the operating cost of the drill shed and head house.

4. That prior to the City Council's public hearing, BFC and/or EDC provide to the City Council:

a. The construction cost and annual projected operating cost differential for the drill shed and head house both with and without the swimming pool

b. Multiple assumptions of the number of units at various AMIs of middle-moderate- and/or moderate-income affordable housing that might cross-subsidize the operating cost of the drill shed and head house that repurposes some or all of the market-rate floor area, with and without inclusion of the swimming pool

c. Detailed assumptions to assist in understanding the number of annual users who should benefit from low-cost and subsidized individual utilization of the recreational facilities.

5. Based on the disclosure of user assumptions, the City Council shall consider the extent of cumulative subsidy credit provided to the non-profit users in terms of the adequate availability of the recreation center for free, low-cost, and highly subsidized non-affiliated entry/utilization of the facility.

6. That prior to the Council's public hearing, BFC and/or EDC provide to the City Council:

   a. Language incorporated in either the regulatory agreement or the LDA to ensure that non-MIH housing units remain permanently affordable

   b. A written commitment to the extent that the dwelling units would reflect a greater percentage of two- and three-bedroom apartments more consistent with having at least 50 percent of two- or more bedroom affordable housing units and at least 75 percent of one- or more bedroom affordable housing units, consistent with zoning text for Inclusionary Housing floor area pursuant to ZR 23-96(c)(1)(ii)

   c. The extent that the development would be incorporating HPD's Our Space Initiative (20 percent preferred)

   d. The extent that it would coordinate with the New York City Department of Transportation (DOT) and the New York City Department of Environmental Protection (DEP) as follows:

      i. Commit to implement curb extensions as part of a Builders Pavement Plan and/or as protected painted sidewalk extensions, with developer commitment to enter into a standard DOT maintenance agreement for the following intersections: Union Street and Bedford Avenue, President Street and Bedford Avenue, Union Street and Rogers Avenue, and President Street and Rogers Avenue

      ii. Commit to the installation of bioswales as part of its Builders Pavement Plan

   With the understanding of DOT confirming that implementation would not proceed prior to consultation with CB 9 and local elected officials

e. Continue to explore additional resiliency and sustainability measures in the development such as incorporating blue/green/white roof finishes, Passive House construction principles, solar panels, and wind turbines

f. Retain Brooklyn-based contractors and subcontractors, especially those who are designated Local Business Enterprises (LBE) consistent with section 6-108.1 of the City's Administrative Code, and Minority- and Women-Owned Business Enterprises (MWBE) as a means to meet or exceed standards per Local Law 1 (no less than 20 percent participation), as well as to coordinate the monitoring of such participation with an appropriate monitoring agency.

Be It Further Resolved:

1. That New York State Housing and Community Renewal (HCR) should advance rulemaking modifications regarding Section 9 NYCRR 2524.5 of the Rent Stabilization Code that would close the loophole that now allows rent-stabilized buildings to be vacated to facilitate demolition that may result in the buildings being re-occupied as legal non-regulated apartments.

2. That the New York State Legislature should introduce a bill pertaining to legally permitted regulatory rent (preferential rent) that mandates such a rent adjustment be phased in based on the establishment of an annual cap on the percent of annual increase.

3. That the City should commit the resources of the Mayor's "Housing New York: A Five-Borough, Ten-Year Plan" preservation component to set aside funding to refinance such buildings as a means to extend regulatory agreements, followed by subsequent engagement with owners of area properties with expiring regulatory agreements by the New York City Department of Housing Preservation and Development (HPD).

4. That HPD modify its affordable housing apartment lottery community preference standards to be inclusive of the school zone attended by a child of a household residing at a City-funded or -operated homeless shelter.

5. That the CPC and/or the City Council, in order to establish AMI equivalent affordable housing eligibility as a qualifier for those rent-burdened households that would be able to pay the same or have a reduction in their rent by leasing an MIH lottery unit, should advocate for the modification of the MIH section of the ZR pertaining to MIH-designated areas, to be adopted with a requirement that provides eligibility while taking into account rent-burdened status.

DECLARATION OF LARGE-SCALE GENERAL DEVELOPMENT

KINGS COUNTY
BLOCK 1274 , LOT 1

RECORD AND RETURN TO:

Herrick, Feinstein LLP
2 Park Avenue
New York, New York 10016
Attention: Mitchell A Korbey, Esq.

DECLARATION OF LARGE-SCALE GENERAL DEVELOPMENT

THIS DECLARATION (**"Declaration"**), made as of this ____ of _____, 201__, by Bedford Courts LLC, a New York limited liability company, having an address at 150 Myrtle Avenue, Brooklyn, NY 11201 (**"Declarant"**).

WITNESSETH:

WHEREAS, the Declarant is the fee owner and long-term ground lessee of certain real property located in the Borough of Brooklyn, County of Kings, City and State of New York, designated for real property tax purposes as Block 1274, Lot 1 on the Tax Map of the City of New York, which is more particularly described in **Exhibit A** attached hereto and made a part hereof (the **"Subject Property"**);

WHEREAS, Declarant desires to improve the Subject Property as a "large-scale general development" meeting the requirements of Section 12-10 of the Zoning Resolution of the City of New York (the "**Zoning Resolution**" or the "**ZR**") definition of a "large-scale general development" (such proposed improvement of the Subject Property the "**Large-Scale Development Project**");

WHEREAS, in connection with the Large-Scale Development Project, the New York City Economic Development Corporation and the New York City Department of Citywide Administrative Services has filed with the New York City Department of City Planning (hereinafter "**DCP**") for approval by the New York City Planning Commission (the "**CPC**") of (a) a special permit pursuant to ZR Section 74-743 (Special provisions for bulk modification) to permit modifications of the applicable regulations for height and setbacks to facilitate a proposed mixed use development (C 170418 ZSK), within a large-scale general development

