## CITY PLANNING COMMISSION

September 22, 2015 / Calendar No. 4

**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 337 Berry Street and 99/101 South 5<sup>th</sup> Street (Block 2443, Lots 6, 37, and 41), as an Urban Development Action Area; and
  - b) an Urban Development Action Area Project 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;

to facilitate development of an eleven-story mixed-use building with 55 units of affordable housing and ground-level commercial and community facility space in Community District 1, Borough of Brooklyn.

Approval of three separate matters is required:

- 1. the designation of city-owned property located at 337 Berry Street and 99/101 South 5<sup>th</sup> Street (Block 2443, Lots 6, 37, and 41), as an Urban Development Action Area; and
- 2. an Urban Development Action Area Project for such property; and
- 3. the disposition of such property at 337 Berry Street and 99/101 South 5<sup>th</sup> Street (Block 2443, Lots 6, 37 and 41), to a developer to be selected by HPD.

The application for the Urban Development Action Area designation and project approval, and the disposition of city-owned property (C 150358 HAK) was submitted by the Department of Housing Preservation and Development (HPD) on May 6, 2015.

Approval of this application would facilitate the development of an eleven-story mixed-use building with 55 rental units of affordable housing, commercial and community facility spaces.

The Department of Housing Preservation and Development states in its application that:

The project area consists of underutilized property which tends to impair or arrest the sound development of the surrounding community, with or without tangible physical blight. Incentives are needed in order to induce the correction of these substandard, insanitary, and blighting conditions. The project activities would protect and promote health and safety and would promote sound growth and development. The project area is therefore eligible to be an Urban Development Action Area Project pursuant to Article 16 of the General Municipal Law.

## BACKGROUND

The Department of Housing Preservation and Development is seeking an Urban Development Area Action, Project Approval and Disposition of City-owned property located at 337 Berry Street and 99/101 South 5<sup>th</sup> Street (Block 2443, Lots 6, 37, and 41) to facilitate the development of an eleven-story mixed-use building with 55 affordable units of rental housing. In addition, the project would provide approximately 4,004 square feet of commercial space, and 1,120 square feet of community facility space on the ground floor of the predominantly residential building.

The City-owned property is a 15,943 square-foot L-shaped site with frontages on Berry and South 5<sup>th</sup> streets. The site is currently developed with a one-story, 5,067 square-foot, vacant, former NYC Landmarks Preservation Commission (LPC) warehouse fronting on Berry Street. The LPC had used the building to store loose architectural elements of buildings that were repaired or restored. The LPC warehouse was relocated to the Bronx in 2012. The remaining 10,000 square feet of the site is unbuilt.

The project site and adjacent blocks to the east and west are zoned M1-2/R6 (MX-8), a mixed use district. The proposed development would utilize Inclusionary Housing floor area bonuses which permits residential FAR of 3.6, commercial and industrial FAR's of 2.0, and a community facility FAR of 4.8.

The proposed actions would facilitate construction of a new mixed-use eleven-story building with 55 rental apartments and ground floor retail and community facility spaces. The apartment mix includes 12 studios, 14 one-bedrooms, 27 two-bedrooms, 1 three-bedroom, and one additional unit dedicated to the superintendent. The building will also have approximately 45,070 square feet of

residential floor area; 4,004 square feet of ground floor commercial space, and 1,120 square feet of community facility space with a total floor area of 50,194 square feet, with a 3.14 FAR.

The rents for all units will be affordable to households earning less than 60% of the Area Median Income (AMI). Eleven residential units would be set aside for the homeless families and individuals earning up to 20% of the AMI, and another 11 units would be for individuals and families earning up to 48% of AMI. The 32 units would be for individuals and families earning up to 58% of AMI.

The building would include a community/recreation room for the building's residents, a landscaped patio at the rear of the building and a landscaped terrace on the second floor which would only available to the building's residents. The combination of the landscaped patio and second floor terrace satisfies the Quality Housing requirements for recreation space. In addition the North Brooklyn Development Corporation, the project sponsor would provide on-site support services to homeless families and individuals who would occupy 11 units in the development.

The ground floor commercial and community facility spaces and the entrance lobby of the residential building would front South 5<sup>th</sup> Street. Parking is provided in the rear of the building which would be accessed from Berry Street. The 14 required parking spaces include one handicap-accessible space. The parking area will be landscaped with buffers between the building and adjoining properties. Additionally, there will be storage space for 28 bicycles in the cellar of the building.

As required by zoning, four street trees are required to be planted. The developer would plant three trees along South 5<sup>th</sup> Street. The remaining one tree would be planted in a location designated by the NYC Department of Parks and Recreation.

Across South 5<sup>th</sup> Street from the site is the Williamsburg Bridge, and three blocks to the west is the East River waterfront. The surrounding area contains a mix of commercial, industrial and residential uses. The residential uses in the area include 2-story houses, 3- to 5-story walk-ups, and 6- to 7-story residential apartment buildings. The neighbourhood has several of HPD's Partnership New Homes Program developments. To the west of the site along the East River waterfront and

Kent Avenue are several one-story and loft manufacturing and warehouse buildings.

