



IN THE MATTER OF an application submitted by the Department of Housing Preservation and Development (HPD):

- 1) pursuant to Article 16 of the General Municipal Law of New York State for;
 - a) the designation of property located at 1027-9 Fulton Street (Block 1991, Lots 2 & 3) as an Urban Development Action Area; and
 - b) Urban Development Action Area Project (UDAAP) for such area; and
- 2) pursuant to Section 197-c of the New York City Charter for the disposition of such property to a developer to be selected by HPD;
- 3) pursuant to Section 74-533 of the Zoning Resolution for the grant of a special permit;
 - a) to waive accessory off-street residential parking spaces;

to facilitate a multi-story building containing residential and commercial space in the Borough of Brooklyn, Community District 2.

Approval of three separate matters is required:

1. The designation of property located at 1027-9 Fulton Street (Block 1991, Lots 2 & 3) as an Urban Development Action Area
2. A UDAAP for such area; and
3. The disposition of such property located at 1027-9 Fulton Street (Block 1991, Lots 2 & 3) to a developer selected by HPD.

This application for an Urban Development Action Area designation, project approval and disposition of city-owned property was filed by HPD on January 31, 2018. This application would facilitate the construction of a mixed-use building with approximately 49 mixed-income residential units, one superintendent's unit, and ground floor retail space in the Clinton Hill neighborhood of Community District 2, Brooklyn.

RELATED ACTION

In addition to the UDAAP action that is the subject of this report, implementation of the proposal also requires action by the Commission on the following application, which is being considered concurrently with this application:

C 180245 ZSK Special permit to waive accessory off-street residential parking requirements for an affordable housing development

BACKGROUND

HPD is seeking UDAAP designation, project approval, the disposition of City-owned property, and a special permit to waive parking at 1019-1029 Fulton Street in the Clinton Hill neighborhood of Brooklyn Community District 2. The proposed actions would facilitate the development of an approximately eight-story, 50,121-square-foot mixed-use development (the “proposed development”) consisting of 40,861 square feet of residential space and 6,094 square feet of new ground floor commercial space.

The project area is comprised of two City-owned lots (Block 1991, Lots 2 and 3, the “disposition area,” plus seven privately-owned properties (Block 1991, Lots 1, 4, 5, 6, 7, 16, and 106). The disposition area comprises two interior lots totaling approximately 2,284 square feet located at 1027 and 1029 Fulton Street. It has approximately 36 feet of frontage on the north side of Fulton Street, between Grand Avenue and Downing Street. In 1993, the Commission approved the disposition of Block 1991, Lot 2 (C 920411 PPK). This approval stipulated that before disposition by direct sale, an attempt should first be made to develop a community garden on the site. In 1999, the Commission approved the disposition of Block 1991, Lot 3 (C 980711 PPK). Neither lot was conveyed, so the disposition area, which is currently vacant, remains under City ownership.

The disposition area is surrounded by seven privately-owned lots. Six of the privately-owned lots in the project area (Lots 1, 4, 5, 6, 7, and 106) are owned by Fulton Star, LLC (the developer to whom the lots will be disposed) and have a total combined lot area of approximately 5,169 square feet. Lot 16 is privately owned and has a lot area of approximately 3,713 square feet.

The total lot area of the project area will be approximately 11,166 square feet. The site is currently vacant with the exception of a one-story commercial building on Lot 16 (fronting Putnam Avenue), with approximately 3,166 square feet of floor area and a built floor area ratio (FAR) of 0.28. This building has three commercial units, of which two are active.

The project area was rezoned from an R6 residential district with a C1-3 commercial overlay to an R7A residential district with a C2-4 commercial overlay in 2007 as part of the Fort Greene/Clinton Hill Rezoning (C 070430 ZMK). It was also designated an Inclusionary Housing area (N 070431 ZRY) as part of the rezoning. R7A/C2-4 districts permit residential, community facility, and general commercial uses (commercial uses in Use Groups 5-9 and 14). Much of the surrounding area is designated a Food Retail Expansion to Support Health zone, which incentivizes the development of well-stocked grocery stores to promote public health. The surrounding area is mapped with R6B and R7A contextual residential zoning districts. R7A districts permit a maximum floor area ratio (FAR) of 4.0, and up to 4.6 with an Inclusionary Housing bonus. R6B zoning districts permit a maximum residential FAR of 2.0. A C2-4 commercial overlay and an Inclusionary Housing designated area also cover Fulton Street and the north side of Atlantic Avenue, near the development site.

The disposition area and most of the project area (excluding Lot 16) are located within the boundaries of the Fulton Street Business Improvement District (BID), operated by the Fulton Area Business Alliance. The Fulton Street BID was created and approved in 2008 (N 080456 BDK) to promote the revitalization of the Fulton Street commercial corridor.

Fulton Street is a busy commercial corridor and is characterized by local retail stores and eating and drinking establishments on the ground floors of four- to seven-story mixed-use buildings. The area surrounding Fulton Street is predominantly residential and includes one- and two-family homes and multi-family buildings ranging from two to seven stories. The area is well-served by public transit, including subway access within four blocks at Clinton-Washington Avenues (C), and Franklin Avenue (C, Shuttle). The B25 and B26 bus lines pass directly in front of the project area, and the B48 bus stops one block away. There are two Long Island Rail Road

stations within one mile of the site at Nostrand and Flatbush Avenues. There is also a CitiBike station across the street.

The proposed development would be constructed on Lots 1, 2, 3, 4, 5, 6, 7, and 106, and would utilize the air rights from Lot 16. The existing building on Lot 16 is expected to remain. The proposed building would have one residential entrance on Downing Street and separate entrances for the new commercial spaces fronting on Fulton Street. It would provide approximately 49 rental housing units, plus a superintendent's unit, with a mix of studio, one-, and two-bedroom apartments. Thirty percent of units (approximately 15 apartments) would be permanently affordable to individuals and households earning a mix of incomes, and would be financed privately. Approximately 10 of these units would be affordable to individuals and households earning up to 80 percent of the area median income (AMI) through the Voluntary Inclusionary Housing program. One unit is reserved for a building superintendent. The remaining units (approximately 34 apartments) would be rented at market rate.