(the **"Large-Scale Special Permit"**); (b) a special permit pursuant to ZR Section 74-532 to reduce the required number of accessory residential parking spaces within a large scale general development located within a "Transit Zone", as that term is defined in the Zoning Resolution; (c) a zoning map amendment that includes the Subject Property to change a portion of the Zoning Map, Section 17b, from an R6 District to an R7-2 District, and to establish within the proposed R7-2 District, a C2-4 District (C 170416 ZMK); (d) a zoning text amendment (N 170417 ZRK) for an amendment of the Zoning Resolution, modifying Appendix F for the purpose of establishing a Mandatory Inclusionary Housing area within the Subject Property; and (e) the disposition of City-owned property (C 170420 PPK), which is the Subject Property; (items (a) through (e) collectively, the "**Land Use Applications**");

WHEREAS, to ensure that (a) the development of the Subject Property is consistent with the analysis in the Final Environmental Impact Statement (**"FEIS"**) issued for City Environmental Quality Review Application No. 16DME005K, pursuant to Executive Order No. 91 of 1977, as amended, and the regulations promulgated thereunder at 62 RCNY § 5-01 et seq. (**"CEQR"**) and the State Environmental Quality Review Act, New York State Environmental Conservation Law § 8-0101 et seq. and the regulations promulgated thereunder at 6 NYCRR Part 617 (**"SEQRA"**) and incorporates certain requirements for mitigation of significant adverse environmental impacts including mitigating adverse impacts to (i) historic and cultural resources identified in the FEIS, such mitigation measures are formalized in a Letter of Resolution (the **"LOR"**) by and between the New York City Landmarks Preservation Commission, Declarant, the New York City Housing Development Corporation, and the New York State Office of Parks, Recreation and Historic Preservation, which is attached hereto as

Exhibit B, and (ii) traffic during the construction and operation of the Large-Scale Development Project, and (b) the development of the Subject Property incorporates certain project components related to the environment("PCREs") which were material to the analysis of environmental impacts in the FEIS Declarant has agreed to restrict the construction, development, operation, use and maintenance of the Subject Property in certain respects, which restrictions are set forth in this Declaration;

WHEREAS, Section 74-743(b)(10) of the Zoning Resolution requires that a declaration with regard to ownership requirements in paragraph (b) of the large scale general development definition in Section 12-10 be filed with the CPC;

WHEREAS, _____ (the **"Title Company"**) has certified in the certification (the "**Certification**") attached hereto as **Exhibit C** and made a part hereof, that as of _____, __, 201__, Declarant and the City of New York (the **"City"**) are parties-in-interest (each a **"Party-in-Interest"**, collectively **"Parties-in-Interest"**) in the Subject Property, as such term is defined in the definition of "zoning lot" in Section 12-10 of the Zoning Resolution;

WHEREAS, all Parties-in-Interest to the Subject Property have executed this Declaration, or have waived their right to execute and subordinated their interest in the Subject Property to this Declaration by written instrument attached hereto as **Exhibit C-2** and made a part hereof, which instrument is intended to be recorded simultaneously with this Declaration; and

WHEREAS, Declarant desires to restrict the manner in which the Subject Property is developed in the future, and intends these restrictions to benefit all the land, including

land owned by the City, lying within a one-half-mile radius of the Subject Property.

NOW, THEREFORE, Declarant hereby declares, covenants and agrees that the Subject Property shall be held, sold, transferred, conveyed and occupied subject to the restrictions, covenants, obligations and agreeements of this Declaration, which shall run with the Subject Property and which shall be binding on Declarant, its successors and assigns, as follows:

1. Designation of Large-Scale General Development. Declarant hereby declares and agrees that, following the Effective Date (as defined in Section 9 hereof), the Subject Property, if developed pursuant to the Large Scale Special Permit, shall be treated as a large-scale general development site and shall be developed and enlarged as a single unit.

2. Development of Large-Scale Development Site. If the Subject Property is developed in whole or part in accordance with the Large Scale Special Permit, Declarant covenants that the Subject Property shall be developed in substantial conformity with the following plans prepared by Marvel Architects, approved as part of the Large Scale Special Permit and attached hereto as **Exhibit D** and made a part hereof:

Drawing No.	**Title**	**Date**
U-000	Cover Sheet	May 15, 2017
U-001	Zoning Lot Site Plan	May 15, 2017
U-002	Zoning Analysis, Base Plane & Lot Coverage	May 15, 2017
U-003	Zoning Diagrams - Axonometrics	May 15, 2017
U-004	Floor Plans - Basement	May 15, 2017

U-005	Floor Plans - 1st Floor	May 15, 2017
U-006	Zoning Diagram - Waiver Plan	May 15, 2017
U-007	Zoning Sections	May 15, 2017
U-008	Zoning Sections	May 15, 2017
U-009	Zoning Sections	May 15, 2017
U-010	Zoning Sections	May 15, 2017
U-011	Overall Project Elevations	May 15, 2017
U-012	Overall Project Elevations	May 15, 2017
U-013	Neighborhood Character Diagrams	May 15, 2017

3. Historic Resources Mitigation Measures. The Declarant shall comply with allof the obligations set forth in the LOR (attached hereto as Exhibit B) to mitigate the significant adverse impacts to historic resources on the Subject Property.

