

October 31, 2018 / Calendar No. 14

C 180347 ZMK

**IN THE MATTER OF** an application submitted by Cornell Realty Management LLC pursuant to Sections 197-c and 201 of the New York City Charter for an amendment of the Zoning Map, Section No. 16d:

- 1. eliminating from within an existing R6A District a C1-3 District bounded by a line midway between President Street and Carroll Street, Franklin Avenue, Carroll Street, and a line 100 feet westerly of Franklin Avenue;
- 2. changing from an R6A District to an R8X District property bounded by:
  - a. a line midway between President Street and Carroll Street, Franklin Avenue, Carroll Street, and a line 300 feet westerly of Franklin Avenue; and
  - b. Crown Street, Franklin Avenue, Montgomery Street, and a line 300 feet westerly of Franklin Avenue:
- 3. changing from an R8A District to an R8X District property bounded by Carroll Street, Franklin Avenue, Crown Street, and a line 300 feet westerly of Franklin Avenue; and
- 4. establishing within the proposed R8X District a C2-4 District bounded by:
  - a. a line midway between President Street and Carroll Street, Franklin Avenue, Carroll Street, and a line 100 feet westerly of Franklin Avenue; and
  - b. Crown Street, Franklin Avenue, Montgomery Street, and a line 100 feet westerly of Franklin Avenue;

Borough of Brooklyn, Community District 9, as shown on a diagram (for illustrative purposes only) dated June 11, 2018, and subject to the conditions of CEQR Declaration E-405.

This application for a zoning map amendment was filed by Cornell Realty Management LLC on April 13, 2018. The proposed action would facilitate the development of two new 16-story mixed-use buildings containing approximately 518 residential units, including 140 permanently affordable units, and ground floor retail, on two sites located at 40 Crown Street and 931 Carroll Street in the Crown Heights neighborhood of Brooklyn, Community District 9.

#### RELATED ACTION

In addition to the zoning map amendment (C 180347 ZMK) that is the subject of this report, the proposed project also requires action by the City Planning Commission on the following application,

which is being considered concurrently with this application:

N 180348 ZRK Zoning text amendment to designate a Mandatory Inclusionary Housing (MIH) area.

#### **BACKGROUND**

The applicant proposes a zoning map amendment to change R6A, R6A/C1-3 and R8A zoning districts to an R8X and R8X/C2-4 districts. The area to be rezoned (project area) includes portions of three blocks (Blocks 1188, 1189, and 1190) generally bounded by Franklin Avenue to the east; Montgomery Street to the south; a line 300 feet west of, and parallel to, Franklin Avenue to the west; and to the north by the center line of Block 1188. The Franklin Avenue shuttle (S train) right-of-way borders the project area on the west, separating it from the adjacent mid-blocks. The proposed zoning change would facilitate two new 16-story developments on two sites, one at 40 Crown Street (Block 1190, Lots 29, 45, and 50) and one at 931 Carroll Street (Block 1188, Lot 58). Together, the two developments would comprise approximately 530,000 square feet of floor area containing approximately 518 residential units, including 140 that would be permanently affordable under MIH Option 1, and approximately 15,000 square feet of commercial floor area in the form of ground floor retail at 40 Crown Street.

The northernmost block within the project area (Block 1188, Lots 53, 54, 55, 56, 58, p/o 35 and p/o 44) is developed with two mixed-use three-story buildings with ground floor retail and residential above (Lots 55 and 56), two one-story commercial buildings (Lots 53 and 54), a four-story residential building containing 57 residential units (Lot 44), and an open subway cut for the Metropolitan Transportation Authority (MTA) Franklin Avenue shuttle right-of-way (Lot 35). The proposed zoning change would facilitate the development of Lot 58, an approximately 18,000-square-foot interior lot that is currently vacant. Lot 58 was formerly improved with a one-story building used as storage for commercial motor vehicles, but that building was demolished to accommodate a previously planned as-of-right development. Both streets onto which the project area fronts – Carroll Street and Franklin Avenue – are 70 feet wide.

The middle blockfront (Block 1189, Lots 31 and 60) is currently improved with the two-story New York Police Department Transit District 32, Building which houses police officers for local subway lines, and Tivoli Towers a 33-story, approximately 300 foot tall Mitchell-Lama residential complex built in the 1970s, containing approximately 321 residential units. In addition, the right-of-way for the

Franklin Avenue Shuttle, which runs parallel to Franklin Avenue along the western portion of the project area, runs beneath the Tivoli Towers' accessory parking lot.

The southern blockfront within the project area (Block 1190, Lots 26, 28, 29, 45, 46, 48, and 50) includes the MTA Franklin Avenue shuttle right-of-way (Lot 26) and a 610–square foot sliver of vacant City-owned land (Lot 28). Lots 46 and 48 are vacant parcels owned by Asian Americans for Equality (AAFE). In 1998, the City of New York sold these lots to the Neighborhood Partnership Housing Development Fund Company, Inc. and designated it as an urban development action area plan through an "accelerated" designation. The AAFE site carries certain restrictions limiting development to buildings with one to four units of affordable housing. The proposed zoning change will facilitate the development of Lots 29, 45, and 50, an approximately 56,000-square-foot irregularly shaped parcel that is currently vacant but previously contained a single-story building previously used as an industrial wet wash laundry. The laundry was demolished and the entire block is currently vacant. All three streets onto which the project area fronts – Crown Street, Franklin Avenue, and Montgomery Street – are 70 feet wide.

The project area is currently mapped with R6A, R6A/C1-3, and R8A zoning districts. R6A districts are medium-density contextual districts allowing residential and community facility development up to a floor area ratio (FAR) of 3.0, a maximum base height of 60 feet (65 feet with a Qualifying Ground Floor (QGF)) where the start of the second story is 13 feet or more above the level of the sidewalk and a maximum building height of 70 feet (75 feet with a QGF). R8A districts are higher-density contextual districts allowing a residential FAR of 6.02 and community facility FAR of 6.50, with a maximum base height of 85 feet (95 feet with a QGF) and a maximum building height of 120 feet (125 feet with a QGF) and 14 stories. A C1-3 commercial overlay is mapped along Franklin Avenue to a depth of 100 feet. C1-3 commercial overlays are mapped within residential districts and allow up to 2.0 FAR for local retail and service uses. In mixed-use buildings, commercial uses are limited to the first floor and must be located below residential uses.

In 1991, the project area was rezoned as part of a Department of City Planning rezoning of a 13-block area bounded by Eastern Parkway, Washington Avenue, Sullivan Place, and a line 100 feet east of Franklin Avenue (C 910293 ZMK). The application rezoned R6 and R8 districts and a 150-foot-deep C1-3 commercial overlay to contextual R6A and R8A districts, and reduced the depth of the C1-3 overlay to 100 feet to prevent the incursion of commercial uses in the residential midblocks.

The surrounding area contains a mix of one- and two-family and higher-density multi-family walk-up and elevator buildings ranging from six to 33 stories, including the Ebbets Field Houses (seven buildings, 25 stories each, 1,321 units) two blocks southeast of the project area, the 16-story Bedford Union Armory one block to the east, a 12-story residential building currently under construction at 109-111 Montgomery Street immediately west of the project area, and Tivoli Towers. Commercial uses are concentrated north of President Street along Franklin Avenue, a north-south corridor predominantly developed with three- to four-story mixed-use residential and commercial buildings with ground floor retail. Major cultural institutions, community facilities, and open spaces in the surrounding area include the Brooklyn Museum, the main branch of the Brooklyn Public Library at Grand Army Plaza, the 526acre Prospect Park, the Brooklyn Botanic Gardens, Clara Barton High School, The Brooklyn School for Music and Theatre, the High School for Global Citizenship and St. Francis de Sales School for the Deaf, all located roughly two blocks west of the project area. Medgar Evers College, P.S. 375 Jackie Robinson School, and the Jackie Robinson playground are located immediately east and southeast of the project area, respectively. Two blocks north of the project area is Eastern Parkway, a 210-foot-wide east-west boulevard connecting Grand Army Plaza to Broadway Junction, which was completed in 1870 and designated a scenic landmark by the New York City Landmarks Preservation Commission in 1978.