Bedford Avenue, a north-south local commercial corridor is half a block to the east of the proposed project site, and Broadway, an east-west commercial corridor is immediately south of the Williamsburg Bridge. Commercial businesses along these throughfares include local grocery stores, delicatessens, restaurants, bars and banks.

The neighborhood open spaces include the Berry Playground one block to the north of the site on South 3<sup>rd</sup> Street, and La Guardia Playground four blocks to the northeast on South 4<sup>th</sup> Street. P.S. 84, an elementary school, is located four-blocks north of the site on Berry Street. John D. Wells Junior High School and Success Academy are located on South 3<sup>rd</sup> Street north of the site.

The area to the north of the site is zoned R6, which permits residential uses to an FAR of 2.43 and community facility uses to an FAR of 4.8. The maximum street wall height in R6 districts is 60 feet. C2-3 districts mapped along commercial corridors such as Bedford Avenue allow ground floor retail and service uses at an FAR of 2.0.

Blocks to the south of the Williamsburg Bridge are zoned C4-3, which is an R6 equivalent district that permits commercial uses to an FAR of 3.4. M1-2 and M3-1 districts are mapped along the East River to the southwest, permitting industrial and limited commercial uses to an FAR of 2.0.

The area is well served by public transit. The site is two blocks east of the Williamsburg Bridge Bus Depot, a terminal for eight bus lines. The area is served by B62 (on Bedford Avenue and Driggs Ave), and Q59/B32 (Kent Avenue and Wythe Avenue) bus routes. The nearby Marcy subway stop on Broadway provides access to the J, M, and Z train lines.

## ENVIRONMENTAL REVIEW

The application (C 150358 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 designated CEQR

number is 15HPD053K. The lead agency is the Department of Housing Preservation and Development.

After a study of the potential environmental impact of the proposed action, a Negative Declaration was issued on May 13, 2015.

## UNIFORM LAND USE REVIEW

This application (C 150358 HAK) was certified as complete by the Department of City Planning on June 1, 2015, and was duly referred to Community Board 1 and the Borough President, in accordance with Title 62 of the Rules of the City of New York, Section 2-02(b).

## **Community Board Public Hearing**

Community Board 1 held a public hearing on this application (C 150358 HAK) on June 9, 2015, and on that date, by a vote of 35 in favor, 0 opposed and 0 abstentions recommended approval of the application with the following conditions:

- 1. The Developer look for standard guidelines for parking fees and community space rents. HPD will weigh in on the rates charged for both.
- 2. HPD treat the 5% units required for disabled tenants be given to the community separate from and in addition to the 50% community preference.

## **Borough President Recommendation**

This application (C 150358 HAK) was considered by the Borough President, who issued a favorable recommendation on August 10, 2015, with the following conditions:

- 1. All of the allocation for achieving the 50 percent preference for community residence in the lottery will be inclusive of former Community District 1 residents that were displaced since the rezoning of the waterfront sections of the neighborhood;
- 2. All of the supportive and non-supportive housing units will be permanently affordable;

- 3. The three zoning required street trees are to be planted in locations developed in consultation with Community Board 1 and meet the criteria of the Department of Parks and Recreation;
- 4. Require the project developer to retain Brooklyn-based contractors and subcontractors, especially those that are designated LBEs consistent with section 6-108.1 of the City's Administrative Code, and MWBE and LBE establishments, as a means to meet or exceed standards per Local law 1 (not less than 20 percent participation), as well as to coordinate the monitoring of such participation with an appropriate monitoring agency,

And that the City Council has such stipulations incorporated into the Regulatory Agreement and/or Land Disposition Agreement prior to granting its approval.

Be it further resolved that the Department of Housing Preservation and Development obtains jurisdiction of the Williamsburg Bridge Plaza Bus Depot for the purposes of developing its available development rights for affordable housing with other appropriate uses developed in consultation with Community Board 1 and its local elected officials while maintaining the bus terminal function.

## **City Planning Commission Public Hearing**

On August 5, 2015 (Calendar No. 3), the City Planning Commission scheduled August 19, 2015 for a public hearing on this application (C 150358 HAK). The hearing was duly held on August 19, 2015 (Calendar No. 18). There were four speakers in favor and none in opposition.

The Director of the Brooklyn Planning Office for the Department of Housing and Preservation and Development (HPD) spoke in favor of the application, describing the project and requested action, stating that the 19 units provided under the provision of the Inclusionary Housing Program would be permanently affordable, while the remaining 35 units would be affordable for a term of 30 years with an option to extend the affordability.