4. Operational Traffic and Construction Traffic Mitigation Measures.

(a) The Declarant shall notify the New York City Department of Transportation (**"DOT"**) in writing six (6) months before the completion and full occupancy of the Large Scale Development Project and request that DOT determine the feasibility or necessity of implementing the mitigation measures set forth in Exhibit E attached hereto and made a part hereof (the "Operational Traffic Mitigation Measures"). DOT shall advise Declarant of its determination of the feasibility and necessity of the Operational Traffic Mitigation Measures in writing after the Large Scale Development Project is fully occupied. Declarant shall have no obligations with respect to those Operational Traffic Mitigation Measures that DOT determines are not feasible or necessary. Declarant shall either implement such measures as directed by DOT, or if directed by DOT, pay DOT/City for the ordinary and customary costs of the mitigation measures that DOT implements.

(b) Chapter 19 of the FEIS sets forth recommended mitagtion measures for signficant adverse traffic impacts expected to take place during construction of the Large Scale Development Project. The Declarant shall notify DOT at least six (6) months prior to the commencement of construction of the Large Scale Development Project and request that DOT determine the feasibility or necessity of implementing the mitigation measures set forth in Exhibit F attached hereto and made a part hereof (the "Construction Period Traffic Mitigation Measures"). DOT shall advise Declarant of its determination of the feasibility and necessity of the Construction Period Traffic Mitigation Measures in writing during the construction of the Large Scale Development Project. Declarant shall have no obligations with respect to those Construction Period Traffic Mitigation Measures that DOT determines are not feasible or necessary. Declarant shall either implement such measures as directed by DOT, or if directed by DOT, pay DOT/City for the ordinary and customary costs of the mitigation measures that DOT implements.

5. PCREs Related to Construction Air Quality and Noise.

(a) Construction Air Quality. To minimize pollutant emissions and ensure that construction of the Large-Scale Development Project results in the lowest practicable diesel particulate matter (DPM) emissions, the Declarant shall implement the PCRE measures related to air quality, as indicated within **Exhibit G**, which is attached hereto and made a part hereof;

(b) Construction Noise. To avoid or minimize increases in noise levels at sensitive receptors in relation to construction of the Large-Scale Development Project, the Declarant shall implement the PCRE measures related to noise, as indicated within Exhibit G. The details of the source and path contols which will be established to avoid or minimize such noise increases shall be established within a "Noice Reduction Plan" to be reviewed and approved by the New York City Department of Environmntal Protection prior to construction.

(c) Construction Monitor. Declarant shall engage an independent third party construction monitor (the "Construction Monitor"), which will operate under the oversight of the Mayor's Office of Environmental Coordination, to ensure that the PCREs for emissions and noise reduction measures identified within this Section 5 and Exhibit G, to the extent practicable and feasible, are implemented during construction activities for the Large-Scale Development Project.

6. Representation. Declarant hereby represents and warrants that there is no restriction of record on the development, enlargement, or use of the Subject Property, nor any present or presently existing estate or interest in the Subject Property, nor any existing lien, obligation, covenant, easement, limitation or encumbrance of any kind that shall preclude the restriction and obligation to develop and enlarge the Subject Property as a large-scale general development as set forth herein.

7. Binding Effect. The restrictions, covenants, rights and agreements set forth in this Declaration shall be binding upon Declarant and any successor or assign of

Declarant; provided, however, that the Declaration shall be binding on any Declarant only for the period during which such Declarant, or any successor or assign thereof, is the holder of an interest in the Subject Property and only to the extent of such Declarant's interest in the Subject Property. At such time as a Declarant or any successor to a Declarant no longer holds an interest in the Subject Property, such Declarant's or such Declarant's successor's obligations and liability under this Declaration shall wholly cease and terminate and the party succeeding such Declarant or such Declarant's successor shall assume the obligations and liability of Declarant pursuant to this Declaration with respect to actions or matters occurring subsequent to the date such party assumes an interest in the Subject Property to the extent of such party's interest in the Subject Property. For purposes of this Declaration, any successor to a Declarant shall be deemed a Declarant for such time as such successor holds all or any portion of any interest in the Subject Property.

8. Recordation. Declarant shall file and record this Declaration in the Office of the City Register of the City of New York (the "**City Register**") indexing it against the Subject Property on or after the date of the disposition of the Subject Property pursuant to ULURP Application No. C 170420 PPK (such date, the "**Recording Date**"). Declarant shall promptly provide to the Chairperson of the CPC a copy of the Declaration as recorded, so certified by the City Register. If Declarant fails to so record this Declaration by the Recording Date, CPC may record a duplicate original of this Declaration, but all costs of recording, whether undertaken by Declarant or by CPC, shall be borne by Declarant.

9. Effective Date. This Declaration and the provisions and covenants hereof shall become effective as of the date of recordation of this Declaration in accordance with Section 8 above.

10. Notice. All notices, demands, requests, consents, approvals, and other communications (each, a "**Notice**") which may be or are permitted, desirable, or required to be given under this Declaration shall be in writing and shall be sent or delivered as follows:

(i) if to Declarant:

to the address at the commencement of this Declaration

Attention: _____

with a copy to:

Mitchell A. Korbey, Esq.
Herrick, Feinstein LLP
2 Park Avenue
New York, NY 10016

(ii) if to CPC:

New York City Planning Commission
120 Broadway, 31st Floor
New York, New York 10271
Attention: Chairperson

with a copy to:

the General Counsel of CPC at the same address

(iii) if to a Party-in-Interest other than Declarant:

at the address provided in writing to CPC in accordance with this Section 10

(iv) if to a Mortgagee (defined below):

at the address provided in writing to CPC in accordance with this Section 10.