The area to the east is predominantly zoned R6. R6 districts are medium-density residential districts with a maximum floor area ratio (FAR) of 2.43. Building height is governed by a sky exposure plane, which begins 60 feet above the street line.

The area is within the Transit Zone and served by transit, including the MTA Franklin Avenue Shuttle (S), which stops at the Botanic Garden/Eastern Parkway stop. The 2, 3, 4, and 5 subway lines stop at Franklin Avenue and Eastern Parkway, two blocks north of the project area. The B48 bus line runs southbound along Franklin Avenue. The northbound B48 runs along Washington Avenue. The B48 bus operates along Lormier Street and Franklin and Classon avenues, between Meeker and Garden avenues and Flatbush Avenue and Lincoln Road.

The applicant proposes to develop two 16-story mixed-use and residential buildings at two sites. The 40 Crown Street development would comprise approximately 403,000 square feet of floor area (7.2 FAR), including approximately 15,000 square feet of commercial floor area in the form of ground floor retail fronting on Franklin Avenue. It would also contain approximately 388,000 square feet of

residential floor area comprising approximately 390 residential units, 105 of which would be permanently affordable pursuant to MIH Option 1. The building would rise to a base height of 69 feet, then set back 15 feet from the street wall before rising to a maximum building height of approximately 157 feet, with a central courtyard for residents. 114 off-street accessory parking spaces would be provided for 40 percent of the market rate residential units, as required by the proposed zoning district.

The 931 Carroll Street development would contain approximately 127,000 square feet of residential floor area (7.2 FAR) comprising approximately 128 residential units, 35 of which would be permanently affordable pursuant to MIH Option 1. The building would rise to a base height of approximately 79 feet, then set back 15 feet from the street wall before rising to a maximum building height of approximately 149 feet. Off-street accessory parking for 37 spaces would be provided for 40 percent of the market rate residential units, as required by the proposed zoning district.

The applicant proposes to change the underlying zoning from R6A and R8A districts to R8X and R8X/C2-4 districts, respectively. The existing 100-foot deep C1-3 commercial district on Block 1188 along Franklin Avenue is proposed to be changed to a C2-4 district, and a 100-foot deep C2-4 commercial district would be added on Block 1190 along Franklin Avenue. R8X districts allow a maximum FAR of 6.0 for community facility uses and 7.2 for residential uses within MIH areas. Bulk regulations for these districts require a base height of between 60 and 105 feet and have a maximum total height limit of 175 feet for MIH buildings with a QGF and a maximum of 17 stories. R8X districts require one off-street accessory parking space for 40 percent of the residential units, but within the Transit Zone, income-restricted housing units do not require parking.

C2-4 commercial overlays allow commercial development up to an FAR of 2.0 when mapped with R8X districts, and typically produce mixed-use buildings with ground floor retail space with residential units above. These overlays allow Use Groups 5-9 and 14, which include a wide variety of local neighborhood retail and service uses. For general commercial uses, one off-street parking space is required for every 1,000 square feet, but the requirement is waived when 40 or fewer spaces would be required.

In addition to the proposed zoning map amendment, the applicant proposes to map the northern half block and southern block front as an MIH area by creating Map 2 for Brooklyn Community District 9 in Appendix F of the Zoning Resolution, mapping MIH Option 1. Option 1 requires that at least 25

percent of residential floor area be allocated as housing affordable to households at an average of 60 percent of the area median income (AMI). Within that 25 percent, at least 10 percent of the square footage must be used for units affordable to residents with household incomes at an average of 40 percent of the AMI, with no unit targeted to households with incomes exceeding 130 percent of the AMI.

On September 20, 2018 a revised application was submitted to reflect a change in the applicant from Cornell Realty Management, LLC to CP VI Crown Heights, LLC.

#### **ENVIRONMENTAL REVIEW**

This application (C 180347 ZMK), in conjunction with the application for the related action (N 180348 ZRK), was reviewed pursuant to the New York State Environmental Quality Review Act (SEQRA) and the SEQRA regulations set forth in Volume 6 of the New York Code of Rules and Regulations, Section 617.00 et seq. and the City Environmental Quality Review (CEQR) Rules of Procedure of 1991 and Executive Order No. 91 of 1977. The lead is the City Planning Commission. The designated CEQR number is 17DCP067K.

After a study of the potential environmental impact of the proposed actions, a Revised Negative Declaration was issued on June 11, 2018. This Revised Negative Declaration supersedes the Negative Declaration issued on January 30, 2017 for the 1451 Franklin Avenue proposal. The applicant withdrew the related land use application on April 19, 2017. A new land use application was filed by the applicant on April 18, 2018 (ULURP Nos. 180347ZMK and N180348ZRK).

On June 8, 2018, a Revised Environmental Assessment Statement (EAS) was issued that analyzes modifications to the proposed actions included in the original EAS. Changes to the application include the elimination of the portion of Block 1189 from the proposed zoning text amendment, and the change in project name to Franklin Avenue Rezoning. The Revised EAS and Revised Negative Declaration conclude that the proposed actions would not alter the conclusions of the previous Negative Declaration. To avoid the potential for significant adverse impacts related to hazardous materials and air quality, an (E) designation (E-405) has been incorporated into the proposed actions, as described below.

The (E) designation requirements related to hazardous materials would apply to the following development sites:

Block 1188, Lot 58 (Project Development Site 1) Block 1190, Lots 29, 45, and 50 (Project Development Site 2) Block 1188, Lots 53, 54, 55 (Project Development Site 3)

The (E) designation text related to hazardous materials is as follows:

## **Task I-Sampling Protocol**

The applicant submits to NYC Office of Environmental Review (OER), for review and approval, a Phase I of the site along with a soil, groundwater and soil vapor testing protocol, including a description of methods and a site map with all sampling locations clearly and precisely represented. If site sampling is necessary, no sampling should begin until written approval of a protocol is received from OER. The number and location of samples should be selected to adequately characterize the site, specific sources of suspected contamination (i.e., petroleum based contamination and non-petroleum based contamination), and the remainder of the site's condition. The characterization should be complete enough to determine what remediation strategy (if any) is necessary after review of sampling data. Guidelines and criteria for selecting sampling locations and collecting samples are provided by OER upon request.

#### Task 2-Remediation Determination and Protocol

A written report with findings and a summary of the data must he submitted to OER after completion of the testing phase and laboratory analysis for review and approval. After receiving such results, a determination is made by OER if the results indicate that remediation is necessary. If OER determines that no remediation is necessary, written notice shall be given by OER.

If remediation is indicated from test results, a proposed remediation plan must be submitted to OER for review and approval. The applicant must complete such remediation as determined necessary by OER. The applicant should then provide proper documentation that the work has been satisfactorily completed.

A construction-related health and safety plan should be submitted to OER and would be implemented during excavation and construction activities to protect workers and the community from potentially significant adverse impacts associated with contaminated soil, groundwater and/or soil vapor. This plan would be submitted to OER prior to implementation.

