



## CITY PLANNING COMMISSION

August 10, 2011 / Calendar No. 8

C 110062 (A) ZSK

**IN THE MATTER OF** an application submitted by R.A. Real Estate, Inc., pursuant to Sections 197-c and 201 of the New York City Charter for the grant of a special permit pursuant to Section 74-744 of the Zoning Resolution to modify the use requirements of Section 32-421 (Limitation on floors occupied by commercial uses) to allow commercial uses listed in Use Groups 6, 7, 8, 9 or 14 on portions of the 2<sup>nd</sup> and 3<sup>rd</sup> floors of a proposed mixed-use development on property located at 3502-3532 Surf Avenue (Zoning Lot B, Block 7065, Lots 15, 20 & 25), in R7-3 and R7-3/C2-4 Districts, within a Large-Scale General Development (Block 7065, Lots 6, 12, 15, 20 & 25), Borough of Brooklyn, Community District 13.

An application for a special permit pursuant to Section 74-744 (“Modifications of use regulations”) to allow for commercial uses on the 2<sup>nd</sup> and 3<sup>rd</sup> floors of a mixed-use building was filed by R.A. Real Estate, Inc., on August 25, 2010 to facilitate the development of a 22-story mixed-use buildings with 311 dwelling units, up to 21,150 square feet of retail floor area and 269 residential parking spaces to be located at 3502-3532 Surf Avenue (Zoning Lot B, Block 7065, Lots 15, 20 & 25) between Surf Avenue, the Riegelmann Boardwalk, West 35<sup>th</sup> Street and West 36<sup>th</sup> Street in Brooklyn Community District 13. On June 10, 2011, pursuant to Section 2-06(c)(1) of the ULURP rules, the applicants filed a modified special permit application (C 110062 (A) ZSK) for public hearing and consideration by the City Planning Commission. On August 4, 2011, the applicants withdrew related application C 110062 ZSK; the subject of this report is application C 110062 (A) ZSK.

### RELATED ACTIONS

In addition to the proposed special permit (C 110062(A) ZSK), which is the subject of this report, implementation of the proposed project also requires action by the City Planning Commission on the following applications, which are being considered concurrently with this application:

**C 110058 ZMK:** An amendment to the Zoning Map Section Nos. 28b and 28d, changing an R6A District to R7-3 and R7-3/C2-4 Districts.

**C 110059 ZSK:** Special permit pursuant to Section 62-836 of the Zoning Resolution to modify the lot coverage requirements of Section 62-322, height and setback, maximum tower size, and ground floor

streetscape requirements of Section 62-341, and the rear yard requirements of Section 23-44.

**C 110060 (A) ZSK:** Special permit pursuant to Section 62-836 of the Zoning Resolution to modify the lot coverage requirements of Section 62-322, height and setback, maximum tower size, and ground floor streetscape requirements of Section 62-341, and the rear yard requirements of Section 23-44 within a Large-Scale General Development.

**C 110061 ZSK:** Special permit pursuant to Section 74-743 of the Zoning Resolution to modify the requirements of Section 23-87 within a Large-Scale General Development.

**N 110063 ZCK:** Chair Certification pursuant to ZR Sec. 62-811 that no waterfront public access or visual corridors are required for (Zoning Lot A, Block 7065, Lots 6 & 12).

**N 110064 ZCK:** Chair Certification pursuant to ZR Sec. 62-811 that no waterfront public access or visual corridors are required for Zoning Lot B (Block 7065, Lots 15, 20 & 25).

## **BACKGROUND**

A full background discussion and project description appears in the report on the related Zoning Map amendment application (C 110058 ZMK).

## **ENVIRONMENTAL REVIEW**

This application (C 110062 (A) ZSK), in conjunction with the related applications (C 110058 ZMK, C 110059 ZSK, C 110060 ZSK, C 110060(A) ZSK, C 110061 ZSK, C 110062 ZSK, N 110063 ZCK and N 110064 ZCK), 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 10DCP038K. The lead is the City Planning Commission.

A summary of the environmental review appears in the report on the related Zoning Map amendment application (C 110058 ZMK).

## **UNIFORM LAND USE REVIEW**

The original application (C 110062 ZSK), in conjunction with the related applications (C 110058 ZMK, C 110059 ZSK, C 110060 ZSK, C 110061 ZSK), was certified as complete by the Department of City Planning on March 28, 2011, and was duly referred to Community Board 13 and the Brooklyn Borough President in accordance with Title 62 of the Rules of the City of New York, Section 2-02(b), along with the related non-ULURP application (N 110063 ZCK and N 110064 ZCK) which was duly referred to Community Board 13 and the Borough President, in accordance with the procedure for referring non-ULURP matters.