Declarant, CPC, any Party in Interest, and any Mortgagee may, by notice provided in accordance with this Section 10, change any name or address for purposes of this Declaration. In order to be deemed effective any Notice shall be sent or delivered in at least one of the following manners: (A) sent by registered or certified mail, postage pre-paid, return receipt requested, in which case the Notice shall he deemed delivered for all purposes hereunder five days after being actually mailed; (B) sent by overnight courier service, in which case the Notice shall be deemed delivered for all purposes hereunder on the date the Notice was actually received or was refused; or (C) delivered by hand, in which case the Notice will be deemed delivered for all purposes hereunder on the date the Notice was actually received. All Notices from CPC to Declarant shall also be sent to every Mortgagee of whom CPC has notice, and no Notice shall be deemed properly given to Declarant without such notice to such Mortgagee(s). In the event that there is more than one Declarant at any time, any Notice from the City or the CPC shall be provided to all Declarants of whom CPC has notice.

11. Defaults and Remedies.

(a) Declarant acknowledges that the restrictions, covenants, and obligations of this Declaration will protect the value and desirability of the Subject Property, as well as benefit the City. If Declarant fails to perform any of Declarant's obligations under this Declaration, the City shall have the right to enforce this Declaration against Declarant and exercise any administrative legal or equitable remedy available to the City, and Declarant hereby consents to same; provided that this Declaration shall not be deemed

to diminish Declarant's or any other Party in Interest's right to exercise any and all administrative, legal, or equitable remedies otherwise available to it, and provided further, that the City's rights of enforcement shall be subject to the cure provisions and periods set forth in Section 11(c) hereof. Declarant also acknowledges that the remedies set forth in this Declaration are not exclusive and that the City and any agency thereof may pursue other remedies not specifically set forth herein including, but not limited to, a mandatory injunction compelling Declarant to comply with the terms of this Declaration and a revocation by the City of any certificate of occupancy, temporary or permanent, for any portion of the Large Scale Development Project on the Subject Property subject to the Large Scale Special Permit; provided, however, that such right of revocation shall not permit or be construed to permit the revocation of any certificate of occupancy for any use or improvement that exists on the Subject Property as of the date of this Declaration.

(b) Notwithstanding any provision of this Declaration, only Declarant, and Declarant's successors and assigns and the City, acting through CPC, shall be entitled to enforce or assert any claim arising out of or in connection with this Declaration. Nothing contained herein should be construed or deemed to allow any other person or entity to have any interest in or right of enforcement of any provision of this Declaration or any document or instrument executed or delivered in connection with the Land Use Applications.

(c) Prior to City instituting any proceeding to enforce the terms or conditions of this Declaration due to any alleged violation hereof, City shall give Declarant, every

mortgagee of all or any portion of the Subject Property (a "**Mortgagee**") and every Party-in-Interest thirty (30) business days written notice of such alleged violation, during which period Declarant, any Party-in-Interest and Mortgagee shall have the opportunity to effect a cure of such alleged violation or to demonstrate to the City why the alleged violation has not occurred. If a Mortgagee or Party in Interest performs any obligation or effects any cure Declarant is required to perform or cure pursuant to this Declaration, such performance or cure shall be deemed performance on behalf of Declarant and shall be accepted by any person or entity benefited hereunder, including CPC and the City, as if performed by Declarant. If Declarant, any Party-in-Interest or Mortgagee commences to effect such cure within such thirty (30) day period (or if cure is not capable of being commenced within such thirty (30) day period, Declarant, any Party-in-Interest or Mortgagee commences to effect such cure when such commencement is reasonably possible), and thereafter proceeds diligently toward the effectuation of such cure, the aforesaid thirty (30) day period (as such may be extended in accordance with the preceding clause) shall be extended for so long as Declarant, any Party-in-Interest or Mortgagee continues to proceed diligently with the effectuation of such cure. In the event that more than one Declarant exists at any time on the Subject Property, notice shall be provided to all Declarants from whom the City has received notice in accordance with Section 10 hereof, and the right to cure shall apply equally to all Declarants.

(d) If, after due notice and opportunity to cure as set forth in this Declaration, Declarant, Mortgagee or a Party-in-Interest shall fail to cure the alleged violation, the

City may exercise any and all of its rights, including without limitation those delineated in this Section 11 and may disapprove any amendment, modification or cancellation of this Declaration on the sole ground that Declarant is in default of a material obligation under this Declaration.

12. Applications.

(a) Declarant shall include a copy of this Declaration with any application made to the New York City Department of Buildings ("**Buildings**") for a foundation, new building, alteration, or other permit (a "**Permit**") for any portion of the Large Scale Development Project subject to the Large Scale Special Permit. Nothing in this Declaration including but not limited to the declaration and covenant made in Section 1 hereof to develop and enlarge the Subject Property as a single unit, shall be construed to prohibit or preclude Declarant from filing for, or Buildings from issuing, any permit for all or any portion of the Large Scale Development Project, in such phase or order as Declarant sees fit in Declarant's sole discretion.

(b) Nothing in this Declaration shall be construed to prevent Declarant or any of Declarant's successors or assigns from making any application of any sort to any governmental agency or department (each an **"Agency**") in connection with the development of the Subject Property; provided that Declarant shall include a copy of this Declaration in connection with any application for any such discretionary approval, and provided that nothing in this Section 12(b) shall be construed as superceding the requirements, restrictions, or approvals that may be required under agreements with any other Agency or the City.

13. Amendment, Modification and Cancellation.

(a) This Declaration may be amended, cancelled, or modified only upon application by Declarant with the express written consent of CPC or an agency succeeding to CPC's jurisdiction and no other approval shall be required from any other public body, private person, or legal entity of any kind.

(b) Notwithstanding anything to the contrary contained in Section 13(a) hereof, the Chair of CPC may by its express written consent administratively approve modifications or amendments to this Declaration that, in the sole judgment of the Chair, are determined by the Chair to be a minor amendment or modification of this Declaration, and such minor modifications and amendments shall not require the approval of CPC.

14. Severability. In the event that any of the provisions of the Declaration shall be deemed, decreed, adjudged, or determined to be invalid or unlawful by a court of competent jurisdiction, such provision shall be severable and the remainder of this Declaration shall continue to be in full force and effect.