The (E) designation requirements related to air quality would apply to the following development sites:

Block 1188, Lot 58 (Projected Development Site 1)

Block 1190, Lots 29, 45 and 50 (Projected Development Site 2)

Block 1188, Lots 53, 54, 55 (Projected Development Site 3)

The (E) designation text related to air quality is as follows:

## Block 1188, Lot 58 (Projected Development Site 1)

Any new development or enlargement on the above-referenced property on Site 1 that has southern frontage on Carroll Street must use natural gas as the type of fuel for heating, ventilating, and air conditioning (HVAC) and ensure that the HVAC stack on Site 1 building is located at least 40 feet from the Carroll Street, at a height of at least 178 feet above the grade as measured from base elevation of the North American Vertical Datum of 1988 (NAVD 88). Adherence to these conditions would avoid any potential significant adverse air quality impacts.

## Block 1190, Lots 29, 45 and 50 (Projected Development Site 2)

Any new residential and/or commercial development or enlargement must use natural gas for HVAC systems and ensure that the HVAC stacks are located at the highest building tier or at least 178 feet in height, and the Franklin Avenue building stack is at least 80 feet from Crown Street and 30 feet from Franklin Avenue, and the Montgomery Street building stack is at least 220 feet from Crown Street and 180 feet from Franklin Avenue in order to avoid any potential significant air quality impacts.

## Block 1188, Lots 53, 54, 55 (Projected Development Site 3)

Any new development or enlargement on the above-referenced property on Site 3 that has southern frontage on Carroll Street must use natural gas as the type of fuel for HVAC and ensure that the HVAC stack on Site 3 building would be at least 178 feet above grade as measured from base elevation of the NAVD 88. Adherence to these conditions would avoid any potential significant adverse air quality impacts.

With the assignment of the above-referenced (E) Designation for hazardous materials and air quality, the City Planning Commission has determined that the proposed action will have no significant impact on the environment.

#### UNIFORM LAND USE REVIEW

This application (C 180347 ZMK) was certified as complete by the Department of City Planning on June 11, 2018 and was duly referred to Community Board 9 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 application for a zoning text amendment (N 180348 ZRK), which was duly referred in accordance with the procedures for non-ULURP matters.

## **Community Board Public Hearing**

Brooklyn Community Board 9 held a public hearing on this application (C 180347 ZMK) on June 26, 2018, and on that date, by a vote of 17 in favor, none opposed, and with seven abstentions, recommended disapproval of the application.

## **Borough President Recommendation**

The Brooklyn Borough President held a public hearing on this application (C 180347 ZMK) on September 4, 2018, and on September 27, 2018 issued a recommendation to disapprove with the following conditions:

"That the height be reduced through appropriate zoning district designation

The substantial density increases be conditioned on the provision of an appropriate percentage of affordable housing floor area and a reduction of average rents for such units

That prior to considering any modified zoning action, the City Council shall obtain commitments in writing from the developer, CP VI Crown Heights, LLC, that clarify how it would memorialize the extent that it would:

- a. Commit to proceeding according to MIH Option 3 at 40 Crown Street and provide an adequate demonstration of a commitment to pursue a binding mechanism to ensure that:
  - i. Forty (40) percent of the floor area in excess 4.6 FAR is permanently affordable
  - ii. Affordable housing floor area not pursuant to MIH Option 3 does not exceed 60 percent AMI average rents
- b. Memorialize a bedroom mix having at least 50 percent two- or three-bedroom affordable housing units and at least 75 percent one or more bedroom affordable housing units
- c. Set aside a portion of the units equal to or greater than 50 percent for studio and one-bedroom units and target those units affordable to households at 40 percent AMI to seniors, including those who are formerly homeless
- d. Utilize any combination of locally-based affordable housing development non-profits to serve as the administering agent, and have one or more such entities play a role in promoting affordable housing lottery readiness
- e. Commit to hiring locally for building service jobs and paying prevailing wages to this workforce
- f. Set aside a portion of the commercial space for one or more local non-profit organizations such as arts and/or cultural entities at below-market lease terms, as warranted
- g. Engage car-sharing companies to lease multiple spaces within the garage, in consultation with Brooklyn Community Board 9 (CB 9), the New York City Department of Transportation (DOT), and local elected officials
- h. Commit to Connecting Residents on Safer Streets (CROSS) Brooklyn coordination with DOT and the New York City Department of Environmental Protection (DEP) to implement curb extensions as part of a Builders Pavement Plan and/or as treated roadbed sidewalk extensions, with a developer commitment to enter into a standard DOT maintenance agreement for the southeast intersections of Crown and Montgomery streets at Franklin Avenue, and consultation with CB 9 and local elected officials
- i. Integrate additional resiliency and sustainability measures such as incorporating rain gardens, blue/green/white roof treatment, and/or solar panels
- j. Retain Brooklyn-based contractors and subcontractors, especially those who are designated Local Business Enterprises (LBEs) consistent with Section 6-108.1 of the City's Administrative Code, and Minority- and Women-Owned Business Enterprises (MWBEs) 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 City Planning Commission (CPC) and/or the City Council call for the modification of the Mandatory Inclusionary Housing (MIH) section of the ZR pertaining to MIH-designated areas to be adopted with a requirement that permits households with rent-burdened status (allow for exceptions to the 30 percent of income threshold for households paying the same or greater rent than what the housing lottery offers) to qualify for such affordable housing units pursuant to MIH
- 2. That the New York City Department of Housing Preservation and Development (HPD) modify its affordable housing lottery community preference standards to include the school zone, thus capturing the population of public school children residing at City-funded or operated shelters."

## **City Planning Commission Public Hearing**

On September 5, 2018 (Calendar No. 1), the City Planning Commission scheduled September 26, 2018, for a public hearing on this application (C 180347 ZMK), in conjunction with the related application (N 180348 ZRK). The hearing was duly held on September 26, 2018 (Calendar No. 31). Four speakers testified in favor of the application and seven in opposition.

The applicant's representative described the project area, surrounding area, the proposed land use actions, and the proposed development. The developer stated its intention to help the people in the community apply for the affordable units by hosting application workshops with the nonprofit group Impact Brooklyn. He also stated that the developer is committed to local hiring, using minority- and women-owned contractors and, where feasible, implementing sustainable design features. Finally, he described developer's interaction with AAFE regarding its two parcels within the rezoning area.

Two other speakers testified in favor of the application, expressing the need for housing, especially affordable housing, in the area.

Seven speakers testified against the application. Six speakers expressed concern about the proposed rezoning's environmental impacts, particularly the proposed shadow impacts on the nearby Brooklyn Botanic Garden as well as wastewater impacts. One speaker, who identified

himself as a representative of the 32BJ service employees' union, expressed the need for the developer to commit to hiring union workers.

There were no other speakers and the hearing was closed.

#### **CONSIDERATION**

The Commission believes that this application for a zoning map amendment (C 180347 ZMK), in conjunction with the related application for a zoning text amendment (N 180348 ZRK), is appropriate.

The proposed zoning map and text amendments will change the existing R6A, R6A/C1-3 and R8A districts to an R8X and R8X/C2-4 district, requiring permanent affordability for a portion of the units for developments within the rezoning area. The proposed developments will facilitate new housing, including affordable housing, to help address the dire need for more housing in Brooklyn and in the City overall, consistent with City objectives for promoting housing production and affordability. In addition, it will help redevelop underutilized sites with excellent transit access.

The residential density and building height permitted by the proposed zoning districts are appropriate for this location. The project area is abutted on two sides by an R8A zoning district, which allows buildings of a similar scale, and height factor districts to the east that do not restrict height. None of the current zoning districts include inclusionary or mandatory housing provisions. There are already buildings in the area with FARs close to what is being proposed, including the 33-story Tivoli Towers, a 12 story residential building currently under construction at 109-111 Montgomery Street immediately to the west, and nearby apartment buildings densely built with high lot coverage along Washington Avenue. Furthermore, the 16-story Bedford Union Armory and the seven building, 25-story Ebbets Field Houses are located to the east and southeast of the project area respectively. The project area fronts on 70-foot-wide streets and an open-air rail corridor, creating a large continuous open space along the western boundary of the project area. The adjoining R8A district and the proposed R8X district have the same FAR of 7.2 when mapped with MIH. The R8X district allows buildings to rise 30 feet taller than an R8A district. Due to

the depth of the sites, neither the existing R6A nor R8A districts would allow for efficient allocation of floor area and would curtail the flexibility to design the buildings.