### **Community Board Public Hearing**

Community Board 13 held a public hearing on the original application on May 24, 2011 and on that date, by a vote of 25 to 6 with 1 abstaining, adopted a resolution recommending approval without modification of the original application and the related applications.

### **Borough President Recommendation**

The original application was considered by the Office of President of the Borough of Brooklyn, who issued a recommendation on July 1, 2011 approving the application with conditions. A summary of Borough President's recommendations appears in the report on the related zoning map amendment (C 110058 ZMK).

### **City Planning Commission Public Hearing**

On June 22, 2011 (Calendar No. 11 and 12), the City Planning Commission scheduled July 13, 2011 for a public hearing on the original application (C 110062 ZSK) and the modified application (C 110062 (A) ZSK). The hearing was duly held on July 13, 2011 (Calendar No. 24 and 25), in conjunction with the public hearing on the related applications (C 110058 ZMK, C 110059 ZSK, C 110060 ZSK, C 110060(A) ZSK, C 110061 ZSK). There were a number of speakers as described in the related zoning map amendment application (C 110058 ZMK) and the hearing was closed.

## **Waterfront Revitalization Consistency Review**

A discussion of the WRP Consistency Review Community Review appears in the report on the related zoning map amendment application (C 110058 ZMK).

## **CONSIDERATION**

The Commission believes that the grant of this special permit is appropriate.

A full consideration and analysis of the issues and the reasons for approving this application appears in the report on the related zoning map amendment application (C 110058 ZMK).

## **FINDINGS**

The City Planning Commission hereby makes the following findings pursuant to Section 74-744 (b) of the Zoning Resolution:

- (1) The commercial uses are located in a portion of the building that has separate access to the outside with no opening of any kind to the residential portion of the building at any story.
- (2) The commercial uses are not located directly over any story containing dwelling units.
- (3) The modifications do not have any adverse effect on the uses located within the building.

## **RESOLUTION**

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

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

**RESOLVED**, by the City Planning Commission, pursuant to Sections 197-c and 200 of the New York City Charter, that based on the environmental determination, and the consideration and

findings described in this report, the application submitted by R.A. Real Estate, Inc., pursuant to Section 197-c and 201 of the New York City Charter for the grant of a special permit pursuant to Section 74-744 of the Zoning Resolution to modify the use requirements of Section 32-421 (Limitation on floors occupied by commercial uses) to allow commercial uses listed in Use Groups 6, 7, 8, 9 or 14 on portions of the 2<sup>nd</sup> and 3<sup>rd</sup> floors of a proposed mixed-use development on property located at 3502-3532 Surf Avenue (Zoning Lot B, Block 7065, Lots 15, 20 & 25), in R7-3 and R7-3/C2-4 Districts, within a Large-Scale General Development (Block 7065, Lots 6, 12, 15, 20 & 25), Borough of Brooklyn, Community District 13, is approved subject to the following terms and conditions:

1. The property that is the subject of this application (C 110062(A) ZSK) shall be developed in size and arrangement substantially in accordance with the dimensions, specifications and zoning computations indicated on the following plans, prepared by Dattner Architects, incorporated in this resolution:

<u>Drawing No.</u>	<u>Title</u>	<u>Last Date Revised</u>
Z-04	Site Plan	March 9, 2011
Z-05	Zoning Calculations	May 18, 2011
Z-06	Zoning Lot A Base Plane Calculations	March 9, 2011
Z-07	Zoning Lot A Lot Coverage Calculations & Modifications	March 9, 2011
Z-08	Zoning Lot A Tower Size Modifications	March 9, 2011
Z-09	Zoning Lot A Setback & Maximum Base Height Modifications	March 9, 2011
Z-10	Zoning Lot A Yard Modifications	March 9, 2011
Z-11	Zoning Lot A Streetscape Modifications	March 9, 2011
Z-12	Zoning Lot B Base Plane Calculations	March 9, 2011
Z-13	Zoning Lot B Lot Coverage Calculations & Modifications	March 9, 2011
Z-14	Zoning Lot B Setback & Maximum Base Height Modifications	March 9, 2011
Z-15	Zoning Lot B Maximum Building Height & Penthouse Modifications	March 9, 2011
Z-16	Zoning Lot B Court Modifications	July 21, 2011
Z-17	Zoning Lot B Streetscape Modifications	May 18, 2011
Z-18	Zoning Lot B Commercial Location in Buildings Modifications	May 18, 2011

