

April 21, 2021 / Calendar No. 2

IN THE MATTER OF an application submitted by Mott Haven Gateway LLC pursuant to Sections 197-c and 201 of the New York City Charter for an amendment of the Zoning Map, Section No. 6a:

- eliminating a Special Mixed Use District (MX-13) bounded by a line 200 feet southwesterly of East 140th Street, Walton Avenue, a line 100 feet northeasterly of East 138th Street, and Major Deegan Boulevard;
- changing from an M1-4/R6A District to an R8A District property bounded by a line 200 feet southwesterly of East 140th Street, Walton Avenue, a line 100 feet northeasterly of East 138th Street, and Major Deegan Boulevard; and
- establishing within the proposed R8A District a C2-4 District bounded by a line 200 feet southwesterly of East 140th Street, Walton Avenue, a line 100 feet northeasterly of East 138th Street, and Major Deegan Boulevard;

Borough of the Bronx, Community District 1, as shown on a diagram (for illustrative purposes only) dated November 16, 2020, and subject to the conditions of CEQR Declaration E-590.

This application for a zoning map amendment was filed by Mott Haven Gateway LLC on May 19, 2020. This application, in conjunction with the related zoning text amendment (N 200287 ZRX), would facilitate the construction of a 12-story mixed-use development with 190 units of affordable housing, 48 of which would be permanently affordable, at 261 Walton Avenue in the Lower Concourse neighborhood of the Bronx, Community District 1.

RELATED ACTION

In addition to the zoning map amendment (C 200286 ZMX) that is the subject of this report, the proposed project also requires action by the City Planning Commission (CPC) on the following application, which is being considered concurrently with this application:

N 200287 ZRX Zoning text amendment to designate a Mandatory Inclusionary Housing (MIH) area.

BACKGROUND

The applicant requests a zoning map amendment to change the zoning of a Special Mixed-Use District (MX) from an M1-4/R6A zoning district to an R8A/C2-4 zoning district, and a zoning text amendment to create an MIH area coterminous with the rezoning area.

The project area is an approximately 25,414-square-foot irregularly shaped through lot on Block 2344, and consists of a portion of Lot 52 and Lot 60. The project area is comprised of the development site (Lot 60), which is owned by the applicant, as well as a portion of Lot 52, which is not owned by the applicant. The approximately three-foot-wide sliver of Lot 52 is not expected to result in development from the proposed actions. The project area is bounded by East 140th Street to the north, Walton Avenue to the east, East 138th Street to the south, and Gerard Avenue to the west. Lot 60 has been improved with a six-story, 43,820-square-foot industrial building since the 1930s. The building was most recently occupied by a self-storage facility but is now vacant due to a fire.

The Lower Concourse area has historically contained manufacturing and commercial uses in low-rise, high lot coverage buildings. The development site was part of the 2009 Lower Concourse Rezoning, a 30-block area intended to create a vibrant community with new mixeduse housing and waterfront open space. As part of that rezoning the Special Harlem River Waterfront District was created. The district was amended in 2017 where it was expanded to the south and updated to encourage greater connectivity and encourage the development of affordable housing. The district permits towers of up to 400 feet. The area has seen significant development completed, under construction and proposed in recent years.

The area surrounding the project area is generally characterized by commercial and industrial buildings with high lot coverage. Other uses on Block 2344 include a gas station to the south and an air conditioning contractor and furniture supplier to the north. The block to the east of the project area across Walton Avenue consists of one- to two-story buildings with industrial supply/service uses and a car wash. The block to the west of the project area, across the Major Deegan Expressway, consists of a four-story self-storage facility with surface-level parking.

The surrounding area is divided by transportation infrastructure, including the Major Deegan Expressway to the west of the project area across Gerard Avenue, on/off ramps to the Major Deegan to the east of the project area on the Grand Concourse, and the elevated Metro-North railroad tracks to the east of the Grand Concourse. East 138th Street is a major east-west thoroughfare and provides access to Manhattan via the Madison Avenue Bridge. The area is well served by public transportation, with a subway stop located one block east of the project area at East 138th Street and the Grand Concourse that provides service to the 4 and 5 trains. Several bus lines also stop in the vicinity of the project area including the Bx1, connecting Riverdale to Mott Haven, and the Bx33, connecting Port Morris to Harlem.