Proposed residential amenities include laundry rooms on each residential floor, a recreation room in the cellar, and outdoor patio space on the roofs. The building would have 25 spaces for residential bicycle storage in the cellar. The implementation of the proposal would also require a special permit to waive accessory off-street residential parking requirements for an affordable housing development. An application for the special permit (C 180245 ZSK) is being considered concurrently with this application.

ENVIRONMENTAL REVIEW

This application (C 180244 HAK) 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 agency is the Department of Housing Preservation and Development. The designated CEQR number is 16HPD062K.

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

UNIFORM LAND USE REVIEW

This application (C 180244 HAK) and the application for the related action (C 180245 ZSK) were certified as complete by the Department of City Planning on February 12, 2018, and duly referred to Brooklyn Community Board 2 and the Brooklyn Borough President in accordance with Title 62 of the rules of the City of New York, Section 2-02(b).

Community Board Public Hearing

Brooklyn Community Board 2 held a public hearing on this application (C 180244 HAK) on February 21, 2018, and on March 14, 2018, by a vote of 31 in favor, one opposed, and with no abstentions, recommended approval of the application.

Borough President Recommendation

The Brooklyn Borough President held a public hearing on this application (C 180244 HAK) on March 26, 2018, and on April 26, 2018 issued a recommendation to approve the application with the following conditions:

4. “That the New York City Department of Housing Preservation and Development (HPD) incorporates in its Land Disposition Agreement (LDA) with Fulton Star, LLC, the following:
 - a. Provision of approximately 6,000 square feet (sq. ft.) of ground-floor space for non-residential use and compliance of fenestration fronting Downing and Fulton streets with the New York City Zoning Resolution’s (ZR) Section 132-32 Special Enhanced Commercial District (SECD) Ground Floor Level Transparency Requirements
 - b. Realization of a greater percentage of affordable two-bedroom units, in order to accommodate a greater percentage of families with children, consistent with ZR 23-96(c)(ii), at the 70 percent and 80 percent AMI tiers, pursuant to the VIH program
 - c. Continued exploration of additional resiliency and sustainability measures such as incorporating bioswales, blue/green/white roof treatment, passive house construction principles, and solar panels in the development

- d. Retention of Brooklyn-based contractors and sub-contractors, especially those who are designated locally-owned 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 coordinate the oversight of such participation by an appropriate monitoring agency

Be it further resolved:

1. That the New York City Department of Small Business Services (SBS) advance an application to designate the Clinton Hill and Fort Greene sections of Fulton Street as a Special Enhanced Commercial District (SECD) in consultation with FAB, Community Board 2, and local elected officials.”

City Planning Commission Public Hearing

On May 9, 2018 (Calendar No. 1), the Commission scheduled May 23, 2018 for a public hearing on this application (C 180244 HAK). The hearing was duly held on May 23, 2018 (Calendar No. 17).

Four speakers testified in favor of the application.

Speakers included two representatives from HPD, the developer's representative, and one representative from the Fulton Area Business Alliance (FAB).

The HPD representative described the project and the proposed development. HPD and the developer's representative explained that the disposition of City-owned property and the assemblage of the nine lots in the proposed development area would enable the long-vacant site to be redeveloped through a public-private partnership. The representative also stated that the project would use 100 percent private financing.

Finally, the project team noted that the proposed development would incorporate many of the recommendations from the Community Board and Borough President, including working with minority and women-owned businesses and incorporating sustainability measures including an energy-efficient building facade and energy-efficient appliances in each apartment.

The representative from FAB commended the proposal to redevelop the long-vacant lots into new housing and commercial space. The representative stated that FAB is very supportive of the application but recommended restricting ‘chain’ businesses, imposing rent caps on retail spaces, and limiting each retail store to a maximum area of 2,000 square feet.

There were no other speakers and the hearing was closed.

CONSIDERATION

The Commission believes that the approval of this application for UDAAP designation, project approval, and disposition of city-owned property located at 1019-1029 Fulton Street (C 180244 HAK) to facilitate the development of affordable and market rate housing with ground-floor retail is appropriate.

The City-owned properties and the surrounding lots have been vacant for approximately 20 years, due to their small collective area and configuration between multiple privately-owned lots. Development of these properties will facilitate the construction of a mixed-use building with approximately 15 units of much-needed, permanently affordable housing, as well as create an active ground floor with about 6,000 square feet of commercial space along an existing commercial corridor.

The Commission notes that the project as proposed will set aside 30 percent of the residential floor area as permanently affordable housing subject to the Voluntary Inclusionary Housing program. The Commission understands that the proposed actions will facilitate the construction generate approximately 15 permanently affordable apartments, whereas the City-owned sites as they presently exist only generate approximately eight units of permanently affordable housing. This represents an approximately 50 percent increase in the number of affordable units compared to what HPD could construct on the two City-owned sites alone.

Regarding the Borough President’s recommendation that the development team provide more two- and three-bedroom units with rents at the 70 to 80 percent of AMI tiers, while such business terms are beyond the Commission’s purview, the Commission understands that, in addition to the demand for larger units, there is a need and demand for affordable studio and one-bedroom apartments for individuals and couples. The Commission also recognizes the challenges inherent in assembling the sites and understands that, while the proposed AMI ranges are higher, the

project is receiving no public subsidies and will be entirely privately financed. Additionally, the Commission notes that there is a need for both ultra-low as well as moderate income housing throughout the City.

In response to the Borough President's recommendation about resiliency and sustainability measures, the Commission notes that the development team stated at the public hearing that the project will incorporate an energy-efficient façade, LED lighting, and energy-efficient appliances.

The special permit (C 180245 ZSK) to waive required accessory off-street residential parking at the site is appropriate. The Commission finds that the waiver of required spaces will facilitate the development of affordable housing by enabling the development of new ground floor retail where the parking would otherwise be located. Revenue from the ground floor retail space is expected to make the project feasible by offsetting the costs of subsidizing residential rental units. The Commission further finds that the waiver of required parking will not cause traffic congestion at or around the site, as the project site is located in a transit-rich neighborhood where the availability of and proximity to transit options lowers the need for automobile ownership. Finally, the Commission recognizes that the development of the site will not have undue adverse effects on residents, businesses, or community facilities in the surrounding area, but will instead contribute to the overall vitality of the neighborhood by creating new housing and retail opportunities amidst other similar uses.