2. Such development shall conform to all applicable provisions of the Zoning Resolution, except for the modifications specifically granted in this resolution and shown on the plans listed above which have been filed with this application. All zoning computations are subject to verification and approval by the New York City Department of Buildings.
3. Development pursuant to this resolution shall be allowed only after the restrictive declaration dated August 8, 2011, executed by Red Apple Surf Realty I LLC, Red Apple Surf Realty II LLC, and Red Apple Surf Realty III LLC, the terms of which are hereby incorporated in this resolution, shall have been recorded and filed in the Office of the Register of the City of New York, Kings County.
4. Such development shall conform to all applicable laws and regulations relating to its construction, operation and maintenance.
5. All leases, subleases, or other agreements for use or occupancy of space at the subject property shall give actual notice of this special permit to the lessee, sublessee or occupant.
6. Upon the failure of any party having any right, title or interest in the property that is the subject of this application, or the failure of any heir, successor, assign, or legal representative of such party, to observe any of the covenants, restrictions, agreements, terms or conditions of this resolution and the restrictive declaration whose provisions shall constitute conditions of the special permit hereby granted, the City Planning Commission may, without the consent of any other party, revoke any portion of or all of said special permit. Such power of revocation shall be in addition to and not limited to any other powers of the City Planning Commission, or of any other agency of government, or any private person or entity. Any such failure as stated above, or any alteration in the development that is the subject of this application that departs from any of the conditions listed above, is grounds for the City Planning Commission or the City Council, as applicable, to disapprove any application for modification, cancellation or amendment of the special permit hereby granted or of the restrictive declaration.
7. Neither the City of New York nor its employees or agents shall have any liability for money damages by reason of the city's or such employee's or agents failure to act in accordance with the provisions of this special permit.

The above resolution (C 110062(A) ZSK), duly adopted by the City Planning Commission on August 10, 2011 (Calendar No. 8), is filed with the Office of the Speaker, City Council, and the Borough President in accordance with the requirements of Section 197-d of the New York City Charter.

**AMANDA M. BURDEN, FAICP, *Chair***  
**ANGELA BATTAGLIA, RAYANN BESSER, IRWIN G. CANTOR, P.E.,**  
**BETTY Y. CHEN, ALFRED C. CERULLO, III, MARIA M. DEL TORO,**  
**SHIRLEY A. MCRAE, KAREN A. PHILLIPS, *Commissioners.***

Application #: **C 110062 ZSK**

Project Name: **Ocean Dreams**

CEQR Number: **10DCP038K**

Borough(s): **Brooklyn**  
Community District Number(s) **13**

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](mailto: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, Room 2E, 22 Reade Street, New York, NY 10007
  - FAX:** (212) 720-3356 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 R. A. Real Estate, Inc. pursuant to Sections 197-c and 201 of the New York City Charter for the grant of a special permit pursuant to Section 74-744 of the Zoning Resolution to modify the use requirements of Section 32-421 (Limitation on floors occupied by commercial uses) to allow commercial uses listed in Use Group 6, 7, 8, 9 or 14 on portions of the 2<sup>nd</sup> and 3<sup>rd</sup> floors of a proposed mixed-use development on property located at 3502-3532 Surf Avenue (Zoning Lot B, Block 7065, Lots 15, 20 & 25), in an R7-3/C2-4\* District, within a Large-Scale General Development (Block 7065, Lots 6, 12, 15, 20 & 25), Borough of Brooklyn, Community District 13.

\*Note: The site is proposed to be rezoned by changing an R6A District to R7-3 and R7-3/C2-4 Districts under a concurrent related application C 110058 ZMK.

Plans for this proposal are on file with the City Planning Commission and may be seen in Room 3N, 22 Reade Street, New York, N.Y. 10007.

