



## **CITY PLANNING COMMISSION**

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March 24, 2004/Calendar No. 31

C 030289 ZMK

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**IN THE MATTER OF** an application submitted by 99 Gold Street Associates pursuant to Sections 197-c and 201 of the New York City Charter for **an Amendment of the Zoning Map, Section No. 12d**, changing from an M1-2 District to an R6A District property bounded by Front Street, a line 125 feet easterly of Gold Street, a line 100 feet northerly of York Street, and Gold Street, as shown on a diagram (for illustrative purposes only) Dated November 3, 2003 and subject to CEQR Declaration E-126, Borough of Brooklyn, Community District 2.

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The application for an amendment of the Zoning Map was filed by 99 Gold Street Associates on January 21, 2003, for the rezoning of one lot (Block 56, Lot 3) from M1-2 to R6A to facilitate the conversion to residential use of a 5-story warehouse located at the southeastern corner of Gold and Front Streets in the Vinegar Hill neighborhood of Community District 2, Brooklyn.

### **BACKGROUND**

99 Gold Street Associates proposes the rezoning of one lot (Block 56, Lot 3) from M1-2 to R6A to facilitate the conversion to residential use of a 5-story warehouse located at the southeastern corner of Gold and Front Streets in the Vinegar Hill neighborhood of Community District 2, Brooklyn.

Vinegar Hill is a small, low-scale, residential enclave along the East River containing three separate areas that were designated by the Landmarks Preservation Commission as a Historic District in 1997. The area is zoned R6A and R6B, medium density residential districts, with a C2-4 commercial overlay that permits local retail and commercial uses. The subject property was included in the Department of City Planning's application

for the contextual rezoning of Vinegar Hill (C 990867 ZMK). The intent of that rezoning was to bring existing non-conforming properties into conformance, allow their improvement and minor enlargement, and allow for potential development of residential and commercial uses on underutilized and vacant land. During the ULURP review of this application, the owner of this property requested that it be removed from the rezoning. The rezoning approved by the Commission and subsequently by the City Council in 1998 did not include this property. Since that time, the manufacturing business at this property has closed and the owner is requesting to rezone the property from M1-2 to R6A.

The existing M1-2 zoning district permits a 2.0 FAR for light-manufacturing and commercial, and limited community facility uses (Use Groups 4-14,16,17) and does not allow residential uses. The proposed R6A zoning district is a medium density residential district that permits 3.0 FAR for residential and community facility uses (Use Groups 1-4) and does not allow commercial or manufacturing uses. The surrounding land uses are predominantly residential with some local retail uses and the property is abutted by Public School 307. The applicant has stated that the proposed rezoning would permit the conversion of the building to residential use which would be more compatible with the surrounding land uses in Vinegar Hill.

The 87,564 sq. ft., 5-story warehouse has been occupied for approximately 70 years by a toy distributing company which has recently closed. The owner is proposing to convert the building to approximately 70 residential units with 24 accessory parking spaces for use by tenants of the building. The proposed rezoning and conversion of this building would be consistent with the

goals of the Department's 1998 rezoning, the existing bulk and character of the surrounding land uses and current trends in the area.

### **ENVIRONMENTAL REVIEW**

This application (C 030289 ZMK ) 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 03DCP040K. The lead is the City Planning Commission.

After a study of the potential environmental impact of the proposed action, a Negative Declaration was issued on November 3, 2003.

### **UNIFORM LAND USE REVIEW**

This application (C 030289 ZMK) was certified as complete by the Department of City Planning on November 3, 2003, and was duly referred to Community Board 2 and the Borough President, in accordance with Article 3 of the Uniform Land Use Review Procedure (ULURP) rules.

### **Community Board Public Hearing**

Community Board 2 held a public hearing on this application on December 17, 2003, and on January 14, 2004, by a vote of 38 to 0 with 2 abstentions, adopted a resolution recommending approval of the application.

## **Borough President Recommendation**

This application was considered by the Borough President, who issued a recommendation approving the application on February 11, 2004 subject to the following conditions:

That the City Planning Commission and City Council require that for 99 Gold Street, shall either:

Receive written notification from the Kay Organization acknowledging a commitment to establish a condominium of no less than 20 units that would be financed by HDC as rental units governed by HDC regulations; or

Obtain a binding commitment from the Kay Organization for executing a covenant, property restriction or other such instrument to bind in perpetuity the conversion of the building to provide a specified number of units affordable to persons or families meeting eligibility requirements, with the understanding that the shallower the internal cross subsidy, the more units that could be bound for affordability and the more enhanced the cross subsidy, a lesser number of units would be preserved.

Should neither commitment be received by no later than one day prior to the City Council Zoning and Franchises Subcommittee, the Borough President reserves his right to modify his commitment to this application.