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

WHEREAS, the Department of Housing Preservation and Development has recommended the designation of property located at 1027-9 Fulton Street (Block 1991, Lots 2 & 3) in Community District 2, Borough of Brooklyn, as an Urban Development Action Area; and

WHEREAS, the Department of Housing Preservation and Development has also recommended the approval of an Urban Development Action Area Project for such property;

THEREFORE, be it further **RESOLVED**, that the City Planning Commission, after due consideration of the appropriateness of the actions, certifies its unqualified approval of the following matters pursuant to the Urban Development Action Area Act:

- a. the designation of properties located at 1027-9 Fulton Street (Block 1991, Lots 2 & 3) as an Urban Development Action Area; and
- b. an Urban development Action Area Project for such area;

and the City Planning Commission recommends that the New York City Council find that:

- a) The present status of the area tends to impair or arrest sound development of the municipality;
- b) The financial aid in the form of tax incentives to be provided by the municipality pursuant to Section 696 of the Urban Development Action Area Act, is necessary to enable the project to be undertaken; and
- c) The project is consistent with the policy and purposes stated in the Section 691 of the Urban Development Action Area Act, and

BE IT FURTHER RESOLVED, by the City Planning Commission, pursuant to Section 197-c of the New York City Charter, that based on the environmental determination and the consideration described in this report, the application of the Department of Housing Preservation and Development, for the disposition of city-owned properties located at 1027-9 Fulton Street (Block 1991, Lots 2 & 3), in Community District 2, Borough of Brooklyn, to a developer to be selected by the Department of Housing Preservation and Development, is approved (C 180244 HAK).

The above resolution (C 180244 HAK), duly adopted by the City Planning Commission on June 25, 2018 (Calendar No. 1), 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, *Esq.*, *Vice Chairman*

ALLEN P. CAPPELLI, **ALFRED C. CERULLO, III**, **RICHARD W. EADDY**,

CHERYL COHEN EFFRON, **HOPE KNIGHT**, **ANNA HAYES LEVIN**,

ORLANDO MARIN, *Commissioners*



CITY OF NEW YORK
Community Board No. 2

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ERIC ADAMS
Borough President

SHIRLEY A. McRAE
Chairperson

ROBERT PERRIS
District Manager

March 26, 2018

**OFFICE OF THE
CHAIRPERSON**

MAR 30 2018

31049

Marisa Lago, Chair
City Planning Commission
120 Broadway, 31st Floor
New York, New York 10271

Dear Chair Lago:

I am writing to inform you that Community Board 2 (CB2) has reviewed and made a determination on "1019-1029 Fulton Street," two applications submitted by the Department of Housing Preservation and Development (HPD) and Fulton Star LLC.

The primary application (C 180244 HAK) seeks the designation of property at 1027 and 1029 Fulton Street (Block 1911, Lots 2 and 3) as an Urban Development Action Area and an Urban Development Action Area Project and the authorization for HPD to dispose of the City-owned property.

The second application (C 180245 ZSK) seeks a special permit waiving all required accessory parking for proposed mixed-use development at 1019-1029 Fulton Street; Block 1991, Lots 1-7, 16 and 106.

The community board held a public hearing on these applications on February 21, 2018 in Room LC400 of the Dibner Building at the NYU Tandon School of Engineering, 5 Metrotech Center, Brooklyn, New York. Following the hearing and discussion, the CB2 Land Use Committee voted 10 in favor, one opposed, no abstentions (10-1-0) to recommend that Community Board 2 support the project "as presented & urge HPD to revisit the levels of affordability to created deeper levels of affordability & urge the developer to formally work w/ FAB to create an affordable rental program for the retail space."

The mention of "FAB" in the recommendation is a reference to the FAB Alliance, the district management association serving Fulton Street between Rockwell Place and Classon Avenue, including 1019-1029 Fulton Street.

Community Board 2 held a regularly scheduled general meeting on March 14, 2018. A motion to accept the committee's recommendation was approved by a vote of 31 in favor, 1 opposed, no abstentions (31-1-0).

Marisa Lago, Chair
City Planning Commission
March 26, 2018
Page 2

Thank you for the opportunity to comment.

Sincerely,

A handwritten signature in cursive script, appearing to read "Irene Janner", with a long, sweeping horizontal line extending to the right.

Irene Janner
1st Vice Chairperson

cc: Hon. Eric L. Adams
Brooklyn Borough President
Hon. Laurie Cumbo
New York City Council
Lin Zeng, Director, Brooklyn Planning
Department of Housing Preservation and Development
Winston Von Engel, Brooklyn Borough Director
Anand Amin, City Planner
Department of City Planning
Jaclyn Scarinci, Associate
Akerman LLP
Phillip Kellogg, Executive Director
FAB Alliance

Application #: **C 180244 HAK**

CEQR Number: 16HPD062K

Project Name: **1019-1029 FULTON STREET**

Borough(s): BROOKLYN

Community District Number(s): 02

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

SUBMISSION INSTRUCTIONS

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

Docket Description:

IN THE MATTER OF an application submitted by the Department of Housing Preservation and Development (HPD):

- pursuant to Article 16 of the General Municipal Law of New York State for:
 - the designation of property located at 1027 & 1029 Fulton Street (Block 1991, Lots 2 and 3), as an Urban Development Action Area; and
 - an Urban Development Action Area Project for such area; and
- pursuant to Section 197-c of the New York City Charter for the disposition of such property to a developer selected by HPD;

to facilitate an 8-story building containing residential and commercial space, Borough of Brooklyn, Community District 2.