The CEO and President of the Procida Reality and Construction Corp, and the President of the North Brooklyn Development Corporation, the intended sponsors of the project, spoke in favor of the application. In responding to a question by the Commission, whether ground floor commercial space could be used for much needed day care center, they stated that it is possible to use the proposed retail space for a day care center. They also said that Los Sures, a neighborhood housing and social services advocacy group, could be future tenants of the proposed community facility space. They noted that rental income from the commercial space would subsidize the affordable

units and that the North Brooklyn Development Corporation would provide on-site services support to homeless families and individuals who would occupy 11 units in the development. They also stated that the open parking area could be repurposed into additional recreation space if future zoning changes rendered the parking area unnecessary.

The project architect also spoke in favor of the application. He stated that the building would not be seeking a LEED rating, but would meet the sustainability guidelines of Enterprise Green Communities for HPD projects, HCR B9 Green Criteria Checklist, and New York State Energy Research and Development Authority (NYSERDA) Multifamily Performance Program.

There were no other speakers and the hearing was closed.

## CONSIDERATION

The Commission believes that the application for the Urban Development Action Area Designation, Project Approval and disposition of city-owned property (C 150358 HAK), is appropriate.

The proposed project would occupy an underutilized City-owned site located on the north side of South 5<sup>th</sup> Street in the Williamsburg neighborhood of Community District 1, Brooklyn. The proposed development would consist of an eleven-story mixed-use building with 55 rental apartments and ground floor commercial and community facility spaces. The affordable units would be for households earning up to 60% of the Area Median Income AMI, including eleven units that would be reserved for homeless families and individuals earning less than 20% of the AMI. Of the 55 residential units, 19 units would be permanently affordable under the Inclusionary Housing program guidelines. Additionally, 5% of the units would be reserved for mobility impaired tenants. The proposed building would include a laundry room, a community room, and an outdoor patio with seating and play equipment accessible to all tenants.

The Commission notes the Community Board's recommendation that the project sponsors should

ascertain the going rates of parking fees and rents for community facility spaces in the area and charge accordingly is beyond the scope of this application, however, the Commission is pleased that the project sponsors will keep the parking rates affordable to tenants of the building and the community facility space rent will also be affordable compared to area rents. In response to the Community Board's request for an additional 5% units slated for mobility impaired tenants be assigned to their district. The Commission further notes that HPD intends to follow standard HPD and NYC Housing Development Corporation (HDC) marketing procedures and guidelines for this project, and will not assign 5% of the units for disabled tenants to the Community Board in addition to their 50% community preference.

In response to the Brooklyn Borough President's recommendation that all of the units should be permanently affordable, the Commission notes that 19 units of affordable housing pursuant to Inclusionary Housing Program would be permanently affordable while the remaining 35 units would be affordable up to a period of 30 years, after which the sponsors would have the opportunity to extend the term of affordability. In reference to the Borough President's recommendation that residents displaced due to the Greenpoint Williamsburg rezoning be included in the community board's 50% preference, the Commission notes that, although beyond the scope of this application, it is pleased that HPD has stated that they are examining the issue.

In response to Borough President's request that HPD obtains jurisdiction of the Williamsburg Bridge Plaza Bus Depot area for the purposes of developing affordable housing while maintaining its current functions, the Commission notes that this recommendation is beyond the scope of this application. However, HPD responded that in its larger housing plan, it is looking at all development opportunities across the city and is exploring potential development feasibility of all city owned sites.

The Commission believes that issues such as the hiring practices of the project sponsor, or the process by which potential residents are selected, are beyond the scope of this application.

The Commission notes that the applicant will incorporate many green features, such as the use of

Energy Star equipment in apartments and common areas, and low-flowing plumbing fixtures that would reduce water consumption. The sponsor further stated that they are committed to follow the sustainability programs Enterprise Green Communities for HPD projects, HCR B9 Green Criteria Checklist, and NYSERDA Multifamily Performance Program.

The Commission believes that proposed project would facilitate the development of an underutilized city-owned properties, which would bring much needed affordable and supportive housing to this neighborhood. The project would provide needed rental housing for low income residents. The Commission, therefore, believes that the proposed action is appropriate.

## RESOLUTION

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

**WHEREAS**, the Department of Housing Preservation and Development has recommended the designation of property located at 337 Berry Street and 99/101 South 5<sup>th</sup> Street (Block 2443, Lots 6, 37, and 41), located in Community District 1, 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 property located at 337 Berry Street and 99/101 South 5<sup>th</sup> Street (Block 2443, Lot 6, 37, and 41), as an Urban Development Action Area; and
- b) an Urban Development Action Area Project for such area; 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 property located at 337 Berry Street and 99/101 South 5th Street (Block 2443, Lots 6, 37, and 41) in Community District 1, Borough of Brooklyn, to a developer to be selected by the Department of Housing Preservation and Development, to facilitate the development of an eleven-story mixed-use building with 55 units of affordable housing and ground-level commercial and community facility space, is approved.

The above resolution (C 150358 HAK), duly adopted by the City Planning Commission on September 22, 2015 (Calendar No. 4), 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.