<b><u>Applicant(s):</u></b> R. A. Real Estate, Inc. 823 11th Avenue New York, N.Y. 10019		<b><u>Applicant's Representative:</u></b> Jay A. Segal Greenberg Traurig, LLP 200 Park Avenue New York, N.Y. 10166	
<b><u>Recommendation submitted by:</u></b> Brooklyn Community Board 13			
Date of public hearing: <u>April 27, 2011</u>		Location: <u>Coney Island Hospital</u>	
Was a quorum present? YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>		A public hearing requires a quorum of 20% of the appointed members of the board, but in no event fewer than seven such members.	
Date of Vote: May 24, 2011		Location: <u>PS 329</u>	
<b><u>RECOMMENDATION</u></b>			
<input checked="" type="checkbox"/> Approve		<input type="checkbox"/> Approve With Modifications/Conditions	
<input type="checkbox"/> Disapprove		<input type="checkbox"/> Disapprove With Modifications/Conditions	
<b><u>Please attach any further explanation of the recommendation on additional sheets, as necessary.</u></b>			
<b>Voting</b>			
# In Favor: 25		# Against: 6	
# Abstaining: 1		Total members appointed to the board: 50	
Name Charles Reichenthal		Title District Manager	
Date May 25, 2011			



# Brooklyn Borough President Recommendation

CITY PLANNING COMMISSION  
22 Reade Street, New York, NY 10007  
FAX # (212) 720-3356

## 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 #: 110058 ZMK; 110059 ZSK; 110060 ZSK; 110061 ZSK; 110062 ZSK; 110063 ZCK; 110064 ZCK. **Ocean Dreams**

In the matter of an application submitted by R. A. Real Estate, Inc. pursuant to Sections 197-c and 201 of the New York City Charter for:

- a) an amendment of the Zoning Map changing from an R6A District to an R7-3 District property bounded by Surf Avenue, West 35<sup>th</sup> Street, the northerly boundary line of Coney Island Beach, and a line 140 feet westerly of West 36<sup>th</sup> Street and, establishing a C2-4 District within the proposed R7-3 District;
- b) the grant of Special Permits pursuant to Sections 62-836, 74-743, 74-744 of the Zoning Resolution in connection with a proposed development with 415 units, 24,790 square feet of retail and 418 parking spaces on property located at 3502-3532 Surf Avenue.

COMMUNITY DISTRICT NO. 13

BOROUGH OF BROOKLYN

## RECOMMENDATION

APPROVE

APPROVE WITH

MODIFICATIONS/CONDITIONS

DISAPPROVE

DISAPPROVE WITH

MODIFICATIONS/CONDITIONS

These applications seeks an amendment to the zoning map and special permits that would allow for the shifting of building bulk in a manner that would result in three towers, with larger tower floor plates than permitted as-of-right; the permitting of balconies in the inner courts; providing for retail at the level of the boardwalk; and, a pool deck/open space on the roof of the enclosed parking lot at a height nearly 10 feet higher than otherwise permitted.

### **PUBLIC HEARING**

On June 6, 2011 the Borough President held a public hearing for the Ocean Dreams, residential proposal. A representative for the applicant explained that though the requested R7-3 allows for a floor area ratio (FAR) of five, the project will be limited to four FAR through a restrictive declaration. The higher zoning was requested as a means to accommodate the height of the towers, with their varied number of floors. The representative noted that in response to input of the community since the application was first presented in 2008, the intent is to include a supermarket along Surf Avenue and possibly a waterfront restaurant, along with retail along the boardwalk.

In response to the Borough President's comments regarding those individuals and couples age 55 and over and the level of affordability the development might accommodate, the representative noted the intent to advertise very heavily to this 55 and over population because it is believed this population will be most interested to live there, though the

logistics of where it might make sense to house these residents would need further consideration. As for the degree of affordability, without further analysis of the expense to construct, the applicant was not sure what could be done at this point. The Borough President's Office staff noted the potential to incorporate additional frontage along the boardwalk for dining.

#### **CONSIDERATION**

Community Board 13 (CB 13) voted to approve these applications.

It is the Borough President's policy to support land use changes that increase the supply of housing for Brooklyn residents.

The Borough President believes that this is a wonderful site for encouraging housing development as he had affirmed when he previously had the opportunity to approve the initial rezoning for this property in 2005. These applications would increase the density as compared to the 2005 proposal by 33 percent. There are 415 dwelling units proposed (an increase of 102 units from the 2005 proposal), with 418 enclosed parking spaces and nearly 25,000 square feet (sf) of retail space, including some along the boardwalk. The height and placement of the three towers is consistent with the nearby 19-story Scheuer House and 14 to 16 story towers within the NYCHA developments.