Applicant(s): Department of Housing Preservation and Development 100 Gold Street New York, NY 10038		Applicant's Representative: Lin Zeng NYC Housing Preservation & Development 100 Gold Street New York, NY 10038	
Recommendation submitted by: Brooklyn Community Board 2			
Date of public hearing: February 21, 2018		Location: NYU Tandon School, 5 Metrotech Center, Brooklyn	
Was a quorum present? YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>		<i>A public hearing requires a quorum of 20% of the appointed members of the board, but in no event fewer than seven such members.</i>	
Date of Vote: March 14, 2018		Location: NYU Tandon School, 5 Metrotech Center, Brooklyn	
RECOMMENDATION <input type="checkbox"/> Approve <input checked="" type="checkbox"/> Approve With Modifications/Conditions <input type="checkbox"/> Disapprove <input type="checkbox"/> Disapprove With Modifications/Conditions			
Please attach any further explanation of the recommendation on additional sheets, as necessary.			
Voting # In Favor: 31 # Against: 1 # Abstaining: Total members appointed to the board: 48			
Name of CB/BB officer completing this form Irene Janner <i>Irene Janner</i>		Title 1st Vice Chairperson	Date 3/26/2018

Application #: **C 180245 ZSK**

CEQR Number: 16HPD062K

Project Name: **1019-1029 Fulton Street**

Borough(s): **Brooklyn**

Community District Number(s): **2**

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


SUBMISSION INSTRUCTIONS

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

Docket Description:

IN THE MATTER OF an application submitted by the NYC Department of Housing Preservation and Development and Fulton Star LLC pursuant to Sections 197-c and 201 of the New York City Charter for the grant of a special permit pursuant to Section 74-533 of the Zoning Resolution to waive all required accessory off-street parking spaces for dwelling units in a proposed mixed use development within a Transit Zone, that includes at least 20 percent of all dwelling units as income-restricted housing units as defined in Section 12-10 (DEFINITIONS), on property located on the west side of Downing Street between Putnam Avenue and Fulton Street (Block 1991, Lot 1, 2, 3, 4, 5, 6, 7, 16, & 106), in an R7A/C2-4 District, Borough of Brooklyn, Community District 2.

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): NYC Dept. of Housing Preservation and Development 100 Gold Street, Room 9X, New York, NY 10038 Fulton Star, LLC 770 Middle Neck Road, Great Neck, NY 11024		Applicant's Representative: Lin Zeng NYC Department of Housing Preservation and Development 100 Gold Street, Room 9X New York, NY 10038
Recommendation submitted by: Brooklyn Community Board 2		
Date of public hearing: February 14, 2018		Location: NYU Tandon School, 5 Metrotech Center, Brooklyn
Was a quorum present? YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>		<i>A public hearing requires a quorum of 20% of the appointed members of the board, but in no event fewer than seven such members.</i>
Date of Vote: March 14, 2018		Location: NYU Tandon School, 5 Metrotech Center, Brooklyn
RECOMMENDATION <input type="checkbox"/> Approve <input checked="" type="checkbox"/> Approve With Modifications/Conditions <input type="checkbox"/> Disapprove <input type="checkbox"/> Disapprove With Modifications/Conditions		
Please attach any further explanation of the recommendation on additional sheets, as necessary.		
Voting # In Favor: 31 # Against: 1 # Abstaining: Total members appointed to the board: 48		
Name of CB/BB officer completing this form Irene Janner 	Title 1st Vice Chairperson	Date 3/26/2018

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 #: 1019-1029 FULTON STREET – 180244 HAK, 180245 ZSK

In the matter of applications submitted by the New York City Department of Housing Preservation and Development (HPD) seeking Urban Development Action Area Program (UDAAP) designation for the disposition of two City-owned lots on a block bounded by Downing Street, Fulton Street, Grand Avenue, and Putnam Avenue, and a zoning special permit for a waiver of the 18 required accessory off-street parking spaces. Such actions would facilitate the development of an eight-story mixed-use building with ground-floor commercial retail space and 50 residential units, of which 15 would be permanently affordable, including 10 affordable to households at up to 80 percent of the Area Median Income (AMI), through the Voluntary Inclusionary Housing (VIH) program. The building would provide 25 bicycle parking spaces in the cellar.

COMMUNITY DISTRICT NO. 2

BOROUGH OF BROOKLYN

RECOMMENDATION

☐ APPROVE
☒ APPROVE WITH
MODIFICATIONS/CONDITIONS

☐ DISAPPROVE
☐ DISAPPROVE WITH
MODIFICATIONS/CONDITIONS

SEE ATTACHED

BROOKLYN BOROUGH PRESIDENT

April 26, 2018

DATE

RECOMMENDATION FOR: 1019-1029 FULTON STREET – 180244 HAK, 180245 ZSK

The New York City Department of Housing Preservation and Development (HPD) is proposing the following land use actions: Urban Development Action Area Program (UDAAP) designation for the disposition of two City-owned lots on a block bounded by Downing Street, Fulton Street, Grand Avenue, and Putnam Avenue, and a zoning special permit for a waiver of the 18 required accessory off-street parking spaces. Such actions would facilitate the development of an eight-story mixed-use building with ground-floor commercial retail space and 50 residential units, of which 15 would be permanently affordable, including 10 affordable to households at up to 80 percent of the Area Median Income (AMI) through the Voluntary Inclusionary Housing (VIH) program. The building would provide 25 bicycle parking spaces in the cellar.

On March 26, 2018, Brooklyn Borough President Eric L. Adams held a public hearing on the disposition and special permit request. There was one speaker in support of this item, representing the Fulton Area Business (FAB) Alliance. The speaker expressed preference for a variety of small businesses in the development's ground floor, rather than one large retail tenant. He offered several strategies, such as stipulating a minimum number of commercial units, limiting the frontage of individual establishments to 2,000 square feet (sq. ft.), capping rent increases at three percent per year, offering the spaces at below-market rents for the first five years, and limiting chain stores on Fulton Street. The speaker expressed that these strategies should be codified through an enhanced commercial district, and emphasized the opportunity to retain arts and cultural uses in the area through this development.