CARL WEISBROD, Chairman KENNETH J. KNUCKLES, *ESQ.*, Vice Chairman RAYANN BESSER, ALFRED C. CERULLO, *III*, MICHELLE R. DE LA UZ, CHERYL COHEN EFFRON, ANNA HAYES LEVIN, ORLANDO MARIN, LARISA ORTIZ, Commissioners

Application #: C 150358 HAK	Project Name: LPC Warehouse
CEQR Number: 15HPD053K	Borough(s): Brooklyn
*	Community District Number(s): 1
Please use the above application number on all con	respondence concerning this application
Complete this form and return to the Dep EMAIL (recommended): Send e	UBMISSION INSTRUCTIONS partment of City Planning by one of the following options: email to <u>CalendarOffice@planning.nyc.gov</u> and include the following subject line: 6-digit application number), e.g., *CB Recommendation #C100000ZSQ*

- a) the designation of property located at 337 Berry Street and 99/101 South 5<sup>th</sup> Street (Block 2443, Lots 6, 37 and 41), as an Urban Development Action Area; and
- b) 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 to be selected by HPD;

to facilitate development of an eleven-story mixed use building with approximately 55 units of affordable housing and ground-level commercial and community facility space, Borough of Brooklyn, Community District 1.

Applicant(s):		Applicant's Rep	presentative:	
NYC Housing Preservation and Development 100 Gold Street 9G11 New York, NY 10038		Jack Hammer 212-863-8667		
	1			
Recommendation submitted by: Brooklyn Community Board 1			Selections, Selections, Selection Selections, Selections, Selectio	
Date of public hearing: June 9, 2015 Location: 211 Ainslie S		Street, Brooklyn, NY	ireet, Brooklyn, NY 11211	
Was a quorum present? YES NO	A public hearing requires a but in no event fewer than se	quorum of 20% of the app even such members	ointed members of the board,	
Date of Vote: June 9, 2015	Location: 211 Ainslie	Street, Brooklyn, NY	11211	
RECOMMENDATION				
Approve	Approve With Mo	difications/Conditions	S	
Disapprove	Disapprove With	Modifications/Conditi	ions	
Please attach any further explanation of the rec	commendation on addit	ional sheets, as ne	cessary.	
Voting				
# In Favor: 35 # Against: O # Abstaini	ng: O Total mer	nbers appointed to	the board: 50	
Name of CB/BB officer completing this form	Title		Date	
Dealice Fuller	Assistan	t District Manager	6/10/2015	

The City Of New York	435 GRAHAM AVENUE – PHONE: (718 FAX: (718) Email: <u>bk01@</u> Website: <u>www.nyc.</u>	COMMUNITY BOARD NO. 1 435 GRAHAM AVENUE – BROOKLYN, NY 11211 PHONE: (718) 389-0009 FAX: (718) 389-0098 Email: <u>bk01@cb.nyc.gov</u> Website: <u>www.nyc.gov/brooklyncb1</u>		
	HON. ERIC L. ADAMS BROOKLYN BOROUGH PRESIDENT			
RABBI JOSEPH WEBER FIRST VICE-CHAIRMAN	DEALICE FULLER CHAIRPERSON	HON. STEPHEN T. LEVIN COUNCILMEMBER, 33 <sup>rd</sup> CD		
DEL TEAGUE SECOND VICE-CHAIRPERSON	GERALD A. ESPOSITO	HON. ANTONIO REVNOS		
STEPHEN J. WEIDBERG THIRD VICE-CHAIRMAN	DISTRICT MANAGER	COUNCILMEMBER, 34th CI		



April 14, 2015

### LAND USE, ULURP, & LANDMARKS (subcommittee) **COMMITTEE REPORT**

TO:

Chairperson Dealice Fuller and CB #1 Board Members

FROM:

Del Teague, Committee Chair

The Land Use, ULURP, & Landmarks (subcommittee) Committee met one March 23, 2015 at 6:30 PM in the CB #1's District Office, 435 Graham Avenue, Brooklyn, NY 11211.

PRESENT: D. Teague; G. Barros; Rabbi Niederman; A. Perlstein. ABSENT: A. Savoia; S. Chabrowski; G. Argento; S. Bondo; A. Katz; T. McKeever; R. Solano; Y. Turner; M. Viera; Rabbi Weber; S. Weiser; S. Weidberg.

#### AGENDA

MARIA VIERA FINANCIAL SECRETARY

ALMA SAVOIA RECORDING SECRETARY

PHILIP A. CAPONEGRO MEMBER-AT-LARGE

#### LANDMARKS REVIEW ITEM: (1.)

Application to the LPC regarding proposed work for 127 Noble Street, Brooklyn, NY 11222 (Block 2655, Lot 66) a building located in the Greenpoint Historic District. Proposed work includes installation of new wooden windows, some facade repairs, rear yard, and rooftop/penthouse additions (Architect: Harrison Atelier Architecture DPC).