15. Applicable Law. This Declaration shall be governed and construed by the laws of the State of New York, without regard to principles of conflicts of law.

IN WITNESS WHEREOF, the undersigned has executed this Declaration this __ day of _____, 201__.

BEDFORD COURTS LLC

By: _____
Name:
Title:

ACKNOWLEDGEMENT

State of New York)
) ss:
County of New York)

On ___ day of _____, 201__ before me, the undersigned, a notary public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the entity upon behalf of which the individual acted, executed the instrument.

_____

Notary Public

EXHIBIT A

Legal description of Subject Property

EXHIBIT B

Letter of Resolution

EXHIBIT C

Title Company Certificate of Parties-in-Interest

EXHIBIT C-2

Waiver

EXHIBIT D

Plans

EXHIBIT E

Operational Traffic Mitigation Measures

Bedford Avenue and President Street

The intersection of Bedford Avenue and President Street would experience a significant adverse impact in the westbound through-right lane group during the Weekday AM and Weekday PM peak hours. To mitigate this impact, the traffic signal timing would be modified to reallocate green time as follows:

- Weekday AM peak hour: Shift 4 seconds from the northbound/southbound phase to the westbound phase.
- Weekday PM peak hour: Shift 4 seconds from the northbound/southbound phase to the westbound phase.

Bedford Avenue and Eastern Parkway

The intersection of Bedford Avenue and Eastern Parkway would experience a significant impact in the northbound and southbound approaches during the Weekday AM and MD peak hours, and a significant impact in the northbound approach during the Weekday PM and Saturday MD peak hours. To partially mitigate this impact, the traffic signal timing would be modified to reallocate green time as follows:

- Weekday AM peak hour: The significant adverse impact identified at this intersection cannot be mitigated, since any reallocation of green time to alleviate impacts would create new significant adverse impacts on conflicting intersection approaches.
- Weekday MD peak hour: Shift 1 second from the eastbound/westbound protected left-turn phase to the northbound/southbound phase. The impact would be partially mitigated during this peak hour.
- Weekday PM peak hour: Shift 1 second from the eastbound/westbound phase and 2 seconds from the eastbound/westbound protected left-turn phase to the northbound/southbound phase. The impact would be partially mitigated during this peak hour.
- Saturday MD peak hour: Shift 1 second from the eastbound/westbound phase and 1 second from the eastbound/westbound protected left-turn phase to the northbound/southbound phase.

With the proposed mitigation measures, this intersection would only be partially mitigated, since the Weekday AM peak hour would remain unmitigated.

EXHIBIT F

Construction Period Traffic Mitigation Measures

Significant adverse traffic impacts were identified in the FEIS at the intersections of (1) Bedford Avenue and President Street, (2) Bedford Avenue and Eastern Parkway Westbound Service Road (unsignalized), during the Weekday AM peak hour and (3) Bedford Avenue and Eastern Parkway, during the Weekday AM and Saturday PM peak hours of the peak construction period,which is expected to take place during the fourth quarter of 2018 (Q4 2018). Significant adverse construction traffic impacts would be temporary because they would only occur during the construction period.

Bedford Avenue and President Street

The intersection of Bedford Avenue and President Street would experience a significant impact in the westbound through-right lane group during the Weekday AM and Saturday PM construction peak hours. Should DOT or other relevant agencies determine it necessary to mitigate this temporary potential impact, the traffic signal timing would be modified to reallocate 5 seconds of green time from the northbound/southbound phase to the westbound phase, which is one second greater than the signal timing adjustment required to mitigate the potential significant adverse impact resulting from the Large Scale Development Project during the Weekday AM construction peak hour.

Bedford Avenue and Eastern Parkway

The intersection of Bedford Avenue and Eastern Parkway would experience a significant impact in the northbound and southbound approaches during the Weekday AM and Saturday PM construction peak hours and in the southbound approach during the Weekday AM construction peak hour. Should DOT or other relevant agencies determine it necessary to mitigate this temporary potential impact, the traffic signal timing would be modified during the Weekday AM and Saturday PM construction peak hour to reallocate 2 seconds and 1 second of green time, respectively, from the eastbound/westbound phase to the northbound/southbound phase, which is consistent with the signal timing changes proposed at this intersection to address potential impacts due to the Large Scale Development Project during other peak hours.

Bedford Avenue and Eastern Parkway Westbound Service Road (Unsignalized)

The intersection of Bedford Avenue and Eastern Parkway Westbound Service Road would experience a significant impact in the westbound approach during the Weekday AM construction peak hours. Since signal warrants would not be met at this intersection and geometric improvements are not feasible based on discussions with DOT, the impact at this intersection would remain unmitigated during the peak construction period.

Conclusion

DOT has reviewed proposed mitigation measures and confirmed that, the significant adverse impact at the intersections of Bedford Avenue and President Street could be fully mitigated during the Weekday AM peak hour and the intersection of Bedford Avenue and Eastern Parkway could be fully mitigated during the Weekday AM and Saturday PM peak hours for the peak construction period as outlined above. The impacts at the intersection of Bedford Avenue and Eastern Parkway Westbound Service Road would remain unmitigated during the construction period for the

Weekday AM construction peak hour.

The Declarant would inform DOT no later than six months prior to the start of construction, or other mutually agreed upon time, and coordinate the implementation of the identified mitigation measures with the appropriate agencies, including New York City Transit Authority.

EXHIBIT G
Construction Air Quality & Noise PCREs

The construction air quality and noise analyses in the FEIS assume several Project Components Related to the Environment ("PCREs") that the Declarant has committed to implement to minimize pollutant emissions and noise during construction. These commitments are described below.