The project area is located within an MX pairing M1-4 and R6A zoning districts. Established in 2009 (C 090303 ZMX) and encompassing a 30-block area, this MX was intended to encourage new residential and mixed-use opportunities in the transit-rich Lower Concourse area. In MX districts, new residential and non-residential uses can be developed as-of-right and located side-by-side or within the same building, within certain limits based on the environmental ratings of industrial businesses. Most light industrial uses are permitted in MX districts as-of-right, while others are subject to restrictions. Heavy industrial uses are not allowed, with the exception of small breweries. In MX districts, residential uses are generally subject to the bulk controls of the underlying residential district. Commercial, community facility and industrial uses are subject to the M1 district bulk controls, with floor area ratio limits for community facility dictated by the underlying residential district. Special lot coverage, yard, and height and setback regulations apply.

The applicant also proposes an amendment to Appendix F of the Zoning Resolution to designate an MIH area coterminous with the project area. The applicant proposes the use of MIH Option 1, which requires that 25 percent of residential floor area be set aside for households with incomes averaging 60 percent of the Area Median Income (AMI), with 10 percent residential floor area set aside for households with incomes averaging 40 percent of the AMI. The proposed actions would facilitate the development of a 12-story mixed residential and commercial building on Lot 60, which is the development site. The proposed development would contain approximately 181,307 square feet of floor area (7.2 FAR) with approximately 162,307 square feet of residential floor area and 19,000 square feet of commercial floor area on the ground-floor. It would also contain a total of approximately 190 income-restricted residential units, which the applicant intends to finance pursuant to the New York City Department of Housing Preservation and Development's Extremely Low and Low-Income Affordability program.

The proposed development would be set at the street line and rise to a base height of 105 feet (10 stories). The proposed development would be set back 15 feet above the base height and would rise to an overall height of 124 feet (12 stories). Building entrances to the residential and retail uses would be located on Walton Avenue. A new curb cut on Gerard Avenue would provide vehicular access to 12 non-required accessory parking spaces on the cellar level.

ENVIRONMENTAL REVIEW

This application (C 200286 ZMX), in conjunction with the application for the related action (N 200287 ZRX), was reviewed pursuant to the New York State Environmental Quality Review Act (SEQRA) and the SEQRA regulations set forth in Volume 6 of the New York Code of Rules and Regulations, Section 617.00 et seq. and the City Environmental Quality Review (CEQR) Rules of Procedure of 1991 and Executive Order No. 91 of 1977. The lead is the City Planning Commission. The designated CEQR number is 20DCP156X).

After a study of the potential environmental impact of the proposed action, a Negative Declaration was issued on November 16, 2020. The Negative Declaration included an (E)

designation to avoid the potential for significant adverse impacts related to air quality and hazardous materials (E-590).

The requirements of the (E) designation are described in the Environmental Assessment Statement and Negative Declaration.

UNIFORM LAND USE REVIEW

This application (C 200286 ZMX) was certified as complete by the Department of City Planning on November 16, 2020 and was duly referred to Community Board 1 and the Bronx 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 200287 ZRX), which was duly referred in accordance with the procedures for non-ULURP matters.

Community Board Public Hearing

Bronx Community Board 1 held a public hearing on this application (C 200286 ZMX) on January 28, 2021 and on that date, by a vote of 15 in favor, three opposed, and two abstaining, recommended approval of the application. Community Board 1 did not submit a recommendation to the Department of City Planning.

Borough President Recommendation

The Bronx Borough President held a public hearing on this application (C 200286 ZMX) on February 16, 2021, and on February 24, 2021 issued a recommendation to approve the application.

City Planning Commission Public Hearing

On February 17, 2021 (Calendar No. 1), the City Planning Commission scheduled March 3, 2021, for a public hearing on this application (C 200286 ZMX), in conjunction with the related application (N 200287 ZRX). The hearing was duly held on March 3, 2021 (Calendar No. 26). Five speakers testified in favor of the application, and none in opposition.