The application documents indicate that development is conditioned with vastly improved public access connections to the Riegelmann Boardwalk at Beach 35<sup>th</sup> and 36<sup>th</sup> Streets. These fully landscaped, accessible pedestrian connections are to be designed in consultation with the Department of Transportation and the Department of Parks and Recreation. The Borough President believes that such improvements would further encourage beach and boardwalk use at this section of Coney Island.

#### Fresh Food - Supermarkets

One of the Borough President's top priorities has been to advocate for food justice in order to provide access to healthy food stores in those neighborhoods that are underserved. Many Brooklyn neighborhoods lack access to affordable fresh food and vegetables. In order for all of Brooklyn to flourish, it is imperative that residents have an adequate supply of supermarkets and grocery stores in their neighborhoods to access fresh and affordable foods. One of his top priorities has been to provide access to healthy food stores in those neighborhoods that are underserved. In light of this, the borough president has been seeking ways to establish more supermarkets. Among his policies is to review all discretionary land use applications to determine whether it is appropriate to include a supermarket within the plans.

The Borough President believes that the proposed retail space along Surf Avenue is an appropriate location to house a supermarket of up to 12,000 square feet. This would bring additional opportunities to the community to offer quality fresh food that is consistent with the attributes according to the FRESH food store initiative. The applicant has expressed an interest in locating a supermarket at a location along Surf Avenue between West 35<sup>th</sup> and West 36<sup>th</sup> Streets. The Borough President believes that the applicant/developer should be obligated to make best efforts to tenant the Surf Avenue retail space with a supermarket consistent with the city's FRESH food store initiative.

In a letter, attached, dated July 1, 2011, the applicant expressed intent towards using or leasing approximately 11,500 sf of retail space for the operation of a supermarket or other store selling fresh food and produce.

### Boardwalk Restaurant and Retail/Gallery

Given Brooklyn's population, the borough is truly lacking when it comes to having waterfront dining opportunities. There are only a handful of opportunities that the Borough President believes can entice destination restaurants as much as waterfront locations. Though this section of the boardwalk is located a distance from the Coney Island amusement area, a destination restaurant can achieve success along the lines of what Tatianna's has contributed to Brighton Beach. The Ocean Dreams proposal is the perfect site with the synergy from its three residential towers to its several hundred feet of boardwalk frontage. The beach provides the perfect foreground to the marvelous ocean extending out from Sandy Hook. Having such a dining opportunity, along with an activated retail frontage lining the boardwalk, would enhance the beach-going experience by contributing to the vitality of the western end of the beach by enticing even more people to enjoy this section of Coney Island.

With the development offering twice as much parking as zoning requires, it further supports such a destination restaurant for year-round success. The retail space provides an opportunity for complimentary beach uses during the sun-bathing and swimming season. Beach compatible uses such as: eating and drinking establishments; beach rentals; food related uses such as bakeries, candy and/or ice cream stores; beach outfits and accessories are preferred for the in season beach months. It is appropriate for such storefronts to be leased in a flexible manner to have the potential to become an off-season destination by transforming into the remainder of the year as primarily gallery space and/or artisan space for Brooklyn's creative economy. Joint use as gallery/artisan (wares such as handmade jewelry, etc.) space could help sustain such retail space during the months with cooler temperature. Convention retail and service establishments such as beauty parlors, drug stores, dry cleaning; hardware; laundry; are examples of uses that should be prohibit. The Borough President believes that the applicant/developer should be obligated to provide suitable space to accommodate a destination restaurant along the boardwalk with the remainder of the boardwalk frontage occupied year round with seasonal beach related shops and entertainment retail that have the potential to become gallery/artisan locations.

In a letter, attached, dated July 1, 2011, the applicant expressed intent towards exploring opportunities to locate a restaurant in all or a portion of the approximately 5,400 sf of the proposed Boardwalk commercial space. In the event that not all of the commercial space is used for a restaurant, the applicant will explore other opportunities for galleries, artisan cafes, and other active retail spaces along the Boardwalk.

### Jobs

It is the policy of the Borough President to seek to have maximum participation by Brooklyn contractors and material suppliers on construction projects as a means of providing jobs for Brooklyn residents. This project presents an opportunity to get unemployed and underemployed Coney Island residents, and other Brooklynites, into living wage jobs. He encourages the developer to create a strategy for this project that seeks participation of those willing residents from Coney Island to be hired during the construction phase of the project.