In response to Borough President Adams' inquiry regarding the qualifying income range for prospective households based on household size, the anticipated rents based on the number of bedrooms, and the distribution of units by bedroom size, the applicant's representative expressed that the affordable units will be offered at 70 percent, 80 percent, and 120 percent of AMI. The development will provide five units at each tier, as follows: two studios, two one-bedrooms, and one two-bedroom unit at 70 percent AMI; one studio, two one-bedrooms, and two two-bedroom units at 80 percent AMI, and one studio, three one-bedrooms, and one two-bedroom unit at 120 percent AMI.

At 70 percent AMI, with average household income of \$44,756 to \$63,918, the anticipated monthly rents are \$904 for studios, \$1,142 for one-bedrooms, and \$1,308 for two-bedroom units. At 80 percent AMI, with average household income of \$51,436 to \$73,458, the anticipated monthly rents are \$1,230 for studios, per month; \$1,321 for one-bedrooms, and \$1,595 for two-bedroom units. At 120 percent AMI, with average household income of \$80,160 to \$114,480, the anticipated monthly rents are \$1,664 per month for studios, \$2,091 for one-bedrooms, and \$2,519 for two-bedroom units.

In response to Borough President Adams' inquiry as to what guarantees that the five non-VIH units will be rented as affordable housing, the representative stated that the developer will have two regulatory agreements with HPD — one pursuant to the inclusionary housing program and one Land Use Disposition Agreement (LDA).

In response to Borough President Adams' inquiry as to whether one of the community's affordable housing administering agents would be used in the tenant selection process in order to ensure the highest level of participation from Brooklyn Community District (CD 2), the representative stated that the applicant will work with IMPACCT Brooklyn to implement a marketing strategy. The developer will also reach out to Brooklyn Community Board 2 (CB 2) and the Office of the Brooklyn Borough President in order to better inform the community.

In response to Borough President Adams' inquiry regarding the applicant's marketing strategy, and whether it would include a financial literacy campaign to assist local residents in becoming lottery-eligible, the representative stated that the developer will work with IMPACCT Brooklyn to create a financial literacy campaign.

In response to Borough President Adams' inquiry as to what would ensure that this development will have a primarily non-residential ground floor, the representative stated that while ground-floor retail is not required at the site, the developer believes that a commercial or community facility is the appropriate use for the building's ground floor.

In response to Borough President Adams' inquiry as to whether the street façade will be consistent with the design requirements of the special enhanced commercial district zoning text, the representative confirmed that the ground floor will be built to a height of 15 feet. In response to an additional question as to whether HPD would be willing to memorialize the proposed retail ground floor in its LDA, the representative stated that the requested parking waiver is conditioned on the current site plan. The developer does not intend to alter the proposed façade, as doing so would impact the zoning calculations for the parking waiver. The HPD representative confirmed intent to activate the development's ground floor but emphasized that there is no guarantee of securing a successful retail tenant.

In response to Borough President Adams' inquiry regarding the incorporation of sustainable features such as blue, green, or white roof coverings, passive house design, permeable pavers, rain gardens, solar panels, and/or wind turbines, the representative stated the architect will partner with a façade consultant to make the building as efficient as possible. The representative noted that the building does not provide sufficient roof area to utilize solar panels. The developer will investigate opportunities for permeable pavers with DEP.

In response to Borough President Adams' inquiry regarding the inclusion and participation of minority- and women-owned business enterprises (MWBEs) and locally-owned business enterprises (LBEs) in the construction process, the representative stated that the developer is working with an MWBE-certified architect and will work with the local council member's office as well as the Office of the Brooklyn Borough President to identify additional LBE and MWBE firms.

Consideration

CB 2 voted to approve this application on March 14, 2018.

The proposed development site includes privately-owned land and adjacent lots to be acquired from the City, as well as the transfer of 15,837 sq. ft. of unused air rights from a one-story building on an adjacent lot fronting Putnam Avenue that is currently occupied by the Greene Hill Food Cooperative. The requested disposition would consolidate development rights under a single property owner, Fulton Star LLC, in order to construct 1019-1029 Fulton Street, an eight-story commercial and residential building with a partial street wall setback above the sixth story.

The development will be pursuant to the VIH program, with approximately 41,000 sq. ft. of residential floor area, and 6,000 sq. ft. of commercial floor area. 1019-1029 Fulton Street will provide 15 permanently affordable housing units: 10 will be earmarked for households earning up to 80 percent of AMI pursuant through the VIH program, and five will target households at 120 percent AMI through a separate regulatory agreement with HPD. The remaining units will be rented at market rate. The ground-floor commercial space will have frontage on Downing and Fulton streets, with both community facility and retail occupancy permitted under the zoning. As currently envisioned, the space would be subdivided into smaller storefronts of 1,000 to 2,000 sq. ft. in order to accommodate multiple small business tenants.

The 2007 Fort Greene/Clinton Hill rezoning upzoned the project area from a R6 residential district with a C1-3 commercial overlay to a R7A/C2-4 district, according to the VIH program. The project area is located in the eastern portion of the Fulton Street Business Improvement District (BID), created in 2008 to revitalize this section of the Fulton Street commercial corridor, and managed by FAB.

The site is also situated in a designated Food Retail Expansion to Support Health (FRESH) Zone and a Transit Zone, being within a half-mile of a subway entrance. The site is located halfway between the Clinton/Washington Avenues and Franklin Avenue subway stations, accessible via the Eighth Avenue Local C train and the Franklin Avenue Shuttle, respectively. The B25 and B26 buses stop directly in front of the project site on Fulton Street, and the B48 bus is located one block away. There is also a CitiBike docking station with 30 bicycle docks across the street.

The Fulton Street commercial corridor consists predominantly of small, local retail stores and eating and drinking establishments. The nearby Putnam Triangle Plaza on Fulton Street and Grand Avenue is currently under construction, but will open in 2019 under the management of FAB. The residential context is defined by one- and two-family homes, and multi-family apartment buildings of up to seven stories. The project area lies one block north of the Clinton Hill Historic District.