This is a transit-oriented location, with the Franklin Avenue and Brooklyn Botanic Garden subway stations located two blocks to the north and the B48 bus line operating nearby. The buildings in the immediate vicinity, and the surrounding area, are primarily six- to 33-story apartment buildings. Medgar Evers College campus is across Franklin Avenue to the east. Mixed-use buildings with ground floor retail are located along Franklin Avenue. The proposed C2-4 district allows for mixed-use buildings with ground floor retail, consistent with existing buildings in the project area and the character of the surrounding area. The resulting commercial space will help activate this portion of Franklin Avenue, providing retail options for residents of the nearby apartment buildings along Washington Avenue as well as Medgar Evers College. The commercial space will also invigorate the pedestrian connection between Eastern Parkway and the commercial strip along Empire Boulevard.

Regarding the Borough President's recommendation that the substantial density increases be conditioned on the provision of an appropriate percentage of affordable housing floor area and a reduction of average rents for such units, the Commission notes that the requested actions will facilitate the development of 518 units of housing, including 140 permanently affordable units, on two vacant sites with excellent transit access and that currently have no voluntary or mandatory inclusionary housing requirements.

The proposed zoning text amendment (N 180348 ZRK) is appropriate. Designating an MIH area on the northern half block and southern block front is consistent with City objectives promoting production of affordable housing. With the proposed MIH Option 1, new developments within the northern portion and southern portion of the project area will be required to permanently dedicate 25 percent of new residential floor area to housing affordable to households with incomes at an average of 60 percent of the AMI. This will bring much needed permanent affordable housing to the community and to the City as a whole.

The Commission acknowledges the Borough President's recommendations to the City Council to obtain written agreements regarding the commitment to proceed with MIH Option 3, the commercial space tenants, bedroom mix, the administering agent for the MIH units, the creation of curb or sidewalk extensions at the intersections of Crown and Montgomery streets at Franklin Avenue, engaging car-sharing companies to lease parking spaces, resiliency measures and retaining Brooklyn-based contractors, and the Borough President's recommendation to HPD to extend its affordable housing lottery community preference standards to include the school zone. The Commission notes that this application for zoning map and text amendments is not for review of a specific building or site plan, and that therefore these recommendations are outside the scope of the requested actions.

In response to testimony heard by the Commission, the applicant, in a letter dated October 11, 2018, stated that the proposed rezoning would facilitate the development of two vacant parcels with new housing including sorely needed affordable housing in an area with existing buildings with FARs and heights similar to what is being proposed and excellent access to public transportation. Furthermore, the applicant provided clarifications on the environmental review, stating that the required shadow studies were conducted using the methodology provided by the CEQR Technical Manual. The applicant also explained that the studies were challenged by consultants hired by a local advocacy group. The applicant stated that it had requested details of the local advocacy group's shadow study and the methodologies employed but that these were not provided. In addition, the applicant stated that, from the statements and drawings presented at the public hearings, the local advocacy group's consultant's analysis included significant errors, including:

• Failing to isolate the incremental shadows that exceed the shadows that exist today and that would be created in the future in a No-Action scenario, and rather showing all shadows that are and will be cast on the Brooklyn Botanic Gardens.

- Failing to isolate incremental shadow durations (i.e., enter and exit times).
- Misrepresenting existing and proposed buildings, including Tivoli Towers.
- Adding 55 feet to the height of the proposed building at 40 Crown Street by incorrectly assuming (i) a FRESH food store 15-foot height increase authorization (which is not being requested and would itself require additional environmental review); and (ii) a bulkhead that is far larger than such a building would require.
- Adding height to the proposed building at 931 Carroll Street by incorrectly assuming a
  FRESH food store 15-foot height increase authorization, when the commercial overlay is
  not extending onto that site.
- Excluding the existing 12-story building under construction at 109-111 Montgomery Street (thereby overstating shadows caused by 40 Crown).
- Presenting a speculative massive development to the south of the proposed rezoning area, which would be reviewed at a later date if a proposed project were to enter public review.

The applicant addressed further testimony at the City Planning Commission public hearing stating that the unit counts cited in the EAS were incorrect. The applicants stated that, as required by the CEQR methodology, the unit counts in the EAS reflect the incremental increase that approval of the action would allow beyond what may be constructed as-of-right under the existing zoning, rather than the total number of units proposed to be constructed.

In a letter to the Commission dated October 15, 2018, the president of the Brooklyn Botanic Garden stated that the Garden is not taking a position on this project because it does not appear to have a significant impact on the Garden's living collections. Furthermore, the letter stated that the Garden staff had the methodology of the project's shadow study checked by an expert who confirmed that it had been performed according to the required specifications.

#### RESOLUTION

**RESOLVED,** that having considered the Environmental Assessment Statement (EAS), for which a Negative Declaration was issued on January 30, 2017, and Revised EAS for which a Revised Negative Declaration was issued on June 11, 2018 with respect to this application (CEQR No. 17DCP067K), that the City Planning Commission finds that the action described herein will have no significant impact on the environment; and be it further

**RESOLVED,** by the City Planning Commission, pursuant to Sections 197-c and 200 of the New York City Charter, that based on the environmental determination and consideration described in this report, the Zoning Resolution of the City of New York, effective as of December 15, 1961, and subsequently amended, is further amended by changing the Zoning Map, Section No. 16d:

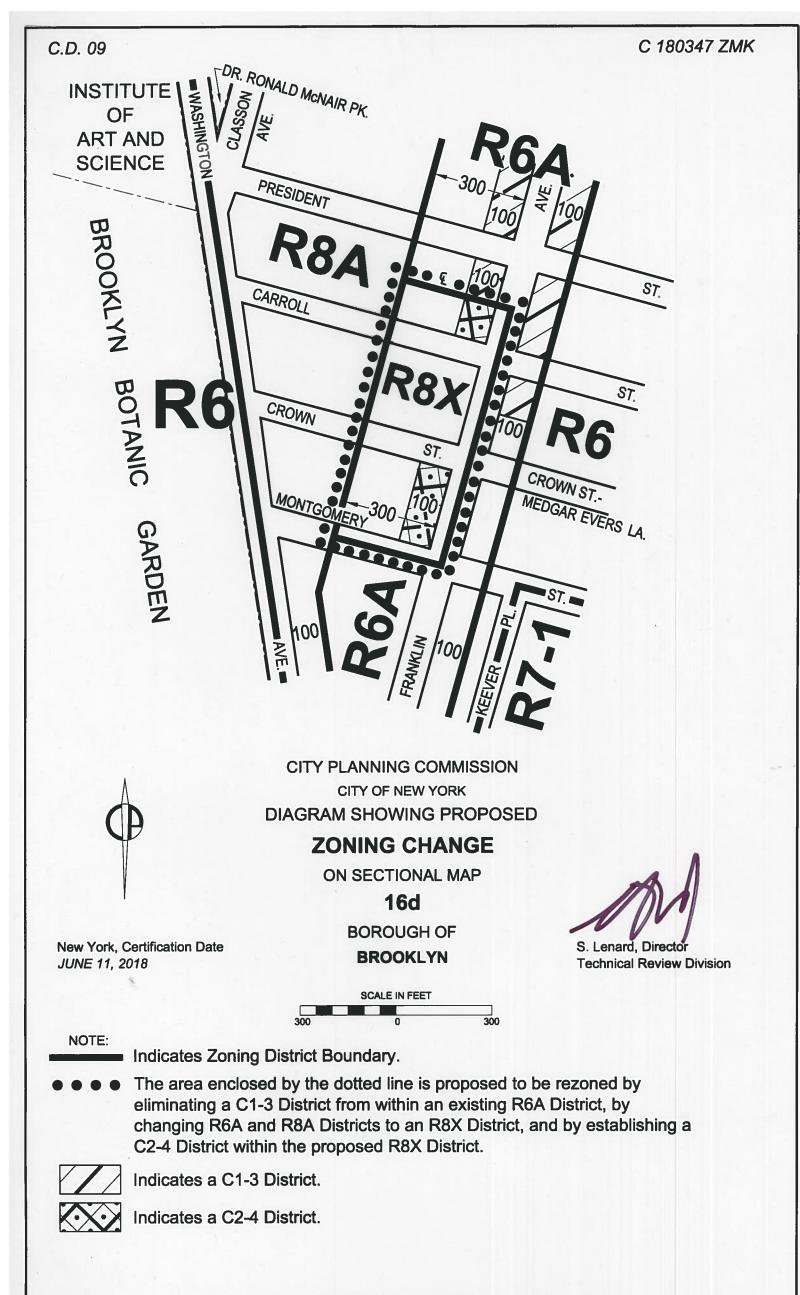
- 1. eliminating from within an existing R6A District a C1-3 District bounded by a line midway between President Street and Carroll Street, Franklin Avenue, Carroll Street, and a line 100 feet westerly of Franklin Avenue;
- 2. changing from an R6A District to an R8X District property bounded by:
  - a. a line midway between President Street and Carroll Street, Franklin Avenue, Carroll Street, and a line 300 feet westerly of Franklin Avenue; and
  - b. Crown Street, Franklin Avenue, Montgomery Street, and a line 300 feet westerly of Franklin Avenue;
- 3. changing from an R8A District to an R8X District property bounded by Carroll Street, Franklin Avenue, Crown Street, and a line 300 feet westerly of Franklin Avenue; and
- 4. establishing within the proposed R8X District a C2-4 District bounded by:
  - a. a line midway between President Street and Carroll Street, Franklin Avenue, Carroll Street, and a line 100 feet westerly of Franklin Avenue; and
  - b. Crown Street, Franklin Avenue, Montgomery Street, and a line 100 feet westerly of Franklin Avenue;

Borough of Brooklyn, Community District 9, as shown on a diagram (for illustrative purposes only) dated June 11, 2018, and subject to the conditions of CEQR Declaration E-405.

The above resolution (C 180347 ZMK), duly adopted by the City Planning Commission on October 31, 2018 (Calendar No.14), 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
ALFRED C. CERULLO, III, MICHELLE de la UZ,
JOSEPH DOUEK, RICHARD W. EADDY,
CHERYL COHEN EFFRON, HOPE KNIGHT,
ANNA HAYES LEVIN, ORLANDO MARIN, LARISA ORTIZ Commissioners

RAJ RAMPERSHAD, Commissioner, Abstained





# **Community/Borough Board Recommendation**

Pursuant to the Uniform Land Use Review Procedure

Application #: C 180347 ZMK

CEQR Number: 17DCP067K

Project Name: Franklin Avenue Rezoning

Borough(s): Brooklyn

Community District Number(s): 9

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

## **SUBMISSION INSTRUCTIONS**

- 1. 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 <u>applicant's representative</u> 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 Cornell Realty Management LLC pursuant to Sections 197-c and 201 of the New York City Charter for an amendment of the Zoning Map, Section No. 16d:

- 1. eliminating from within an existing R6A District a C1-3 District bounded by a line midway between President Street and Carroll Street, Franklin Avenue, Carroll Street, and a line 100 feet westerly of Franklin Avenue;
- 2. changing from an R6A District to an R8X District property bounded by:
  - a. a line midway between President Street and Carroll Street, Franklin Avenue, Carroll Street, and a line 300 feet westerly of Franklin Avenue; and
  - b. Crown Street, Franklin Avenue, Montgomery Street, and a line 300 feet westerly of Franklin Avenue;
- 3. changing from an R8A District to an R8X District property bounded by Carroll Street, Franklin Avenue, Crown Street, and a line 300 feet westerly of Franklin Avenue; and
- 4. establishing within the proposed R8X District a C2-4 District bounded by:
  - a. a line midway between President Street and Carroll Street, Franklin Avenue, Carroll Street, and a line 100 feet westerly of Franklin

Avenue; and  b. Crown Street, Franklin Avenue, Montgomery Street, and a line 100 feet westerly of Franklin Avenue;  Borough of Brooklyn, Community District 9, as shown on a diagram (for illustrative purposes only) dated June 11, 2018, and subject to the conditions of CEQR Declaration E-405.					
Applicant(s):			Applicant's Representative:		
Cornell Realty Management LLC 75 Huntington Street Brooklyn, NY 11231			Raymond Levin, Esq. Slater & Beckerman PC 61 Broadway, Suite 1801 New York, NY 10006		
Recommendation submitted by:					
Brooklyn					
Date of public hearing: 6 26 18 Location: Audiforium, 18561					
Was a quorum present? YES NO 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:	6/26/18 Location: Auditorium, MS 6/				
RECOMMENDATION					
Approve With Modifications/Conditions					
Disapprove Disapprove With Modifications/Conditions					
Please attach any further explanation of the recommendation on additional sheets, as necessary.					
Voting					
# In Favor: 17 # Against:  # Abstaining: 7 Total members appointed to the board: 42					
Name of CB/BB	officer completing this form	Title	i CB9	Date 8   15   18	

## **Brooklyn Borough President Recommendation**

CITY PLANNING COMMISSION
120 Broadway, 31<sup>st</sup> 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**

FRANKLIN AVENUE REZONING - 180347 ZMK, 180348 ZRK

An application submitted by Cornell Realty Management LLC, pursuant to Sections 197-c and 201 of the New York City Charter for zoning map amendments affecting 16 lots on three blocks fronting Franklin Avenue between Montgomery and President streets in Brooklyn Community District 9 (CD 9). The requested zoning map amendments would eliminate a C1-3 commercial overlay from an existing R6 district, change the northern and southern portion of the project area, zoned R6A and R8A, respectively, to an R8X district, and establish a C2-4 commercial overlay within the proposed R8X district. In addition, the applicant seeks a zoning text amendment to designate the project area a Mandatory Inclusionary Housing (MIH) area. Such actions would facilitate the development of 40 Crown Street and 931 Carroll Street, each built to a Floor Area Ratio (FAR) of 7.2, in 16 stories. 40 Crown Street would contain 403,092 square feet (sq. ft.) of residential floor area, providing 390 dwelling units, of which 105 would be affordable pursuant to MIH Option 1. The building would also have 15,349 sq. ft. of commercial space, envisioned for a Food Retail Expansion to Support Health (FRESH) supermarket. 931 Carroll Street would contain 126,950 sq. ft. of residential floor area, providing 128 dwelling units, of which 35 would be affordable pursuant to MIH Option 1. The two buildings would have a total of 151 parking spaces.