In the attached letter dated July 1, 2011, given equivalent availability and pricing, the applicant committed to strive to maximize the purchasing of building supplies from Brooklyn suppliers and using local contractors. The applicant further committed to working with its retail tenants and other commercial tenants to maximize hiring from the local community.

### Active Lifestyle 55 and Over Housing

The Borough President believes that too many mature, active individuals and couples age 55 and over do not have local options for living in a development designed and marketed to such populations. The Ocean Dreams development is a choice location to design and market to active mature households with such amenities like pools, fitness centers, tennis courts, paddleball or squash. The adjacent Coney Island beach and the intended boardwalk retail usage perfectly compliment such a marketing strategy. Whether pursuing such a marketing strategy for the entire complex or perhaps for one of its three towers, the Borough President feels strongly that marketing to the active 55 years and older community would be a model for success. Subsequently, the applicant has stated in a letter dated July 1, 2011 an intent to continue exploring ways in which the project can be designed and marketed as a draw for active, mature (age 55+) households.

### Affordable Housing

It is the policy of the Borough President to utilize the process of rezoning privately-owned land for residential development in order to provide opportunities for more affordable housing for neighborhood residents. The Borough President is concerned that too many of the borough's residents leave because they can no longer afford to live in Brooklyn.

Typically it is the Borough President's policy for new residential developments subject to ULURP to typically provide a minimum of 20 percent affordable units, including affordable housing for middle-income families.

Pursuant to the proposed rezoning, there would be no obligation to provide any affordable housing. With the increasing demand by Brooklyn residents for affordable housing, he believes every reasonable attempt should be made to provide such housing. He is committed to providing opportunities for Brooklyn's working families, including those that are 55 and older. Such households are representative of those headed by teachers and other government workers, including the City's uniform workforce ranging from firefighters to sanitation workers, to have access to affordable housing. He believes it is appropriate for this project to devote a share of the units for middle-income households, including those limited to households age 55 and older, whose income does not exceed 165 percent of Area Median Income (AMI).

This would go a long way towards helping households represented by tenants, civil servants and uniformed services to obtain quality-affordable apartments while raising families, at the culmination of their dedicated careers or as active, mature retirees. The Borough President sees no better reward for a life of productive civil service than to remain in Brooklyn and better yet, at the beachfront in Coney Island.

For the active mature individual, presently earning between \$55,000 and \$90,000 or mature couple earning between \$60,000 and \$100,000, being able to afford to live in Ocean Dreams would be a great achievement. In the event that the entire Ocean Dreams project is not marketed for active and mature dwellers, families such as a household of four, earning between approximately \$75,000 and \$115,000 should be among the 20 percent affordability target consistent with these objectives.

In order to assist in the development's financing while meeting commitments for such targeted levels of affordability, he believes opportunities might be met through initiatives of the City's Housing Development Corporation (HDC) and the State's Affordable Housing Corporation.

Should affordable units proceed as rental housing, one option to achieve the Borough President's policy might be to pursue development of the smaller building site (between West 36<sup>th</sup> and West 37<sup>th</sup> Streets) according to the Mixed Income Program with 50 percent of the units as market rate, 30 percent as middle income (New Housing Opportunities Program income standards) and 20% as low-income with its tax exempt bond financing. Another option could be to pursue whether the development is a condominium or rental housing.

In this scenario, it would be possible to establish a cluster of units as a condo – such as adjoining low-floor units with non-prime views – funded by HDC according to its NewHOP financing. Rents are typically based at 130% of AMI though occupancy would be eligible to those earning up to 165% of AMI (with an option of 20% of the condo as low income up to 60% AMI with addition of recycled tax exempt bonds). Both scenarios come with per unit subsidies and have 30 year minimum affordability comments.

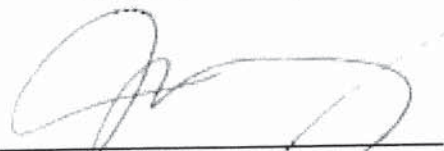
The Borough President believes that with HDC financing and subsidies, the development can achieve his goal of 20 percent of the units being affordable to middle-income households, including those age 55 and older, teachers and other government workers, including the City's uniform workforce ranging from firefighters to sanitation workers, and/or retirees of such work force, that would not otherwise have the opportunity to afford this development.

In a letter, attached, dated July 1, 2011 the applicant noted that a meeting has taken place with the New York City Housing Development Corporation (HDC) to discuss potential opportunities for utilizing HDC programs.