I. Construction Air Quality

To minimize pollutant emissions and ensure that construction of the Large-Scale Development Project results in the lowest practicable diesel particulate matter (DPM) emissions, the Declarant would implement the following measures:

1. **Diesel Equipment Reduction.** Construction would minimize the use of diesel engines and maximize the use of electric engines where practical.

2. **Best Available Tailpipe Reduction Technologies.** Nonroad diesel engines with a power rating of 50 hp or greater and controlled truck fleets (i.e., truck fleets under long-term contract, such as concrete mixing and pumping trucks) would utilize the best available tailpipe reduction technology for reducing DPM emissions, such as diesel particle filters (DPFs). Construction contracts would specify that all diesel nonroad engines rated at 50 hp or greater would utilize DPFs, either installed on the engine by the original equipment manufacturer (OEM) or a retrofit DPF verified by the EPA or the California Air Resources Board, and may include active DPFs, if necessary or other technology proven to achieve equivalent emissions reduction. This measure is expected to reduce site-wide tailpipe PM emissions by approximately 90% or more. Stationary equipment would be fitted with devices to reduce NO_2.

3. **Dust Control.** Fugitive dust control plans would be required as part of contract specifications. For example, stabilized truck exit areas would be established for washing off the wheels of all trucks that exit the construction site. Tracking pads would be established at construction exits to prevent dirt from being tracked onto roadways. Any truck routes within the site would be either watered as needed or, in cases where such routes would remain in the same place for an extended duration, the routes would be stabilized, covered with gravel, or temporarily paved to avoid the re-suspension of dust. All trucks hauling loose material would be equipped with tight fitting tailgates and their loads securely covered prior to leaving the sites. To minimize fugitive dust emissions, vehicles on-site could be limited to a speed of five mph. Chutes would be used for material drops during demolition. Water sprays and or misting systems would be used for all excavation, demolition, and transfer of spoils to ensure that materials are dampened as necessary to avoid the suspension of dust into the air. Loose materials would be watered, stabilized with a biodegradable suppressing agent, or covered. In addition, all necessary measures would be implemented to ensure that the New York City Air Pollution Control Code regulating construction-related dust emissions is followed. Construction areas would also be surrounded by perimeter fencing that would help contain fugitive dust emissions.

4. **Idle Times.** In addition to adhering to the local law restricting unnecessary idling on roadways, on-site vehicle idle time will also be restricted to three minutes for all equipment and vehicles that are not using their engines to operate a loading, unloading, or processing device (e.g., concrete mixing trucks) or otherwise required for the proper operation of the engine.

5. **Utilization of Newer Equipment.** The EPA's Tier 1 through 4 standards for nonroad engines regulate the emission of criteria pollutants from new engines, including PM, CO, NO_x, and hydrocarbons (HC). All nonroad construction equipment for the Proposed Development would meet Tier 3 or newer emissions standard. Tier 3 NO_x emissions range from 40 to 60% lower than Tier 1 emissions and considerably lower than uncontrolled engines. This would be included in the bid documents and contracts.

6. **Source Location**. To reduce the resulting concentration increments, stationary equipment would be located at least 50 feet away from nearby sensitive receptors (i.e., residential buildings and publicly accessible open spaces) and at least 30 feet away from sidewalks, to the extent practicable and feasible.

7. **Ultra-Low Sulfur Fuel.** To reduce sulfur oxide emissions, all diesel engines used in construction would use ultra-low sulfur fuel (ULSD). With the use of ULSD, emissions of sulfur oxides would be negligible.

Additional measures to reduce pollutant emissions during construction of the Large-Scale Development Project will be in accordance with all applicable laws, regulations, and building codes. Overall, the proposed emission reduction program is expected to significantly reduce DPM emissions consistent with the goals of the currently best available control technologies under New York City Local Law 77, which are required only for publicly funded City projects.

II. Construction Noise

To minimize noise levels during construction of the Large-Scale Development Project the Declarant would use source controls (construction equipment with noise levels quieter than typical noise levels for such equipment, as shown in Table 1), as well as path controls (such as enclosures or temporary noise walls) placed between the noise-generating construction equipment and sensitive receptors.

Equipment noise levels quieter than those of typical construction equipment could be achieved through better engine mufflers, references in fan design, improved hydraulic systems, and/or newer equipment with specific manufacturer noise levels.

Table 1

Equipment	DEP & FTA Typical Lmax Noise Levels	Selected Developer-Committed Noise Levels
Air Compressor	75-80	67

Bobcat	N.L.	75
Chain Saws	85	75
Concrete Pump Truck	N.L.	82
Crane: 500-Ton Hydraulic	85	75
Crane: Manitowoc 999	85	77
Demo Hammer	N.L.	78
Excavators	85	77
Generators	70-82	68
Manlift	N.L.	75

The details of source and path control measures will be established in the requisite Noise Reduction plan to be reviewed and approved by DEP prior to construction. Source and path controls measures for the construction noise PCREs wouldinclude the following:

1. Noise barriers shall be erected around the perimeter of the construction areas where construction activities are taking place for the purpose of minimizing construction noise consistent with reasonable construction procedures. Noise barriers shall be a solid fence with a minimum height of 8 feet, with such fence at a height of up to 12 feet, if feasible, when located adjacent to residential and other sensitive locations, where feasible.

2. Equipment shall be properly installed and, where practicable, quality mufflers must be installed and maintained.

3. Path and/or source noise control measures (e.g., portable noise barriers, panels, enclosures, acoustical tents, use of electric equipment, where feasible) shall be used for certain dominant noise equipment, where practicable.

4. Where practicable and feasible, noise curtains and equipment enclosures would be utilized to provide 10 dBA of noise shielding to sensitive receptor locations for circular saws, concrete pump trucks, cut-off saws, demolition hammers, and rebar bending machines.