Speakers testifying in favor of the application included three members of the applicant team. The applicant's attorney presented an overview of the proposed development and the land use rationale for the proposed zoning map amendment.

The applicant's representative stated that the neighborhood is currently in transition with new mixed-use developments from East 145th Street to East 138th Street resulting in thousands of housing units. He noted that the proposed development would have vertical and horizontal articulation, as well as a retail presence that would help activate the ground floor. The Gerard Avenue frontage would have glazing on the west side of the building with louvres for the parking area.

The applicant's representative stated that their construction company is located in the Mott Haven section of Community District 1 and that they are focused on the development of new housing. He stated that most of their buildings contain ground floor commercial space and that they have a track record of working with Bronx based Minority and Women-Owned Business Enterprise. He noted that a supermarket operator has expressed an interest in occupying the ground floor space. He also mentioned that there is ongoing construction in this area, which lacks commercial activity.

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

CONSIDERATION

The Commission believes that this application for a zoning map amendment (C 200286 ZMX), in conjunction with the related application for a zoning text amendment (N 200287 ZRX), is appropriate.

Together, the actions will facilitate the development of a 12-story, 162,307-square-foot, mixeduse building with 190 housing units, 48 of which will be permanently affordable, as well as approximately 19,000 square feet of ground floor commercial consistent with the uses immediately west and north of the project area. The proposed R8A/C2-4 zoning district is appropriate. The R8A/C2-4 district will be mapped along the mid-portion of the block that contains a five-story vacant industrial building and a portion of an adjacent lot with a gas station. The proposed R8A zoning district is a contextual, high-density zoning district designed to produce Quality Housing buildings. Compared to existing zoning, R8A/C2-4 will not allow manufacturing uses, but will permit commercial, residential, and community facility uses at equivalent or higher densities than the current MX-13. While the rezoning boundary will extend over an approximately three-foot sliver of a nonapplicant owned lot (Block 2344, portion of Lot 52), no development is anticipated as a result of this action. The project area is proximate to transit, and the proposed development will convert an existing underutilized site into affordable housing in an area with a significant need for new income-restricted units.

The proposed zoning text amendment (N 200287 ZRX) is appropriate. Designating an MIH area coterminous with the rezoning area is consistent with citywide objectives of promoting production of affordable housing outlined in *Housing New York*. The text amendment will require any future residential development within the rezoned area to set aside 25 percent of the residential floor area for income-restricted housing units, which will result in 48 permanently income restricted affordable housing units.

The Commission notes the letters of support for the proposed development from residents of the surrounding area, as well as a letter of intent from a supermarket operator to occupy ground floor commercial space at the proposed development.

RESOLUTION

RESOLVED, that having considered the Environmental Assessment Statement (EAS), for which a Negative Declaration was issued on November 16,2020 with respect to this application (CEQR No. 20DCP156X), that the City Planning Commission finds that the action described herein will have no significant impact on the environment; and be it further RESOLVED, by the City Planning Commission, pursuant to Sections 197-c and 200 of the New York City Charter, that based on the environmental determination and consideration described in this report, the Zoning Resolution of the City of New York, effective as of December 15, 1961, and subsequently amended, is further amended by changing the Zoning Map, Section No. 6a:

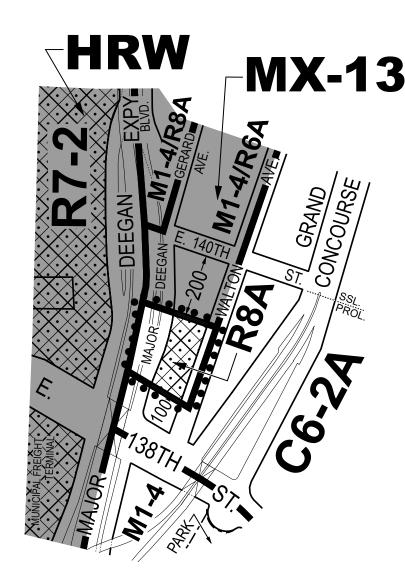
- eliminating a Special Mixed Use District (MX-13) bounded by a line 200 feet southwesterly of East 140th Street, Walton Avenue, a line 100 feet northeasterly of East 138th Street, and Major Deegan Boulevard;
- changing from an M1-4/R6A District to an R8A District property bounded by a line 200 feet southwesterly of East 140th Street, Walton Avenue, a line 100 feet northeasterly of East 138th Street, and Major Deegan Boulevard; and
- 3. establishing within the proposed R8A District a C2-4 District bounded by a line 200 feet southwesterly of East 140th Street, Walton Avenue, a line 100 feet northeasterly of East 138th Street, and Major Deegan Boulevard;