#### **RECOMMENDATION**

Be it resolved that the Brooklyn Borough President, pursuant to section 197-c of the New York City Charter, recommends that the City Planning Commission and the City Council approve of the Zoning Map Amendment, and Special Bulk and Use Permit applications on the condition that:

1. the applicant/developer would be obligated to make best efforts to incorporate a supermarket consistent with the attributes of the City's FRESH food store initiative as part of the retail space along Surf Avenue;
2. the applicant/developer would be obligated to provide suitable space for at least one space to accommodate a destination restaurant along the boardwalk with the remainder of the boardwalk frontage occupied year round with seasonal beach related shops that have the potential to become gallery/artisan locations;
3. the applicant/developer takes necessary steps to utilize local contractors and material supply firms for the project's construction and conduct a local hiring initiative for local residents; and,
4. the applicant/developer would be obligated to make best efforts to provide housing opportunities that would be affordable to middle-income households, including those age 55 and older, such as teachers other government workers, including the City's uniform workforce ranging from firefighters to sanitation workers, of and/or retirees of such work force, for at least 20 percent of the residential floor area.



\_\_\_\_\_  
BOROUGH PRESIDENT

July 1, 2011

\_\_\_\_\_  
DATE

Tel.: 212-580-6805  
Fax: 212-247-4509  
Email: JAC@Gristedes.com  
JAC@urc.com



## RED APPLE REAL ESTATE, INC.

823 Eleventh Avenue • New York, NY 10019-3535

July 1, 2011

### Executive Offices

John Catsimatidis  
Chairman  
Chief Executive Officer

Honorable Marty Markowitz  
Brooklyn Borough President  
209 Joralemon Street  
Brooklyn, New York 11201w

Re: Ocean Dreams Rezoning and Related Actions  
(ULURP Nos. C110059 ZSK, 110060 (A) ZSK, C110061 ZSK  
110062(A) ZSK, N110063 ZCK & N110064 ZCK )

Dear Borough President Markowitz:

We are the applicant with respect to the above-referenced applications seeking a rezoning and related special permits and certifications from the New York City Planning Commission for the property located at 3502 - 3616 Surf Avenue in the Coney Island section of Brooklyn (Block 7065, Lots 6, 12, 15, 20 and 25), which was the subject of your public hearing on June 6, 2011. This letter will serve to affirm our commitment with regard to certain issues that arose at the hearing:

- **Supermarket / Grocery Store on Surf Avenue:** We are committed to using or leasing the proposed, approximately 11,500 sf retail space fronting Surf Avenue between West 35<sup>th</sup> and West 36<sup>th</sup> Streets for a supermarket or other store selling fresh food and produce.
- **Boardwalk Restaurant:** We are committed to seeking opportunities to locate a restaurant, café or other Use Group 6 eating and drinking establishment in all or a portion of the approximately 5,400 sf proposed commercial space along West 35<sup>th</sup> Street and the Riegelmann Boardwalk.
- **Boardwalk Retail:** We are committed to exploring other opportunities for galleries, artisan spaces, cafes and other active retail spaces for the remaining potential retail space along the Riegelmann Boardwalk.
- **HDC Funding:** At your recommendation, we met with Joan Tally, Executive Vice President for Real Estate and Chief of Staff, at the New York City Housing Development Corporation (HDC) to discuss potential opportunities for utilizing HDC

programs. The meeting was very informative and we intend to continue our discussions with HDC as the project progresses.

- Housing for Active Seniors: We continue to explore ways the project can be designed and marketed as a draw for active, mature (i.e., 55+) households.
- Using Local Contractors and Materials Suppliers: At the hearing you stated the importance of contracting with local contractors and purchasing materials locally and expressed a desire for us to commit to such efforts. Toward these ends, we will commit to the following efforts:
  - Given equivalent availability, quality and pricing, we will strive to maximize the purchase of building supplies for the development from Brooklyn suppliers.
  - Given equivalent availability, quality and pricing, and working within the structures of any applicable legal agreements to construct the project, we will strive to maximize the use of local contractors in construction of the project.
  - We will also commit to working with retail and other commercial tenants to maximize hiring for their establishments from the local communities.

Sincerely,

R. A. REAL ESTATE, INC.

By: 

Name:

Title:

cc: Hon. Dominic M. Reccia  
Winston von Engel  
Ralph Blessing  
Jay A. Segal, Esq.