The requested discretionary actions seek the disposition of the two lots under HPD's jurisdiction, which comprise 2,284 sq. ft., and a special permit to waive 18 required accessory parking spaces. This pending disposition was initially presented to CB 2 five years ago, and the board voted to support the developer's interest in acquiring the lots. The parking waiver is being requested pursuant to New York City Zoning Resolution (ZR) Section 74-553, which allows for the reduction of required parking spaces to facilitate affordable housing in a Transit Zone. The elimination of otherwise required accessory parking will help realize the envisioned ground floor retail space, allowing the development to maximize retail frontage and activate this portion of the Fulton Street corridor. The revenue from the commercial rents is intended to support the provision of the 15 affordable units.

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. Borough President Adams also supports development pursuant to the VIH Program, which provides affordable housing for households not exceeding 80 percent AMI. The utilization of this program in combination with the disposition of City-owned land provides a means to target affordable housing to households at various AMI bands, and create permanently affordable housing. The proposed development would be consistent with Mayor Bill de Blasio's goal of achieving 300,000 affordable housing units over the next decade according to "Housing New York: A Five-Borough, Ten-Year Plan," as modified in 2017. It is Borough President Adams' policy is for such affordable housing be administered and marketed with the participation of a locally-based affordable housing provider. On April 20, 2018, Borough President Adams received a letter from Fulton Star LLC, confirming that the applicant will engage IMPACCT Brooklyn as the leasing administering agent for the affordable housing units at 1019-1029 Fulton Street.

Borough President Adams is generally supportive of the proposed development. However, he believes that it does not appear to provide sufficient public benefit with regard to the percentage of permanently affordable floor area, the accommodation of below-market rate cultural uses, and/or retail lease commitments to support small business tenants. In addition, there are opportunities to improve the project by furthering a range of his policies such as providing more family-sized affordable housing units, advancing resilient and sustainable energy and stormwater practices, and promoting a high level of LBE/MWBE hiring.

Appropriate Provision of Affordable Housing and/or Cultural Space and/or Retail Space

Affordable housing would be included in the development pursuant to a regulatory agreement between the developer and HPD that would require utilization and provision of additional affordable housing floor area above the VIH requirement. As a result of the VIH program, 20 percent of the residential floor area will be permanently set aside for households not exceeding 80 percent AMI. An additional five units will be made affordable according to the regulatory agreement, with rents set at 120 percent AMI. Altogether, the LDA would require 30 percent of the residential floor area to be dedicated to permanently affordable housing, with a total of 15 housing units.

Borough President Adams believes that the development at 1019-1029 Fulton Street presents a valuable opportunity to achieve permanently affordable housing, while redeveloping vacant public and private land for beneficial uses. The site is unique in that it consists of a blend of City-owned and privately-acquired tax lots. He believes that development on this assemblage should strive to provide the maximum amount of affordable housing, based on the disposition of City-owned lots, and the Inclusionary Housing bonus available through the VIH program.

It is Borough President Adams' policy that, to the extent that the redevelopment of City-owned land results in residential floor area, such floor area should only yield affordable housing, unless there are explicit City objectives where such floor area would provide ongoing funding for an affordable recreational facility as in the case of the Bedford Union Armory. Moreover, housing resulting from the disposition of City-owned properties should remain permanently affordable. The proposed development does not appear to be consistent with his policy.

The intended zoning lot, inclusive of the Putnam Avenue lot's remaining development rights, is 11,166 sq. ft. Of this area, the two City-owned lots comprise 2,284 sq. ft., the developer's lots comprise 5,169 sq. ft., and the transfer lot comprises 3,713 sq. ft. As presented, this assemblage would realize 40,861 sq. ft. residential zoning floor area at a residential Floor Area Ratio (FAR) of 3.66 and 4.49 FAR, in total, out of an available 4.6 FAR.

In order to determine the residential floor area that would result from the City lots, it is necessary to utilize a prorated FAR for the ground floor commercial space, exclusive of the elevator, ground floor residential lobby, and stairwells. Residential use comprises five percent of the ground floor, and, therefore, 0.95 FAR of the City lots should be assumed as non-residential floor area. Based on the overall projected FAR of 4.49 FAR, and an assumption of 100 percent affordable housing floor area on the City lots, the residential FAR attributed to the City lots should be 3.54, which would yield a prorated 8,085 sq. ft. of permanently affordable housing floor area. Typically the Inclusionary Housing FAR bonus yields 0.92 FAR, but as the development will be built to 4.49 FAR rather than the maximum of 4.6, only 1.04 FAR of the available 1.15 FAR bonus would be utilized. Therefore, affordable housing floor area resulting from the private lots, including the lot providing its air rights, should be assumed at a rate of 0.832 FAR, equivalent to 7,390 sq. ft. of affordable housing floor area. Altogether, Borough President Adams believes that 15,475 sq. ft. of floor area could be set aside for permanent affordable housing. This amount is equivalent to approximately 38 percent of the total residential floor area, or roughly 19 housing units.

Borough President Adams believes that increasing the number of affordable units from 15 to 19, or from 30 to 38 percent of the development's floor area, is reasonable, given the benefits provided to the developer through the requested discretionary actions. Moreover, reducing the market-rate units from 35 to 31 would merely require the resulting market-rate floor area to be reconfigured to one fewer unit to qualify for the as-of-right parking waiver as opposed to needing to obtain the requested parking waiver according to the special permit.

Borough President Adams recognizes that there might be alternative public purposes that would warrant consideration in lieu of additional affordable housing floor area at this development. For example, the developer could provide affordable space at below-market rents for local retail and/or cultural uses in the ground-floor commercial space, as there is a demonstrated need for such affordable space in the area. The non-residential floor space would be memorialized in the plans tied to the approval of the parking waiver special permit, or could otherwise become binding through the LDA.

The commercial ground floor at 1019-1029 Fulton Street provides an opportunity to implement principles proven to grow and retain small businesses. According to the executive director of FAB, subdividing the commercial space into a minimum of four units would make such spaces more affordable to independent tenants than marketing the commercial space in its entirety, which would make it affordable primarily to large, non-local chain businesses. Fulton Street has many thriving small businesses, including some that may wish to expand their operations in the coming years and others that might be at risk for rent increases that might affect viability to remain in business. Borough President Adams concurs with the FAB representative that such businesses would benefit from preferential rents and limited rent increases for at least the first five years of occupancy as part of this development.