Borough of the Bronx, Community District 1, as shown on a diagram (for illustrative purposes only) dated November 16, 2020, and subject to the conditions of CEQR Declaration E-590.

The above resolution (C 200286 ZMX), duly adopted by the City Planning Commission on April 21, 2021 (Calendar No. 2), is filed with the Office of the Speaker, City Council, and the Borough President, in accordance with the requirements of Section 197-d of the New York City Charter.

MARISA LAGO, Chair KENNETH J. KNUCKLES, Vice Chairman DAVID BURNEY, ALLEN P. CAPPELLI, Esq., ALFRED C. CERULLO, III, JOSEPH I. DOUEK, RICHARD W. EADDY, HOPE KNIGHT, ANNA HAYES LEVIN, ORLANDO MARIN, RAJ RAMPERSHAD, Commissioners

LARISA ORTIZ, Commissioner, Voting No



CITY PLANNING COMMISSION CITY OF NEW YORK DIAGRAM SHOWING PROPOSED **ZONING CHANGE**

ON SECTIONAL MAP

6a BOROUGH OF BRONX

S. Lenard, Director Technical Review Division



New York, Certification Date: November 16, 2020

> SCALE IN FEET 0 150 300 450 600

NOTE:

C.D. 01

Indicates Zoning District Boundary

••• The area enclosed by the dotted line is rezoned by eliminating a Special Mixed Used District (MX-13), changing an existing M1-4/R6A District to an R8A District, and by establishing a C2-4 District within the proposed R8A District.



Indicates a C2-4 District

HRW Indicates a Special Harlem River Waterfront District

MX-13 Indicates a Special Mixed Use District (MX-13)

BOROUGH PRESIDENT RECOMMENDATION	CITY PLANNING COMMISSION 22 Reade Street, New York, NY 10007 Fax # (212)720-3356
INSTRUCTIONS	
 Return this completed form with any attachments to the Calendar Information Office, City Planning Commission, Room 2E at the above address. 	 Send one copy with any attachments to the applicant's representative as indicated on the Notice of Certification.
APPLICATION # C 200286 ZMX-261 WALTON AVENUE	
DOCKET DESRCRIPTION	
PLEASE SEE ATTACHMENT FOR DOCKET DESCRIPTION	
COMMUNITY BOARD NO. 1	BOROUGH: BRONX
RECOMMENDATION	
APPROVE WITH MODIFICATIONS/CONDITIONS (List below)	
DISAPPROVE	
EXPLANATION OF RECOMMENDATION-MODIFICATION/CONDITIONS (Attach additional sheets if necessary)	
PLEASE SEE ATTACHMENT FOR BOROUGH PRESIDENT'S RECOMMENDATION	
Preken Di J.	
	2/24/21
BOROUGH PRESIDENT	DATE

BRONX BOROUGH PRESIDENT RECOMMENDATION ULURP APPLICATION NO: C 200286 ZMX-261 WALTON AVENUE

DOCKET DESCRIPTION

IN THE MATTER OF AN application submitted by Mott Haven Gateway, LLC pursuant to section 197-c and 201 of the New York City Charter for an amendment of the Zoning Map, Section No. 6a:

- Eliminating a Special Mixed-Use District (MX-13) bounded by a line 200 feet southwesterly of East 140th Street, Walton Avenue, a line 100 feet northeasterly of East 138th Street, and Major Deegan Boulevard;
- Changing from an M1-4/R6A district to an R8A district property bounded by a line 200 feet southwesterly of East 140th Street, Walton Avenue, a line 100 feet northeasterly of East 138th Street, and Major Deegan Boulevard; and
- Establishing within the proposed R8A District a C2-4 District bounded by a line 200 feet southwesterly of East 140th Street, Walton Avenue, a line 100 feet northeasterly of East 138th Street, and Major Deegan Boulevard;

Borough of The Bronx, Community District #1, as shown on a diagram (for illustrative purposes only) dated November 16, 2020, and subject to conditions of CEQR Declaration E-590.

BACKGROUND

The site this application is considering is bounded by Walton Avenue on the east, Gerard Avenue on the west, 100 feet north of 138th Street to the south, and 200 feet south of East 140th Street to the north. Proposed land use actions would:

- Eliminate an existing M1-4 and R6A Zoning Districts (MX-13) consisting of Block 2344, part of Lot 52 and Lot 60;
- Establish an R8A/C2-4 Zoning District consisting of Block 2344, part of Lot 52 and Lot 60;
- Approve a Zoning Text Amendment to Appendix F: Inclusionary Housing Designated Areas and Mandatory Inclusionary Housing (MIH) Areas for Bronx Community District #1
- Establish the Project Area as an MIH Area (Option 1).

Establishing an R8A District with a C2-4 commercial overlay will:

- Permit residential development up to a maximum of 7.2 Floor Area Ratio (FAR)
- Permit commercial development up to a maximum 2.0 FAR
- Permit community facility development up to a maximum 6.5 FAR

- Permit a maximum building height of 145 feet (approximately 14 stories)
- Prohibit manufacturing uses

The Project Area is composed of approximately 25,414 square feet of property. This includes Block 2344, Lot 60, as well as Block 2344, Lot 52. Lot 52 measures approximately 10,500 square feet of property. A gas station is located towards the southern end of on Lot 52. It can be accessed from East 138th Street, Walton Avenue and Gerard Avenue. The Project Area is zoned M1-4/R6A, within the MX-13 Special Mixed-Use District and within an Inclusionary Housing Designated Area.

Approval of this application will facilitate construction of a 12-story mixed-use building to be located at 261 Walton Avenue (Block 2344, Lot 60), the "Development Site"). The Development Site is composed of 25,182 square feet of property. Existing development at this location includes a six-story industrial/factory building that most recently accommodated a self-storage facility. A fire caused severe damage to the building resulting in the structure being vacant and sealed.

As currently envisioned, 261 Walton Avenue will include:

- 181,307 square feet of floor area (7.2 Floor Area Ratio (FAR))
- 162,307 square feet of residential floor area
- 193 income restricted dwelling units (Extremely Low and Low Income Affordability Program (ELLA))
- 48 permanently affordable units as per MIH Option 1
- 12 indoor parking spaces access to this facility is via Gerard Avenue
- 19,000 square feet of set aside for retail and/or community facility uses
- Enterprise Green Environmental requirements will be satisfied

Residential unit counts are anticipated to include:

- Studio Units: 47
- 1 Bedroom Units: 67
- 2 Bedroom Units: 56
- 3 Bedroom Units: 19
- Total Unit Count: 189

An on-site superintendent will be provided with a 2-bedroom unit, thereby increasing the total number of residences to 190

As development plans have not been finalized, specific unit measurements are not yet available. Additionally, specific on site amenities have not been finalized.

All commercial and/or community facility development will front onto Walton Avenue. These locations will feature extensive glazing, allowing for ambient light to provide additional illumination on Walton Avenue.

Existing development in the surrounding community is typified by low-rise industrial type buildings, some of which have been repurposed as retail venues. A majority of these uses include auto related commercial locations. What appears to be a nightclub is located on the northeast corner of Walton Avenue at East 140th Street. During the business day it is not active. Residential development in adjacent area is not present.