BROOKLYN COMMUNITY DISTRICT NO. 9	BOROUGH OF BROOKLYN				
RECOMMENDATION					
☐ APPROVE ☐ APPROVE WITH MODIFICATIONS/CONDITIONS	☐ DISAPPROVE  ☑ DISAPPROVE WITH  MODIFICATIONS/CONDITIONS				
SEE ATTACHED					
En A	September 27, 2018				
BROOKLYN BOROUGH PRESIDENT	DATE				

## RECOMMENDATION FOR: FRANKLIN AVENUE REZONING - 180347 ZMK, 180348 ZRK

Cornell Realty Management LLC submitted an application pursuant to Sections 197-c and 201 of the New York City Charter for zoning map amendments affecting 16 lots on three blocks fronting Franklin Avenue between Montgomery and President streets in Brooklyn Community District 9 (CD 9). The requested zoning map amendments would eliminate a C1-3 commercial overlay from an existing R6 district, change the northern and southern portion of the project area, zoned R6A and R8A, respectively, to an R8X district, and establish a C2-4 commercial overlay within the proposed R8X district. In addition, the applicant seeks a zoning text amendment to designate the project area a Mandatory Inclusionary Housing (MIH) area. Such actions would facilitate the development of 40 Crown Street and 931 Carroll Street, each built to a Floor Area Ratio (FAR) of 7.2, in 16 stories. 40 Crown Street would contain 403,092 square feet (sq. ft.) of residential floor area, providing 390 dwelling units, of which 105 would be affordable pursuant to MIH Option 1. The building would also have 15,349 sq. ft. of commercial space, envisioned for a Food Retail Expansion to Support Health (FRESH) supermarket. 931 Carroll Street would contain 126,950 sq. ft. of residential floor area, providing 128 dwelling units, of which 35 would be affordable pursuant to MIH Option 1. The two buildings would have a total of 151 parking spaces.

On September 4, 2018, Brooklyn Borough President Eric L. Adams held a public hearing on these zoning map and text amendments requests. There were 22 speakers on the item, with six in favor and 16 in opposition on the application, as currently represented. Those in favor included local residents and members of organizations with ties to the Crown Heights community, who cited the need for affordable housing in the area and potential benefits of the project for youth. Those in opposition included a representative from the office of Council Member Laurie A. Cumbo, members of 32BJ Service Employees International Union (32BJ SEIU), a professor of architecture from Pratt Institute, neighborhood residents, and members of local advocacy groups who cited concerns about affordability, overdevelopment, the project's height and scale, as well as adverse shading impacts of tall buildings on the Brooklyn Botanic Garden (BBG).

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 stated that the development would target 55 units at 40 percent Area Median Income (AMI), 55 units at 60 percent AMI, and 30 units at 100 percent AMI, for a total of 140 affordable housing units, ranging from studios to three-bedroom apartments. The representative cited rents ranging from \$524 to \$1,510 for a studio, \$667 to \$1,900 for a one-bedroom unit, \$810 to \$2,289 for a two-bedroom unit, and \$929 to \$2,638 for a three-bedroom unit at those AMI tiers.

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 CD 9, the representative expressed that the applicant intends to work with IMPACCT Brooklyn and other local non-profits with the capacity and experience to act as affordable housing administering agents.

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, and/or solar panels, the representative stated intent to incorporate such elements to the extent feasible in the project.

In response to Borough President Adams' inquiry as to what mechanism would guarantee that subsequent plans filed with the New York City Department of Buildings (DOB) would include the envisioned zoning-exempt Food Retail Expansion to Support Health (FRESH) supermarket, and

would such supermarket provide for affordable pricing to provide a benefit to the greater community, the representative expressed that that the applicant would seek assistance from the Office of the Brooklyn Borough President, the Brooklyn Chamber of Commerce, and local elected officials in recruiting a FRESH supermarket tenant, and that affordability would be a consideration in the tenant selection process for the envisioned supermarket.

In response to Borough President Adams' inquiry regarding concerns that the permitted height of the proposed R8X district would contradict public policy that established the R8A district on the east side of Washington Avenue to set appropriate height limits adjacent to BBG, the representative referenced a 12-story development that was recently approved across the street from the BBG and noted that the proposed 16-story buildings would be located further away, near Franklin Avenue. The representative further stated that the New York City Department of City Planning (DCP) determined that the proposed development's shadow increment would not adversely impact the BBG, based on the shadow analysis presented in the project's environmental assessment statement (EAS).

In response to Borough President Adams' inquiry regarding the inclusion and participation of locally-owned business enterprises (LBEs) and minority- and women-owned business enterprises (MWBEs) in the construction process, the representative stated intent to follow the New York City Housing Development Corporation (HDC)'s and the New York City Department of Housing Preservation and Development (HPD)'s recommendations for utilization of MWBEs. The applicant would also direct its subcontractors to conduct community outreach and hire local residents to the extent practicable.

Subsequent to the hearing, Borough President Adams received a letter (attached) from the applicant, CP VI Crown Heights, LLC, dated September 24, 2018, outlining commitments to LBE and MWBE hiring goals, paying prevailing wages to building service employees, and exceeding energy code requirements.

## **Consideration**

Brooklyn Community Board 9 (CB 9) voted to disapprove this application on June 26, 2018.

Regarding the northern block section between Carroll and President streets, the rezoning would affect five lots and portions of two others, all currently zoned R6A. The proposed development assumed for 931 Carroll Street would replace the vacant lot formerly occupied by a one-story commercial motor vehicle storage facility that occupied a lot of 17,632 sq. ft. The other four properties that fall entirely within the rezoning area include 882, 884, 886, and 888 Franklin Avenue. These are one- to three-story mixed commercial and residential buildings, built on 2,500 sq. ft. lots. While none of these lots are owned by the applicant, the EAS projected that three lots would be developed pursuant to the proposed R8X MIH rezoning.

For the middle block section, between Carroll and Crown streets, the rezoning would affect one lot and a portion of another, both zoned R8A. The larger lot, fronting Crown Street and Franklin Avenue, is occupied by Tivoli Towers, a 33-story Mitchell-Lama complex built in 1973. The smaller lot, fronting Carroll Street, is occupied by the New York City Police Department (NYPD) Transit District 32 facility. No new development is projected to take place on this block.

The southernmost block between Crown and Montgomery streets consists of six affected vacant lots and a portion of a seventh lot, owned by the New York City Transit Authority (NYCTA) in the area proposed for rezoning. All of the lots are zoned R6A. The proposed development on this block, 40 Crown Street, would be built on four vacant lots comprising an irregular parcel with a total area of 55,985 sq. ft. These lots previously housed industrial uses and provided parking

space. Two of the non-applicant lots are owned by Asian Americans for Equality (AAFE), a non-profit community development organization, and are likely to be developed in the future.

It should be noted that, at the time when this ULURP application was filed, both the 931 Carroll Street and the 40 Crown Street development sites were owned by Cornell Realty Management, LLC. This ULURP request was previously brought forward in 2017 and withdrawn due to community opposition. The applicant had filed plans for two as-of right, seven-story buildings at 931 Carroll Street and 56 Crown Street with the intent to withdraw such applications upon approval of the current zoning request. In July 2018, the 40 Crown Street site was purchased by CP VI Crown Heights, LLC c/o Carmel Partners, which does not own the 931 Carroll Street site. CP VI Crown Heights, LLC is the successor to this application and the requested land use actions.

There is a large concentration of institutional buildings around the rezoning area, including the Brooklyn Museum, City University of New York (CUNY) Medgar Evers College, and multiple public schools. The Bedford Union Armory site, which will be redeveloped into athletic facilities, with commercial and residential uses, is located several blocks to the east. Residential buildings in the area vary from two-story houses to six-story apartment buildings. In addition to Tivoli Towers, which is the tallest building in the neighborhood, the area is home to Ebbets Field Houses, a 25-story complex built in the 1960s. BBG is the major open space resource in the area, which otherwise lacks access to parkland.

In 1991, the project area underwent a contextual rezoning, that changed portions of 13 blocks of CD 9 from R6 and R8 to height-limited R6A and R8A districts. The rezoning was intended to encourage medium-density development and preclude high-rise construction in proximity to BBG.

Borough President Adams supports the development of underutilized land for productive uses that address the City's need for additional 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 to support the development of affordable housing and seek for such housing to remain "affordable forever," wherever feasible.