As noted, the application for 1019-1029 Fulton Street indicates 6,095 sq. ft. of ground-floor commercial space, including more than 2,000 sq. ft. of City-owned land, which would be largely utilized for commercial use. Borough President Adams believes that, in lieu of increasing the percentage of affordable housing floor area, it would also be appropriate to reduce that percentage as a means to set aside some portion of the commercial space to realize a below-market lease to one or more local businesses seeking a larger space, while remaining near its customers.

It is one of Borough President Adams' policies to assist community-based non-profit organizations with securing affordable space. These organizations play an important role in the neighborhoods they serve, though it is too often a challenge to secure sufficient affordable space to grow and maintain their programming. Many cultural organizations have contacted Borough President Adams seeking assistance in securing space to expand and sustain their programming. In response to those concerns, Borough President Adams' policy is to review discretionary land use actions for their appropriateness to promote cultural activities.

In June 2016, Borough President Adams released "All the Right Moves: Advancing Dance and the Arts in Brooklyn," a report examining the challenges facing artists in the borough, along with accompanying recommendations. The report highlighted the benefits of arts and dance, including maintaining physical fitness and enjoying creative self-expression, as well as contributions to the vibrant culture of Brooklyn. Borough President Adams finds many challenges facing the local arts community, such as an absence of diversity — fewer than half of the individuals working in dance in Brooklyn are people of color, based on 2000 United States Census data. Additionally, funding for the arts has decreased dramatically in New York City in recent years, including by 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).

Data show that such cultural activities create a variety of positive contributions, 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) — and helping children succeed in school, a finding supported by research released by the Citizens' Committee for Children of New York, Inc. Demand for cultural programs continues to grow across 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 location of the proposed development in Clinton Hill is well-suited for the inclusion of cultural and/or dance activities, given its proximity to the Brooklyn Cultural District, Downtown Brooklyn, and the numerous bus and subway lines that serve the area. Unfortunately, such uses cannot afford to compete with rents that office and retail uses would likely pay to lease ground-floor space at this location.

Borough President Adams believes that, in lieu of increasing the percentage of affordable housing floor area at 1019-1029 Fulton Street, it would be appropriate to reduce that percentage as a means to set aside some portion of the commercial space to provide a below-market lease to one or more local arts, cultural, or dance organizations based on reasonable lease terms.

In the letter dated April 20, 2018 from Fulton Star LLC, it was stated that the applicant intends to work with FAB to identify tenants within the community who are in need of such quality retail space as will be provided at 1019-1029 Fulton Street.

Borough President Adams also believes that, prior to considering the application, the City Council should obtain commitments, in writing, from HPD that its LDA with Fulton Star LLC would incorporate language clarifying the extent that 1019-1029 Fulton Street would provide an increased percentage of permanently affordable housing floor area and/or requirement for ground floor non-residential space that would be rented at below market-rate retail rents as a means to accommodate community arts, cultural, and/or dance groups as well as/or retail use, including restrictions on annual rent increases.

To the extent that the City Council seeks to provide for below-market rents to accommodate arts and/or cultural organizations, the developer should actively solicit arts and/or cultural organizations for ground-floor occupancy, based on reasonable lease terms as determined in consultation with CB 2 and local elected officials.

Provision of Non-Residential Ground Floor Space and Compliance of Fenestration with Special Enhanced Commercial District (SECD) Transparency Requirements

While HPD and the developer have expressed intent to provide a commercial ground floor at 1019-1029 Fulton Street, there is no requirement to do so according to the zoning, as this part of Fulton Street does not fall within a Special Enhanced Commercial District (SECD). Should the plans filed with the New York City Department of Buildings (DOB) be dependent on the approval of the special permit to waive otherwise required accessory parking, such plans would require the developer to specify the extent of non-residential occupancy and thus serve as a mechanism to memorialize the non-residential ground floor. However, as elevations are not part of the special permit application, there should be a way within the documents to ensure that street wall fenestration is constructed according to the presented renderings.

The proposed ground-floor elevation depicts extensive fenestration, on both Downing and Fulton streets. In order to provide a quality commercial floor and improve the streetscape on this block, it is important that the commercial façade be generally consistent with the design as represented by the developer. The requirements according to the ZR SECD as per Section 132-32 provide suitable regulatory oversight. The section requires that buildings in SECDs comply with minimum transparency requirements of at least 50 percent of the surface area of a ground-floor street wall.

Borough President Adams believes that prior to considering the application, the City Council should obtain commitments, in writing, from HPD that its LDA with Fulton Star LLC would memorialize the provision of approximately 6,000 sq. ft. of ground-floor space for non-residential use and compliance

of fenestration fronting Downing and Fulton streets with ZR Section 132-32 of the SECD pertaining to ground-floor level transparency requirements.

Achieving a Family-Sized Affordable Housing Unit Mix

A recent report identified that rent-burdened households, which typically represent those households applying to the City's affordable housing lotteries, are more likely to require family-sized apartments. Therefore, Borough President Adams is concerned that the proposed mix of affordable housing units would not reflect the unique needs of CD 2's low- to middle-income rent-burdened families, who are not seeking senior housing units.

Borough President Adams believes that using the affordable housing floor area for right-sizing the bedroom distribution is more important than maximizing the number of affordable housing units. This development would result in some permanently affordable housing according to VIH and the LDA. According to the developer, 10 of the 15 affordable units at 1019-1029 Fulton Street would be pursuant to VIH, with three studio apartments, four one-bedroom apartments, and three two-bedroom apartments. The LDA would result in one additional two-bedroom unit, affordable at 120 percent AMI. In and of itself, the VIH program does not provide sufficient leverage to achieve a greater number of bedrooms for the affordable units.

Borough President Adams believes that discretionary land use actions are appropriate opportunities to advance policies that constrain what would otherwise be permitted as-of-right. He believes that the 1019-1029 Fulton Street apartments targeting households at 70, 80, and 120 percent AMI present an opportunity to achieve family-sized units for the non-elderly. He seeks to require a minimum threshold for non-independent residences for senior housing to accommodate family-sized apartments at those rents.