Currently under construction on the northwest corner of the Grand Concourse at East 144th Street (approximately three blocks north east of the Walton Avenue site, is 425 Grand Concourse, a high rise building approximating 28 stories offering 277 units of affordable housing. When completed, this building will be the tallest on the boulevard. Additional residential development includes a 12-story residential building located on the northeast corner of the Grand Concourse at East 138th Street. Ground has been broken for the construction of Bronx Point. It will occupy a five-acre site, the southern boundary of which is on the northeast corner of Exterior Street at East 149th Street. Bronx Point will include a 25-story residential tower, retail venues as well as a museum dedicated to Hip-Hop. A park consisting of approximately 2.5 acres will serve Bronx Point and be open to the public. Furthermore, property located on Exterior Street at East 144th Street is now mapped as a public park.

Numerous mass transportation options are conveniently accessible. These include the 2, 4 and 5 trains at East 149th Street on the Grand Concourse. An alternative station at East 138th Street on the Grand Concourse offers access to the 4 and 5 trains. Bus transit includes the Bx 1 bus on the Grand Concourse at East 140th Street. The Bx 2 bus is available on the Grand Concourse at East 149th Street. East-west travel which includes service into Manhattan, is available via the Bx 19 at East 149th Street. The Bx 33 operates on East 138th Street. Railroad transportation into Manhattan or to points north is provided by Metro North's Hudson Line at the "Yankees-E. 153rd Street" station.

Access to the Major Deegan Expressway (Interstate 87) is available at 138th Street and 149th Street. Both these locations are within a one mile radius of the Walton Avenue development site.

ENVIRONMENTAL REVIEW AND ULURP CERTIFICATION

This application was reviewed pursuant to SEQR and CEQR and received a Type II Declaration. The City Planning Commission certified this application as complete on November 16, 2020.

BRONX COMMUNITY BOARD PUBLIC HEARING

A virtual public hearing was conducted by Bronx Community Board #1 on January 28, 2021. A vote to recommend approval of this application was 15 in favor, 3 opposed and 2 abstaining.

BOROUGH PRESIDENT'S PUBLIC HEARING

A virtual public hearing was convened by the Bronx Borough President on February 16, 2021. Representatives of the applicant participated in this hearing and spoke in favor of this application. No members of the public participated and the hearing was closed.

BOROUGH PRESIDENT'S RECOMMENDATION

Development of superior quality affordable housing dedicated to our borough's low-income population is a prime objective of my administration. I am therefore pleased to note that the anticipated construction of 261 Walton Avenue will satisfy this objective. I am also gratified to see that the site selected will bring about the demolition of a derelict, sealed building that, for numerous years has been a blight on this community since being severely damaged by fire.

Following up on what transpired at my public hearing, I am pleased to note that the applicant did resubmit unit distribution counts and increased the number of 3-bedroom units from the original 10 units, to 19. This increase is critical given that so many families in need of affordable housing require larger accommodations. Furthermore, I believe it is essential that unit-size exceed the minimum measurements as provided by the Department of Housing, Preservation and Development (HPD). My office looks forward to working with the applicant as plans for 261 Walton Avenue advance towards final design.

One critical comment pertains to how this proposed building will affect Gerard Avenue. As presented, the Gerard Avenue frontage is entirely void of any use that would encourage pedestrian traffic, offer ambient lighting on the sidewalk or give those driving by a welcoming impression of what has been constructed. I recognize that access to the building's interior garage will be via Gerard Avenue. The fact that the proposed twelve-space garage is in a community well served by mass transportation begs the question as to if this space might be reprogrammed for better purposes. Specifically, I would suggest that this remain a possible option, and while I will not press this matter further, I believe my observation warrants consideration.

At my public hearing, the applicant indicated that a supermarket chain is considering this location as a site for such a venue. Given that there are virtually no competing markets nearby and that this location is within walking distance of East Harlem, it would seem to me any number of chains would be receptive to this new location. As such, I can only ask that the applicant invite numerous supermarket chains to consider this prime site rather than simply settling for what is already found across The Bronx. It is also worth noting that the nearest full service bank branch serving The Bronx is on Courtland at East 149^h Street, or on River Avenue at East 161st Street.

I recommend approval of this application.