LETTER OF RESOLUTION

AMONG

THE NEW YORK CITY LANDMARKS PRESERVATION COMMISSION,

BEDFORD COURTS, LLC,

THE NEW YORK CITY HOUSING DEVELOPMENT CORPORATION,

AND

THE NEW YORK STATE OFFICE OF

PARKS, RECREATION AND HISTORIC PRESERVATION

REGARDING THE

DEMOLITION OF THE STABLE WING AND GARAGE, AND REDEVELOPMENT OF THE

BEDFORD-UNION, TROOP C ARMORY, USN: 04701.013583

1555 BEDFORD AVENUE, BLOCK 1274/LOT 24

BROOKLYN, KINGS COUNTY, NEW YORK

SHPO Project Number 16PR04644

WHEREAS, Bedford Courts, LLC has been designated as the Selected Developer to rehabilitate the Bedford-Union, Troop C Armory at 1555 Bedford Avenue (Block 1274/Lot 24) in New York City, Kings County (the "Armory") into an approximately 500,000 gross square foot mixed-use development comprising a multi-sport recreational facility, approximately 390 residential units of which approximately 177 will be affordable housing units, community facility, and other commercial uses (the "Project") and has consulted with the New York State Historic Preservation Office ("SHPO") in accordance with Section 14.09, regulations implementing the New York State Parks, Recreation and Historic Preservation Law; and,

WHEREAS, the Bedford-Union, Troop C Armory, a fortress-like, three-wing complex covering 2.8 acres with approximately 122,000 sq. ft. of floor space, was inventoried in the statewide Intensive Level Survey of Army National Guard Armories (1993) and determined eligible for inclusion in the State and National Registers of Historic Places; and,

WHEREAS, portions of the Armory, composed of an expansive Drill Shed for cavalry exercises, the Head House, and a Stable Wing appear eligible for LPC designation; and,

WHEREAS, the Selected Developer, New York City Economic Development Corporation ("EDC"), and New York City Housing Preservation and Development ("HPD") worked together to formulate the Project which addresses critical issues in Brooklyn's Community District 9 including: the urgent need for affordable housing, community space for sports and health-oriented activities, and community facility space for local non-profit organizations and,

WHEREAS, the Project requires the disposition of the Armory, a property under the ownership and control of the City of New York since 2013, and a change in zoning to maximize the public benefits of the Project; and,

WHEREAS, the Selected Developer may finance the construction of the proposed new rental building to be located at the east end of and outside the footprint of the original and historic Drill Shed, Head House, and Stable Wing of the Armory with tax exempt bonds, and which 50% of the units will be set aside as affordable housing units; and,

WHEREAS, the New York City Department of City Planning ("DCP") was consulted on neighborhood needs, current conditions, and the proposed rental building, which resulted in a height constraint for the rental building; and,

WHEREAS, OPRHP has determined, and the Selected Developer concurs, that the proposed demolition of a portion of the Armory, the Stable Wing and the Garage, will have an adverse impact on the Armory, a property eligible for inclusion in the National Register of Historic Places; and,

WHEREAS, the proposed redevelopment has been determined to have an adverse impact, and the Selected Developer conducted an in-depth analysis to identify and consider alternative sites, treatments and/or plans that might remove or minimize harm to the Armory(the "Alternatives Analysis"); and,

WHEREAS, the Alternatives Analysis found that the original 1903 function of the Stable Wing – horse stalls, narrow courtyards, tack rooms – poses insurmountable difficulties in adaptation for residential living, particularly in meeting light and air code requirements while attempting to maintain the current street façade; and

WHEREAS, the Alternatives Analysis found that due to the low load-bearing capacities of the extant foundation, the Stable Wing is structurally unable to support an adaptive re-use and enlargement in order to provide the number of new residential units necessary to make the overall Armory renovation possible; and

WHEREAS, the Alternatives Analysis found that the Garage, although a contributing component of the Armory and representative of the transition from military dependence on horses to trucks and automobiles, is a relatively unadorned functional building constructed out of three ancillary structures decades after the erection of the original complex and does not embody the streetscape interchange and powerful presence of the Armory's Drill Shed, Head House, and Stable Wing; and,

WHEREAS, the Alternatives Analysis also found that the Garage Wing, due to the low load-bearing capacities of the extant foundation, is structurally unable to support an adaptive re-use and enlargement in order to provide the number of new residential units necessary to make the overall Armory renovation financially feasible; and,

WHEREAS, no prudent and feasible alternatives to the proposed demolition of the Stable Wing and Garage were identified in the Alternatives Analysis; and,

WHEREAS, OPHRP has reviewed and concurs with the findings of the Alternatives Analysis; and

WHEREAS, OPRHP has reviewed the site history and determined there are no archaeological concerns for the property; and,

WHEREAS, the purpose of this Letter of Resolution ("LOR") is to ensure that appropriate mitigation measures are incorporated to minimize the adverse impact; and,

WHEREAS, OPRHP, in consultation with the Selected Developer and LPC, has identified measures to minimize the adverse impact on historic resources;

NOW, THEREFORE, in accordance with Section 14.09 of the New York State Parks, Recreation, and Historic Preservation Law ("Section 14.09"), LPC, Selected Developer, and OPRHP agree that the Project may proceed subject to the STIPULATIONS below.