The owner/architect presented. The committee found the work in the rear yard to be consistent and harmonious with the improvements in the adjacent buildings. The rehabilitation on the front was respectful of the landmark appearance, and in some respects even more true to the original design.

Recommendation: The committee unanimously approved the application. A letter of approval was sent.

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(2.) <u>PRESENTATION</u>: To provide an update on North Brooklyn Development Corporation's affordable housing project to build 55 units of affordable housing at the former NYC LPC Warehouse site on Berry St. between South 4th and South 5th Streets - by Mr. Richard Mazur, Executive Director/North Brooklyn Development Corporation and the site's development team.

- The property is a city owned site that will be developed by North Brooklyn Development Corporation. The warehouse, which is currently vacant, will be demolished. In its place will be a building providing 55 affordable units: 12 studios, 14 one-bedroom, 27 two- bedroom, one 3 bedroom, and 1 unit for the superintendent. Rents will range from 48- 50% AMI.
- In addition, there will be (1) retail and community space, which will rent at market rate, and (2) on-grade parking for 14 cars. The charge for parking has not been fixed.
- The target date for closing is in December 2015. It is estimated it will take 20 months to complete construction after that, possibly by August 2017. Applications will be issued 4 months prior to completion of construction.

**Recommendation:** The committee recommended that (1.) the developer look for standard guidelines for parking fees and community space rent.HPD will weigh in on the rates charged for both. (2.) HPD treat the 5% units required for disabled tenants be given to the community separate from and in addition to the 50% community preference.

The next meeting of the Land Use, ULURP, and Landmarks (subcommittee) Committee is scheduled as follows:

WHEN: Tuesday --- April 28, 2015

TIME: 6:30 PM

WHERE:

RE: CB #1's District Office 435 Graham Avenue Brooklyn, NY 11211 (Corner of Frost Street)

Brooklyn Borough P	resident Recommendation				
	VING COMMISSION				
22 Reade Street	t, New York, NY 10007				
CalendarOffice@planning.nyc.gov					
calcillationic					
INSTRUCTIONS	01 01 01				
1. Return this completed form with any attach	ments to the Calendar Information Office. City				
Planning Commission, Room 2E at the above	e address.				
2. Send one copy with any attachments to the	applicant's representatives as indicated on the Notice				
of Certification.					
PLICATION #: LANDMARKS PRESERVATION COM					
LICATION #: LANDMARKS PRESERVATION COMP	MISSION WAREHOUSE - 150358 MAK				
In the matter of an application submit	tted by the Department of Housing Preservation and				
Development seeking approval of an Urban D	Development Action Area Project designation and project				
approval and the disposition of City-Owned pro	operties located on South 5 <sup>th</sup> Street between Berry Street				
and Bedford Avenue and on Berny Street be	etween South 4 <sup>th</sup> Street and South 5 <sup>th</sup> Street in South				
Williamsburg neighborhood of Brooklyn.	etween south a sheet and south s sheet in south				
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COMMUNITY DISTRICT NO. 1	BOROUGH OF BROOKLYN				
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APPROVE WITH					
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BOROUGH PRESIDENT	DATE				
	DATE				

# RECOMMENDATION FOR THE LANDMARKS PRESERVATION COMMISSION WAREHOUSE - 150358 HAK

The Department of Housing Preservation and Development (HPD) is seeking approval of an Urban Development Action Area Project (UDAAP) designation and project approval and the disposition of City-owned properties located on South 5<sup>th</sup> Street, between Berry Street and Bedford Avenue, and on Berry Street, between South 4<sup>th</sup> Street and South 5<sup>th</sup> Street, in the South Williamsburg neighborhood of Community District 1 (CD1). These properties are located in an M1-2/R6 (MX-8) zoning district.

On July 1st, 2015, the Borough President held a public hearing. There was one speaker for this item, the Director of Economic Development for the Local Development Corporation for East New York. The speaker supports this development but noted the importance of identifying people likely to apply for this affordable housing and providing sufficient outreach in order to strengthen their financial literacy of the overall application and lottery process.

The representative for the designated developer noted that the development would be under the Low-Income Affordable Marketable Program (LAMP) which is for individuals or households with a combined annual income of up to 60 percent area median income (AMI). The maximum adjusted incomes per family size are: \$51,780 for a family of four, \$46,620 for a family of three, \$41,460 for a family of two, and \$36,300 for an individual. 32 units will be affordable to households where the rent would not exceed 58 percent of AMI. 11 units will be affordable to households where the rent would not exceed 48 percent of AMI. 11 units will be allocated to formerly homeless households.

Depending on whether the household qualifies, not exceeding 50 percent or 60 percent AMI income limits, examples of rents today are: \$640 or \$785 for studios, \$689 or \$844 for one-bedrooms, \$835 or \$1,022 for two-bedrooms and \$1,175 for three-bedrooms (60 percent AMI only).