## **City Planning Commission Public Hearing**

On February 11, 2004 (Calendar No. 2), the City Planning Commission scheduled February 25, 2004, for a public hearing on this application (C 030289 ZMK). The hearing was duly held on February 25, 2004 (Calendar No. 4). There was 1 speaker in favor of the application and 0 speakers in opposition.

The applicant's land use attorney spoke in favor by giving a description of the proposal. The speaker stated that the developer met with representatives from the Housing Development

Corporation (HDC), the Department of Housing Preservation and Development (HPD) and the local Councilmember to discuss affordable housing program options available. The applicant's representative testified that the developer has a proven history of providing affordable housing in Brooklyn and they will continue to explore the possibility of providing some units affordable to low or medium income families for this project through one of HDC's housing programs. However, their preliminary analysis did not demonstrate a reasonable return on investment.

There were no other speakers and the hearing was closed.

## **CONSIDERATION**

The Commission believes that this amendment of the Zoning Map is appropriate.

The proposed rezoning is located in the Vinegar Hill neighborhood of Community District 2, Brooklyn. The proposed rezoning application would rezone one lot (Block 56, Lot 3) from M1-2 to R6A to facilitate the conversion of an existing, five-story loft building to approximately 70 residential units with 24 accessory parking spaces for use by tenants of the building.

The subject property was originally included in the Department of City Planning's application for the contextual rezoning of Vinegar Hill 1998 (C 990867 ZMK) but was not included in the rezoning approved by the Commission and the City Council in 1998. The intent of that rezoning was to bring existing non-conforming properties into conformance, allow their improvement and minor enlargement, and to allow for potential development of residential and commercial uses on

underutilized and vacant land. The surrounding area is zoned R6A and R6B, medium density residential districts, with a C2-4 commercial overlay that permits local retail and commercial uses. The subject property is currently zoned M1-2. The existing land uses in the area are residential, residential with ground-floor retail, community facilities, warehouses and vacant land. The Commission believes that the current proposal for rezoning and subsequent conversion would be consistent with the goals of the Department's 1998 rezoning, the existing bulk and character of the surrounding land uses and current trends in the area.

Regarding the recommendation of the Borough President, the Commission notes the developer has met with City representatives to discuss affordable housing options. However, the applicant has stated that their preliminary analysis indicates that the conversion of the building would not be financially suitable to existing housing subsidy programs. Furthermore, it is not within the Commission's purview to prescribe housing subsidy programs.

The Commission agrees that the development of 99 Gold Street as a conversion to a residential building is an appropriate land use. However, with respect to the Borough President's request that City Planning require the developer to establish a condominium no less than 20 units that would be financed by HDC, or require a binding commitment from the developer that requires them to provide a specified number of affordable units under an affordable housing program, the Commission notes that it is not within its purview to negotiate or regulate financing for housing projects.

The proposed rezoning would result in the conversion of a vacant, five-story warehouse to residential use. The conversion of this property would be consistent with existing land uses and trends within the area and would reactivate a vacant building, enlivening a currently desolate block frontage in Vinegar Hill. The Commission therefore believes the proposed rezoning is appropriate.

## **RESOLUTION**

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

**RESOLVED**, that the City Planning Commission, in its capacity as the City Coastal Commission, has reviewed the waterfront aspects of this application and finds that the proposed action is consistent with WRP policies; and be it further

**RESOLVED**, by the City Planning Commission, pursuant to Sections 197-c and 201 of the New York City Charter, that based on the environmental determination and the consideration described in this report, the Zoning Resolution of the City of New York, effective as of December 15, 1961, and as subsequently amended, is further amended by changing the Zoning Map, Section No. 12d, changing from an M1-2 District to an R6A District property bounded by Front Street, a line 125 feet easterly of Gold Street, a line 100 feet northerly of York Street, and Gold Street, as shown on a diagram (for illustrative purposes only) Dated November 3, 2003 and subject to CEQR Declaration E-126, Borough of Brooklyn, Community District 2, as shown on a diagram (for

illustrative purposes only) dated November 3, 2003 (C 030289 ZMK) and which includes the environmental designation E-126.

The above resolution (C 030289 ZMK), duly adopted by the City Planning Commission on March 24, 2004 (Calendar No. 31), is filed with the Office of the Speaker, City Council, and the Borough President in accordance with the requirements of Section 197-d of the New York City Charter.

**AMANDA M. BURDEN**, AICP, Chair  
**KENNETH KNUCKLES**, Vice-Chairman  
**ANGELA M. BATTAGLIA, IRWIN G. CANTOR, P.E.,**  
**ANGELA R. CAVALUZZI, R.A., RICHARD W. EADDY,**  
**ALEXANDER GARVIN, JANE D. GOL,**  
**CHRISTOPHER KUI, JOHN MEROLO**, Commissioners

**KAREN A. PHILLIPS, DOLLY WILLIAMS**, Commissioners voting No.