According to MIH Option 1, development rights generated from rezoning the two sites would result in, at minimum, 25 percent of the residential zoning floor area made permanently affordable. Development adhering to the MIH program is consistent with Borough President Adams' policy for affordable housing developments to remain permanently affordable.

Brooklyn is one of the fastest-growing communities in the New York metropolitan area, and the ongoing Brooklyn renaissance has ushered in extraordinary changes that were virtually unimaginable even a decade ago. Unfortunately, Brooklyn's success has led to the displacement of longtime residents who can no longer afford to live in their neighborhoods. Borough President Adams is committed to addressing the borough's affordable housing crisis through the creation and preservation of needed affordable housing units for very low- to middle-income Brooklynites. Borough President Adams, therefore, supports developments that provide housing opportunities to a diverse range of household incomes, allowing a wide range of households to qualify for affordable housing through the City's affordable housing lottery.

The affordability options of the MIH program provide a range of opportunities to address the need for housing that serves a broad range of diverse incomes, consistent with Borough President Adams' objectives to provide affordable housing to households through various income band

targets. As a result, the development of 931 Carroll Street and 40 Crown Street would target units to households at multiple income tiers through the affordable housing lottery.

Borough President Adams is supportive of increasing density in proximity to areas well-served by public transportation. The project area is accessible via the Franklin Avenue-Botanic Garden subway station, served by the Lexington Avenue Express 4 and 5 trains, the Seventh Avenue Express 2 and 3 trains, and the Franklin Avenue shuttle. The B48 bus, which runs along Franklin Avenue, stops close to both development sites.

It is one of Borough President Adams' policies to review all land use applications to determine whether it is appropriate to include a supermarket within proposed plans due to his concern about limited access to affordable fresh food stores in many Brooklyn neighborhoods. In order for all of Brooklyn to flourish, it is imperative that the borough's residents have an adequate supply of grocery stores and supermarkets that provide affordable and fresh foods in their neighborhoods. Access to healthy food options, whether achieved by creating more options and/or maintaining access to healthy food options, is a top priority for Borough President Adams.

The proposed development's location in Crown Heights makes it eligible for both FRESH discretionary tax incentives, as well as exemption from the definition of zoning floor area. The CP VI Crown Heights, LLC c/o Carmel Partners supermarket, as part of the approximately 15,350 sq. ft. envisioned commercial ground floor, provides an opportunity to bring an additional supermarket to Crown Heights that could serve a range of incomes, while meeting added demand for quality food options. As a supermarket consistent with the New York City Zoning Resolution (ZR) section 63-01, at least 50 percent of retail space would be utilized for a general line of food products, and to allocate at least 30 percent of such space for the sale of perishable goods, of which at least 500 sq. ft. must be dedicated toward the sale of fresh produce.

The southern parcel is directly adjacent the existing R8A zoning district, which includes a development site across the NYCTA's Franklin Shuttle service right-of-way at 109 Montgomery Street. This parcel is under construction and will be built to a height of 117 feet, just below the permitted height of 120 feet, exclusive of a bulkhead extending 20.583 feet above the roof.

While Borough President Adams is generally supportive of rezoning towards realizing affordable housing that would be permanently below market-rate rents, he does not support the requested zoning district designation. For the portions of these three blocks, he believes that the requested zoning results in excessive height and too much market-rate floor area relative to the public benefit of affordable housing achieved through MIH. He believes that the proposal would need to be improved by adopting more appropriate zoning districts while furthering a range of his policies, as outlined in the following sections.

#### Appropriate Zoning and Appropriate Affordability

Borough President Adams believes that market-rate residential development without affordable housing is not in the best interest of the Crown Heights community. Furthermore, while he supports rezoning to induce development that is compliant with MIH, the resulting public benefit from a rezoning that results in greater density should conform to appropriate height limits, consistent with the intent of the 1991 rezoning, and neighborhood affordability parameters. However, the proposed R8X zoning with its allowable height and extent of MIH affordable housing obligation does not warrant support for rezoning.

The extent of public benefit achieved through MIH in itself, would not be sufficient to support an increase in market rate floor area from the current 3.0 FAR, according to R6A zoning to 5.4 FAR under R8X MIH.

The ZR specifies four options for new construction subject to MIH regulations. Only two of the options require making units available to very low-income households, which are more likely to be rent-burdened than households with greater earnings. MIH Option 1, noted as what the applicant intends to comply with, requires that 25 percent of the MIH floor area be marketed at rents affordable to households earning an average of 60 percent AMI, with 40 percent set aside for households up to 40 percent AMI.

The median household income in CD 9 suggests a great need for apartments affordable to very low-income households. According to a recent study, Crown Heights saw one of the largest rent increases in New York City between 2010 and 2018. Such increases are indicative of ongoing displacement pressure, including aggressive tactics by landlords, which include taking lawful advantage of preferential rent when there is a significant gap between charged rent and the legally permitted regulatory rent at the time of lease renewal. Given these trends, Borough President Adams believes that the applications before him do not adequately benefit area residents at risk for displacement.

According to the MIH options, MIH Option 3 would provide the most opportunity for very low-income households to secure permanently affordable housing in the neighborhood. MIH Option 3 targets households at an average rent roll of 40 percent AMI though it reduces the affordable floor area requirement to 20 percent. Neither MIH Option 1 nor MIH Option 3 would yield enough affordable housing to support the requested density.

Borough President Adams recognizes that designating MIH Option 3 would better address the community's affordable housing needs by redirecting resulting public benefits to serve very low-income residents in need for such affordable housing. Targeting apartments to very low-income households also allows seniors, especially those in one-person households, to qualify for such studio and some one-bedroom units as part of affordable housing lotteries. Borough President Adams believes that providing affordable housing opportunities for a significantly greater number of very low-income households serves an important public purpose toward achieving a just and righteous city.

Borough President Adams believes that significant upzonings should yield more affordable housing and where appropriate, deeper levels of affordability, than upzonings that do not provide a comparable increase in density. As this inequity cannot be rectified directly through MIH, Borough President Adams believes that maximizing the number of affordable units while lowering the levels of household affordability could be achieved by blending what is required, according to the proposed MIH, with the establishment of a voluntary special bulk permit. Though, in the absence of such a special permit within the ZR, he believes that applicants could equate such policy through a legally binding mechanism.

Borough President Adams believes that prior to considering the rezoning, the City Council should set forth appropriate height limits, and that the approval of any zoning district with substantial density would need to be conditioned the filing of a legally binding mechanism, in writing, that commits to a substantial increase in affordable housing floor area and reduction of the average rent for such units.

Should appropriate zoning and affordability meet the satisfaction of the City Council, there are additional aspects of the resulting development that should also be taken into consideration as additional public benefits, which are outlined in the following sections. These pertain to ensuring and including a family-oriented bedroom mix, promoting opportunities for seniors and the local community to obtain affordable housing lottery units, as well as good jobs for building service workers, setting aside affordable space for local cultural organizations, promoting car sharing,

pedestrian safety enhancements, advancing resiliency and sustainability, and local construction participation.

#### **Bedroom Mix**

A recent report has identified that rent-burdened households, which typically represent those applying to the City's affordable housing lotteries, are more likely to require family-sized units. Therefore, Borough President Adams seeks for new developments to achieve an affordable unit mix that would adequately reflect the needs of low- to middle-income rent-burdened families.

Borough President Adams believes that right-sizing the bedroom distribution of affordable housing units should be a higher priority than merely the number of affordable housing units itself. 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. As represented by CP VI Crown Heights, LLC, 55 percent of the affordable apartments at 931 Carroll Street and 40 Crown Street would be two- and three-bedroom units, though such representation is not legally binding.