In response to the Borough President's concern for highest participation of the current community residents, the representative stated that the marketing strategies to be used in terms of tenant selection process will follow the outlined marketing guidelines required for any project funded by HPD/HDC. Outreach will include the City's Housing Connect website, citywide newspapers and notifications to local non-profits and housing advocates.

In response to the Borough President's concern regarding providing a financial literacy campaign to assist area residents in becoming lottery eligible, the representative stated that community organizations would be assisting tenant applicants through opportunities to receive financial literacy assistance prior to the application process. Credit counseling will take place before the lottery takes place

and after the selection process, with leasing agents meeting potential tenants and working through the qualifications.

Applicant preferences include five percent of the units to persons with mobility, hearing, or vision impairments, 50 percent to persons who currently reside in CD1, and five percent to municipal employees. In response to the Borough President's concern for assuring local community preference to former residents, displaced since the Williamsburg Greenpoint rezoning in 2005, as has been the case for subsequent affordable housing developed in CD1, the North Brooklyn Development Corporation representative expressed the desire to have such community preference be inclusive of those displaced. The HPD representative committed to reviewing whether the agency will honor this policy and will seek to provide the Borough President with a response subsequent to the hearing.

In response to the Borough President's concern for length of affordability of the affordable units, the representative noted that the development would be pursuant to inclusionary housing, with approximately 20 units being permanently affordable and the remainder likely to be subject to a 30 year regulatory agreement.

In response to the Borough President's policy to promote the use of sustainable and renewable energy resources as well as promoting practices to retain stormwater runoff, the representative noted that the project would contain a reflective roof as part of an overall design. The project is expected to exceed standards by 15 percent, featuring energy efficient fixtures and appliances. Stormwater runoff design will retain water on site in accordance with the DEP requirements

In response to coordinating the planting of street trees, as required by the Zoning Resolution, with Community Board 1 (CB1), the representative from HPD expressed a commitment to coordinate with the Department of Design and Construction (DDC) and the Parks Department (DPR) for how the remaining three trees would be appropriately located in CD 1.

In response to the Borough President's policy to maximize job opportunities for Brooklynites, the representative for the developer noted that the project will be in accordance with State guidelines, with approximately 30% of either Minority and Women-Owned Business Enterprises (MWBE) and Locally-Based Enterprises (LBE) participation. While the contractor is not classified as MWBE, they participate with many such entities and provide local outreach and programs to train for such jobs. In addition, the developer works with many material suppliers that are MWBE.

Subsequent to the hearing the representative from NBDC submitted information noting that once the LPC Warehouse property is developed and occupied, a Housing Development Fund Corporation (HDFC), under the control of NBDC will be formed as part of the permanent affordable housing initiative. NBDC and HDFC boards are interrelated and their interests are to maintain perpetual affordability for all of their managed/controlled properties. This is NBDC's mission and as long as NBDC exists, they will sustain the affordability of all property under their control.

## **Consideration**

CB 1 approved the application with two conditions. It recommended that the developer look for standard guidelines for parking fees and community space rent, with HPD weighing in on the rates for both. Also, CB 1 recommended that in addition to the 50 percent community preference standard, HPD treat the five percent of the units required for disabled tenants as an additional community preference.

This site comprises approximately 15,943 sf of mostly vacant city-owned property along with a 5,067 sf vacant one-story warehouse building formerly used for storage by the Landmarks Preservation Commission. The proposed development will be designed in accordance with the Inclusionary Housing Program with the Inclusionary Housing Bonus. The newly constructed 11-story residential building would contain 55 units of affordable rental housing, as well as approximately 4,004 sf of commercial space and about 1,120 sf of community facility space along South Fifth Street. Several of the units will have private terraces and a landscaped outdoor terrace will be located on the roof of the community facility accessible to residents of the building. A laundry and community room will be located on the ground floor adjacent to the landscaped patio area. The site will also include 14 accessory parking spaces for residential use only.

The development is consistent with the Borough President's policy regarding sustainability as its design incorporates the Enterprise Green Communities Program and NYSERDA's Multi- Family Performance Program. Sustainable strategies will include daylighting, sun shading/glare control, high efficiency equipment, use of high recycled content materials, use of low and no VOC materials, and a well-insulated envelope. Additional strategies such as on site renewable power generation and urban farming are being considered for the project.

It is the Borough President's policy to support land use actions that are compatible with surrounding land uses, benefit the neighborhood while providing needed affordable housing opportunities and make city-owned property available for private development opportunities which in turn enhance the City's community revitalization efforts.

The proposed land use actions would facilitate the development of the affordable rental housing for low-income households in accordance with the Mayor's *Housing New York: a Five-Borough, Ten-Year Plan,* which commits to the preservation or new construction of 200,000 units by 2024. This is also consistent with the requirements in the May 2005 Greenpoint/Williamsburg rezoning "Points of Agreement" that specified affordable housing with open space would be built on Block 2443, Lots 6 and 41.