1. Selected Developer will record the existing Bedford-Union, Troop C Armory to the equivalent of HABS Level II documentation standards (historic plans and photographs, photographs of existing conditions, and brief written history) except for the Stable Wing which will be recorded to HABS Level I standards (measured drawings and large-format photographs). Three (3) copies of this documentation shall be prepared in hard copy report form to the current standards and distributed as follows: two copies to the SHPO (one to be forwarded to the State Archives at the New York State Library) and one copy to the New York City Landmarks Preservation Commission (LPC). An electronic version of the same report will be distributed to both SHPO and LPC.
2. A Construction Protection Plan (CPP) will be developed that will address how the Head House and Drill Shed will be protected during demolition and construction. The CPP will specifically address the implementation and monitoring of the structural work that will be required to allow the demolition of the Stable Wing and Garage without causing damage to the historic section to remain. The CPP shall meet the requirements specified in the New York City Department of Buildings (NYCDOB) Technical Policy and Procedure Notice #10/88: Procedures for the Avoidance of Damage to Historic Structures Resulting from Adjacent Construction, and will be implemented by a licensed professional engineer. The CPP will be submitted to OPRHP for review and approval prior to implementation. OPRHP will review and comment/approve within 30 days of receiving the CPP from the Selected Developer.
3. Interior and Exterior design plans for the Head House and Drill Shed shall be developed in consultation with OPRHP and LPC and submitted at preliminary 35% and pre-final 75% completion stages for OPRHP and LPC comment. If OPRHP and LPC make substantive comments during pre-final design review, OPRHP and LPC may request the opportunity to review and comment on the final design. Each

OPRHP and LPC comment period shall not exceed 30 days.

4. A schedule of consultation with New York City Housing Development Corporation (HDC), Selected Developer, OPRHP and LPC will be developed for key rehabilitation and design milestones to ensure compatibility and appropriateness of the new addition and new rental building with the remaining historic armory.
5. Concept and pre-final designs for the proposed renovation and new building will be submitted to OPRHP and LPC. OPRHP and LPC shall have the opportunity to comment at the concept and pre-final stages. OPRHP and LPC may request additional reviews during the design phase. Each OPRHP and LPC comment period shall not exceed 30 days.
6. Selected Developer will conduct a pre-construction photo-illustrated survey of historic interior spaces to identify areas of primary vs. secondary importance, important spatial relationships, and character-defining architectural features. The survey shall follow the guidance of NPS Preservation Brief #18, "Rehabilitating Interiors in Historic Buildings: Identifying and Preserving Character-Defining Elements", and shall be provided to the consulting parties for review and comment.
7. Selected Developer, in consultation with OPRHP and LPC, will salvage historic decorative, architectural, and operational elements which can not be preserved in situ from the interior of the Armory and re-introduce them on site with engaging age- and community-appropriate educational signage, specifically the scale display unit from the lower level of the Stable Wing and Troop C insignia from the Head House. A preliminary and pre-final Salvage Inventory and Reuse Plan shall be submitted to OPRHP and LPC for comment.
8. Any modifications in the design of the plans and specifications for the remaining armory or proposed renovation and new building shall be submitted to OPRHP and LPC for review and comment. Each OPRHP and LPC comment period shall not exceed 30 days.
9. Selected Developer, in consultation with HDC, OPRHP, and LPC, will develop and install on site interpretive signage about the history and significance of the Bedford-Union, Troop C Armory.

AMENDMENTS
Any party to this LOR may propose to HDC that the LOR be amended, whereupon HDC shall consult with other parties to this LOR to consider such an amendment. Any amendment must be agreed upon in writing by all parties to this agreement.

TERM
This LOR shall be dated for identification purposes September 21, 2017, but shall take effect on the date it is signed by the last signatory and will remain in effect until the stipulations have been met.

EXECUTION AND IMPLEMENTATION of this Letter of Resolution evidences that Selected Developer has satisfied Section 14.09 responsibilities.

EXECUTION AND IMPLEMENTATION of this Letter of Resolution evidences that Selected Developer has satisfied Section 14.09 responsibilities.

NEW YORK STATE OFFICE OF PARKS, RECREATION AND HISTORIC PRESERVATION

By: _____ Date: 10/13/17

Name and Title: R. Daniel Mackay, Deputy Commissioner, Office of Parks, Recreation and Historic Preservation

NEW YORK CITY LANDMARKS PRESERVATION COMMISSION

By: _____ Date: _____

Name and Title: _____

NEW YORK CITY HOUSING DEVELOPMENT CORPORATION

By: _____ Date: _____

Name and Title: _____

SELECTED DEVELOPER / BEDFORD COURTS, LLC

By: _____ Date: 10/10/17

Name and Title: Donald Capoccia

NEW YORK STATE OFFICE OF PARKS, RECREATION AND HISTORIC PRESERVATION

By: _____ Date: _____

Name and Title: R. Daniel Mackay, Deputy Commissioner, Office of Parks, Recreation and Historic Preservation

NEW YORK CITY LANDMARKS PRESERVATION COMMISSION

By: Meenakshi Srinivasan Date: 10/16/17

Name and Title: Meenakshi Srinivasan, chair

NEW YORK CITY HOUSING DEVELOPMENT CORPORATION

By: _____ Date: _____

Name and Title: _____

SELECTED DEVELOPER / BEDFORD COURTS, LLC

By: _____ Date: _____

Name and Title: _____

EXECUTION AND IMPLEMENTATION of this Letter of Resolution evidences that Selected Developer has satisfied Section 14.09 responsibilities.

NEW YORK STATE OFFICE OF PARKS, RECREATION AND HISTORIC PRESERVATION

By: _____ Date: _____

Name and Title: Michael F. Lynch, P.E., AIA, Director, Division for Historic Preservation

NEW YORK CITY LANDMARKS PRESERVATION COMMISSION

By: _____ Date: _____

Name and Title: _____

NEW YORK CITY HOUSING DEVELOPMENT CORPORATION

By: _____ Date: 10/18/17

Name and Title: PAULA ROY CARETHERS, EVP REAL ESTATE

SELECTED DEVELOPER

By: _____ Date: _____

Name and Title: _____