Borough President Adams supports 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), when rents would not be affordable to seniors. Borough President Adams recognizes that studios and one-bedrooms with rents based on accommodating households up to 70 percent AMI would not be affordable to area seniors who need to secure affordable housing accommodations. As such, he believes that the 1019-1029 Fulton Street residential floor area should be designed to provide more two-bedroom units to accommodate a greater percentage of families with children.

Borough President Adams believes that prior to considering the application, the City Council should obtain commitments, in writing, from HPD that its LDA with Fulton Star LLC would memorialize the realization of a greater percentage of affordable two-bedroom units, in order to accommodate a greater percentage of families with children, consistent with ZR 23-96(c)(ii), at the 70 percent and 80 percent AMI tiers, pursuant to the VIH program.

Advancing Resilient and Sustainable Energy and Stormwater Management Policies

It is Borough President Adams' sustainable energy policy to promote opportunities that utilize blue/green/white roofs, solar panels, and/or wind turbines, as well as passive house construction.

He encourages developers to coordinate with the New York City Mayor's Office of Sustainability (Mayor's Office of Sustainability), the New York State Energy Research and Development Authority (NYSERDA), and/or the New York Power Authority (NYPA) at each project site. Such modifications tend to increase energy efficiency and reduce a development's carbon footprint. Furthermore, as part of his flood resiliency policy, Borough President Adams also encourages developers to incorporate permeable pavers and/or establish bioswales that advance the New York City Department of Environmental Protection's (DEP) green infrastructure strategy. 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 economic, environmental, and social co-benefits.

Borough President Adams believes it is appropriate for the developer to engage government agencies such as the Mayor's Office of Sustainability, NYSEDA, 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 to further coordinate on this matter.

The proposed development offers opportunities to explore resiliency and sustainability measures such as incorporating blue/green/white roof finishes, passive house construction principles, solar panels, and wind turbines in the development.

Borough President Adams believes that prior to considering the application, the City Council should obtain commitments, in writing, from HPD that its LDA with Fulton Star LLC would memorialize exploration of additional resiliency and sustainability measures such as incorporating bioswales, blue/green/white roof treatment, passive house construction principles, and solar panels 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 the borough's 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 LBE and MWBE is central to Borough President Adams' economic development agenda. This site provides opportunities for the developer to retain a Brooklyn-based contractor and subcontractor, especially those who are designated LBEs consistent with section 6-108.1 of the City's Administrative Code, and MWBEs who meet or exceed standards per Local Law 1 (no less than 20 percent participation).

In the letter dated April 20, 2018 from Fulton Star LLC, it was stated that the applicant intends to hire locally and procure MWBEs for the construction of 1019-1029 Fulton Street.

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

Advancing the Fulton Street Special Enhanced Commercial District

The development site at 1019-1029 Fulton Street is located within the FAB Alliance BID where there have been ongoing efforts to enhance the Fulton Street shopping district. The goal of FAB is to turn

Fulton Street into a mixed-use retail corridor with a vibrant variety of commercial and community facilities on the ground floors of all new developments.

Ground-floor retail provides opportunities for pedestrians to look inside at merchandise and activity in a manner that creates a more interesting experience when strolling along a retail corridor. Interesting corridors often result in more foot traffic, which supports retailers while providing more eyes on the street as a means to bolster neighborhood safety. This is further enhanced when lighting from stores supplements the City's street lights. By providing a more active streetscape, commercial ground-floor space has the potential to not only activate the street but also generate more pedestrian foot traffic and an overall brighter, livelier, and safer atmosphere.

Borough President Adams supports the inclusion of ground-floor retail space in the proposed development, and believes that such commercial use is an important opportunity to enliven the streetscape of Fulton Street. However, he also recognizes that, at present, new developments in the BID are not obligated to provide community facility or retail uses on the ground floor. Designating the Fulton Street SECD, as advocated by FAB, would build on existing streetscape revitalization efforts along this corridor, and require the provision of ground-floor commercial area in new developments through the ZR's SECD.

Therefore, the New York City Department of Small Business Services (SBS) should advance an application to designate the Clinton Hill and Fort Greene sections of Fulton Street as an SECD in consultation with FAB, CB 2, and local elected officials.

Recommendation

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

1. That the New York City Department of Housing Preservation and Development (HPD) incorporate in its Land Disposition Agreement (LDA) with Fulton Star LLC, an increased percentage of affordable housing floor area:
 - a. From 30 percent (15 units) to 38 percent (19 units) or
 - b. An increased percentage of affordable housing and/or requirement for ground-floor non-residential space to be rented below market-rate retail rents as a means to accommodate cultural and/or retail use, including restrictions on annual rent increases
2. That to the extent the City Council seeks to provide below-market space for arts and/or cultural entities, Fulton Star LLC shall actively solicit arts and/or cultural organizations for ground-floor occupancy, based on reasonable lease terms as determined in consultation with CB 2 and local elected officials
3. That the New York City Department of Housing Preservation and Development (HPD) incorporate in its Land Disposition Agreement (LDA) with Fulton Star LLC, the following:
 - a. Provision of approximately 6,000 square feet (sq. ft.) of ground-floor space for non-residential use and compliance of fenestration fronting Downing and Fulton streets with the New York City Zoning Resolution's (ZR) Section 132-32 Special Enhanced Commercial District (SECD) Ground Floor Level Transparency Requirements

- b. Realization of a greater percentage of affordable two-bedroom units, in order to accommodate a greater percentage of families with children, consistent with ZR 23-96(c)(ii), at the 70 percent and 80 percent AMI tiers, pursuant to the VIH program
- c. Continued exploration of additional resiliency and sustainability measures such as incorporating bioswales, blue/green/white roof treatment, passive house construction principles, and solar panels in the development
- d. Retention of Brooklyn-based contractors and subcontractors, especially those who are designated locally-owned 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 coordinate the oversight of such participation by an appropriate monitoring agency

Be it further resolved:

1. That the New York City Department of Small Business Services (SBS) advance an application to designate the Clinton Hill and Fort Greene sections of Fulton Street as a Special Enhanced Commercial District (SECD) in consultation with FAB, Community Board 2 (CB 2), and local elected officials