The Borough President supports making city-owned land available for private residential development to realize much needed affordable housing in a manner that maximizes affordability to neighborhood residents at risk of displacement. Such secondary displacement results from market rate residential units such as the

property on the corner of South 5<sup>th</sup> Street and Berry Street, currently under development.

The Borough President also believes that there is a need for supportive housing options for individuals that are circumstantially homeless. Supportive housing is a cost effective way of addressing the diverse needs of the homeless while also integrating residents into the life of the neighborhood. The Borough President believes that projects containing supportive housing units are best integrated into a community when such units are interspersed in the same building with housing units for families.

The disposition site consists of an underutilized vacant property that has impaired the sound development of the surrounding community. This development would promote health and safety as well as encourage sound growth and development in an area where there is strong demand for affordable housing. The proposed development would provide for an increase of supportive housing options as a means to address needs in the community. The proposed development would also complement existing residential and commercial uses in the neighborhood while creating construction related and permanent jobs, and in turn enhance the City's community revitalization efforts.

Though the Borough President is generally supportive of the proposed development he has concerns regarding the status of: community preference for those displaced from CD 1; the duration of affordability; CB1 consultation for planting of zoning required street trees; and participation of MWBE and LBE. In addition, he believes that the State should take action to target community preference for those displaced by the 2005 Williamsburg-Greenpoint waterfront area rezoning and the City should take action to further affordable housing development in this section of Williamsburg.

## Community Preference

The residential neighborhoods of Greenpoint and Williamsburg, including areas within and beyond the area of the 2005 waterfront area rezoning, are largely comprised of small buildings that are not subject to rent protection laws.

While the communities have had stable residential populations in recent history, proximity to Manhattan and once-affordable rents has led to the growth of a creative and youthful population. This was followed by more affluent residents that have been drawn to the recently developed waterfront towers and other new buildings, adding to the desirability of the neighborhoods. As more and more people "discover" Greenpoint and Williamsburg, rents climb substantially in many unregulated apartments, ultimately displacing many long-time residents. The ongoing upward trend in market rent has continued unabated and has been amplified by new developments.

While a percentage of the new housing developed along the waterfront has been set aside as affordable and the City has been pursuing the development of affordable housing on its assets in CD 1, this alone does not sufficiently protect residents from displacement. Fortunately, the City recognizes that the newly produced affordable units would not in themselves be a timely resource to provide alternatives to those being displaced. In recognition of those who might be displaced indirectly, a result of the effects on the housing market from the 2005 rezoning, without having adequate opportunity to apply for affordable housing, the City established a policy to extend the local community preference to displaced CD 1 residents.

Therefore, prior to the vote of the City Council, HPD should memorialize in the Land Disposition Agreement or Regulatory Agreement between the developer and HPD that the 50 percent preference for community residence in the lottery for this site would be inclusive of former CD1 residents displaced since the rezoning of the waterfront sections of the neighborhood.

## **Permanent Affordability**

It is the Borough President's policy that affordable housing units remain "affordable forever" wherever feasible. 19 of the 55 units in the building will be designated as "Inclusionary Housing" units, which were generated through the bonus floor area. These units are specifically set aside for "Low Income" households. The 19 units that would be built because of the utilization of the Zoning Resolution's Inclusionary Housing Program are consistent with the Borough President's policies of permanent affordability. For the base floor area units, the Borough President is concerned that the standard regulatory agreement used by HPD is typically not more than thirty years. The concern is that as tenants move out after the expiration of such regulatory agreement, those units would no longer be an affordable housing resource. In areas where new developments can be realized on city-owned sites, it should be a policy of the City to minimize the loss of affordable housing by requiring such units to remain permanently affordable. This issue could be partially mitigated by disposition to non-profit affordable housing development entities.

Fortunately, according to an email provided on August 06, 2015, it was clarified that the City's intended disposition of the property would be to a subsidiary of the NBDC. An HDFC, under the control of NBDC, will be formed as part of the permanent affordable housing initiative. This provides a soft guarantee that the non-inclusionary units would remain affordable for the lifetime that NBDC remains in operation, because one of its core missions is to be an affordable housing provider as well as a strong advocate for affordable housing. The Borough President supports the disposition of affordable housing to affordable housing non-profits for these reasons, as for-profits companies are more driven by financial considerations.

Furthermore, HPD should memorialize in the Land Disposition Agreement or Regulatory Agreement between the developer and HPD that all 55 units shall be permanently affordable.

## Zoning Required Street Tree Placement

The Zoning Resolution authorizes DPR to select alternative locations to plant street trees when it is deemed infeasible to plant adjacent to the zoning lot being developed. Such alternative locations may be within CD 1 or within one-half mile of the zoning lot, including empty street tree pits or planting strips and may be in an unpaved area owned by the City.

The Borough President believes that the community, coordinated through CB 1, should have adequate say in where these three trees are planted. The adjacent HPD intended open space and vacated tree pits in the nearby community should provide ample opportunity for community consensus. The Borough president urges community members and members of CB 1 to identify vacated tree pits for possible consideration. In addition, HPD should memorialize in the Land Disposition Agreement or Regulatory Agreement between the developer and HPD that the planting location these three trees should be identified in consultation with CB 1, for locations that meet the criteria of DPR.

## <u>Jobs</u>

The Borough President is concerned that too many residents of Brooklyn are unemployed or underemployed. It is his policy to promote economic development as a means of creating more employment opportunities as well as promoting Brooklynbased businesses, including those that qualify as MWBE and LBE. As new construction, this development provides an opportunity for the developer to retain Brooklyn-based contractors and subcontractors, especially those that are designated LBEs, consistent with section 6-108.1 of the City's Administrative Code, and MWBE establishments, as a means to meet or exceed standards per Local Law 1 (not less than 20 percent participation).

With the intended development, the Borough President believes that such standards be memorialized in the Land Disposition Agreement or Regulatory Agreement between developer and HPD.

## Identification of Municipal Sites to Further Affordable Housing Development Opportunity in this Section of Williamsburg:

The Borough President supports the Mayor's goal to achieve 200,000 affordable housing units over the next decade. He believes that, as part of this agenda, a significant number of these units should be achieved in the inland section of Williamsburg. The 55 affordable housing units to be developed at the LPC Warehouse site will be an important contribution to this community. However, given the significant increase in rents in this section of Williamsburg and its resulting residential displacement, there is a need to continue identifying additional opportunities for people to affordably remain within their neighborhood.

It is one of the Borough President's policies to support effective ways to create more affordable housing. In response to the Mayor's *Housing New York: a Five-Borough,* 

*Ten-Year Plan,* in November 2014 the Borough President produced a report titled the Housing Brooklyn: A Road Map to Real Affordability for Brooklynites. The report discusses key opportunities for affordable housing development throughout Brooklyn in order to help achieve the Mayor's development goals. The report outlines important steps that need to be taken to give more residents the opportunity to secure quality affordable housing. One such method is to identify potential municipally-owned properties that can be utilized as affordable housing sites.

One of the sites the Borough President's Housing Brooklyn report identified is the Williamsburg Bridge Plaza Bus Depot site, a location zoned C4-2. This is part of a multi-agency city lot that in addition to the bus depot, includes elevated subway tracks, the approach to the Williamsburg Bridge and several playgrounds. The Borough President believes that this lot could be subdivided to establish property in the jurisdiction of DPR, the Department of Transportation and joint jurisdiction between New York City Transit/MTA and HPD.

As the Williamsburg Bridge Plaza Bus Depot is located adjacent to the Marcy Avenue subway stop, with multiple bus lines to Queens and other parts of Brooklyn, it is perfectly situated for affordable housing development as well as other complimentary uses. By obtaining jurisdiction HPD would play a role in advancing development through a Request for Proposal that allows for a building over the bus depot for a development fronting Havemeyer Street.

Therefore, HPD should obtain jurisdiction of the Williamsburg Bridge Plaza Bus Depot for the purposes of developing its available development rights as affordable housing with other appropriate uses, developed in consultation with CB1 and its local elected officials while maintaining the bus terminal function.

### **Recommendation**

Be it resolved that the Borough President of Brooklyn, pursuant to section 197-c of the New York City Charter and Article 16 of General Municipal Law for New York State, recommends that the City Planning Commission and City Council <u>approve</u> the land use action requested according to the following <u>conditions</u>:

That the Department of Housing Preservation and Development incorporates the following in either the Regulatory Agreement or Land Disposition Agreement:

- All of the allocation for achieving the 50 percent preference for community residence in the lottery will be inclusive of former Community District 1 residents that were displaced since the rezoning of the waterfront sections of the neighborhood;
- 2. All of the supportive and non-supportive housing units will be permanently affordable;

- 3. The three zoning required street trees are to be planted in locations developed in consultation with Community Board 1 and meet the criteria of the Department of Parks and Recreation;
- 4. Requires the project developer to retain Brooklyn-based contractors and subcontractors, especially those that are designated LBEs consistent with section 6-108.1 of the City's Administrative Code, and MWBE and LBE establishments, as a means to meet or exceed standards per Local Law 1 (not less than 20 percent participation), as well as to coordinate the monitoring of such participation with an appropriate monitoring agency,

And that the City Council has such stipulations incorporated into the Regulatory Agreement and/or Land Disposition Agreement prior to granting its approval.

Be it further resolved that the Department of Housing Preservation and Development obtains jurisdiction of the Williamsburg Bridge Plaza Bus Depot for the purposes of developing its available development rights for affordable housing with other appropriate uses developed in consultation with Community Board 1 and its local elected officials while maintaining the bus terminal function.