The requested land use actions present an opportunity to assure that such representation of accommodations for family-sized apartments would be consistent with Borough President Adams' policy for advocating having at least 50 percent two- or three-bedroom affordable housing units and at least 75 percent one- or more bedroom affordable housing units, consistent with the zoning text for MIH floor area, pursuant to ZR Section 23-96(c)(1)(ii).

In order to ensure that the envisioned family-sized units are provided in the development, Borough President Adams believes that prior to considering the application the City Council obtain commitments in writing from the developer, CP VI Crown Heights, LLC, that clarify how it would memorialize a bedroom mix having at least 50 percent two- or three-bedroom affordable housing units and at least 75 percent one or more bedroom affordable housing units.

## <u>Achieving Deeper Affordability for Smaller Units to Improve Affordability for Senior</u> Households

In addition to addressing the need for family-sized units, there is a pressing need for affordable apartments for the aging population, many of whom experience limited financial means. Older New Yorkers are a rapidly growing segment of the city's population, with more than 300,000 seniors residing in Brooklyn. As noted in DCP's "Zoning for Quality and Affordability" (ZQA) study, New York's senior population is expected to grow 40 percent by 2040. The study noted that there were 60 applicants for every apartment in lotteries conducted by HPD for senior housing developments. According to a recent study by LiveOn NY, there are 200,000 New Yorkers aged 62 and older on the City's affordable housing waiting lists, with an average wait of seven years for an apartment.

As a significant number of elderly households have negligible income, providing opportunities for area seniors to secure quality affordable housing and remain in their communities is a priority for Borough President Adams. In an era in which the federal government has moved away from funding affordable housing for seniors, too few affordable apartments for seniors are being produced, leaving tremendous demand for age-based affordable housing in Brooklyn. As a result, many elderly households are experiencing increased rent burden to remain in their homes, exhausting their life savings just to keep up with day-to-day living until they are unable to remain in the area where they have lived for many years.

While Borough President Adams typically seeks a 50/50 blend of studios, one-bedrooms, two-bedrooms, and three-bedrooms, he believes that when studio and one-bedroom apartments are rented at 40 percent AMI or below, such apartments might be more affordable to senior households. Therefore, it is

acceptable to set aside a portion of the units equal to or greater than 50 percent, for studios and onebedrooms. MIH Option 1 regulations would provide an adequate opportunity to create studio and onebedroom apartments affordable to senior households with its requirement for 10 percent of the housing

units having rents set at 40 percent AMI (40 percent of the affordable housing units). Designating MIH Option 3 would ensure that an even greater percentage of units at 40 percent AMI are available to senior households, including those that are formerly homeless. Additionally, Borough President Adams believes that there are appropriate means to assist senior citizen households in becoming eligible for the affordable housing lottery. With such efforts, it is reasonable to expect that a greater share of such apartments would be awarded to senior households.

Therefore, prior to considering the application, the City Council should obtain commitments, in writing, from CP VI Crown Heights, LLC, that would incorporate language clarifying the extent that it would conduct outreach to provide opportunities for senior households, including those that are formerly homeless, with regard to studio and one-bedroom apartments affordable to one- or two-person households with rents at 40 percent AMI.

## Maximizing Community Participation of the MIH Affordable Housing

The ZR requires MIH affordable housing units to be overseen by a non-profit administering agent, unaffiliated with the for-profit developing entity, except when otherwise approved by HPD. Such administering non-profit becomes responsible for ensuring that the affordable housing remains in accordance with its regulatory agreement, which governs the development's affordable housing plan. These tasks include verifying a prospective tenant household's qualifying income, and approving the rents of such affordable housing units. The administering non-profit is responsible for submitting an affidavit to HPD attesting that the initial lease-up of the affordable housing units is consistent with the income requirements, as well as following up with annual affidavits to ensure compliance.

Various non-profits in Brooklyn have proven track records of successfully marketing affordable housing units, as well as promoting affordable housing lottery readiness through educational initiatives. It is Borough President Adams' policy to advocate for affordable housing non-profits to play a contributing role in maximizing community participation in neighborhood affordable housing opportunities, including serving as non-profit administering agents for new developments involving affordable housing. Borough President Adams recognizes that CD 9 is served by several non-profit housing advocates, such as CAMBA and IMPACCT Brooklyn, with proven track records of marketing affordable housing units and promoting affordable housing lottery readiness through educational initiatives. CP VI Crown Heights, LLC, has represented an intension to reach out to IMPACCT Brooklyn.

Borough President Adams believes that prior to considering the application, the City Council should obtain commitments, in writing, from the applicant, CP VI Crown Heights, LLC, clarifying how it would memorialize utilizing one or more locally-based affordable housing development non-profits to serve as the administering agent, and/or have such entities play a role in promoting affordable housing lottery readiness.

#### **Permanent Jobs**

Jobs within the building service and industrial sector have long served as a pathway to middleclass living for lower-income individuals, including immigrants and people of color. Like industrial jobs, building service jobs have low barriers to entry and real career prospects. When compensated at prevailing wage standards, such jobs provide average wages twice those of the retail sector. Additionally, building service opportunities are often filled through local hiring. In the September 24, 2018 letter to Borough President Adams, the applicant CP VI Crown Heights, stated intent to award not less than 15 percent of the value of construction work to qualified MWBEs, and to establish an assistance program for MWBE subcontractors with the project's general contractor. The applicant further stated intent to hire building service workers from the local community per a future agreement with 32BJ SEIU, and to meet or exceed the prevailing wage for such employees.

Borough President Adams believes that it is appropriate to advocate for economic opportunities that allow families to remain in their neighborhoods, by securing sufficient income to alleviate their rent burdens. He further believes that building service positions often result in locally-based employment and livable wages for such employees, many of whom are members of 32BJ SEIU. Therefore, prior to considering the application, the City Council should obtain commitments, in writing, from the applicant, CP VI Crown Heights, LLC, to memorialize hiring locally for building service jobs and paying prevailing wages to this workforce.

## **Set Aside Portion of Commercial Space for Local Cultural Entities**

Borough President Adams supports the inclusion of ground-floor non-residential space in the proposed development, and believes that such permitted use is an important opportunity to enliven the streetscape of Crown Street, which is characterized by community facility and residential uses, with some vacant lots. By providing a more active streetscape, permitted non-residential 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.

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 operations. 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 — as of 2016, 61 percent of adults are overweight or 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.

There are many cultural and dance organizations that have contacted Borough President Adams seeking assistance with securing space to grow and sustain the programming provided. In response to those concerns, Borough President Adams' policy is to review discretionary land use actions for their appropriateness to promote cultural and dance activities.

Borough President Adams believes that the location of the proposed developments is well-suited for inclusion of arts and cultural activities and other community uses given the site's accessibility and the opportunity to compliment the redevelopment of the Bedford Union Armory site.

Borough President Adams believes that a portion of the 40 Crown Street commercial ground floor could be marketed to local arts or cultural groups, and/or locally-based community organizations. However, he is aware that such uses cannot afford to compete with the rent that retail uses would likely pay to lease at this location.

Therefore, prior to considering the application, the City Council should obtain commitments, in writing, from the developer, CP VI Crown Heights, LLC, clarifying how it would memorialize the extent that it would set aside a portion of the commercial space at 40 Crown Street for local non-profit organizations such as arts and/or cultural entities at below-market lease terms, as warranted.

To the extent that the City Council seeks to provide below-market rents to accommodate such arts and/or cultural organizations, CP VI Crown Heights, LLC should actively solicit such organizations, based on reasonable lease terms, as determined in consultation with CB 9 and local elected officials.

## Staging Car-Share Operations Within the 40 Crown Street Garage

Borough President Adams supports the establishment of Transit Zones in the ZR for the purpose of enabling construction of affordable housing developments without a requirement to provide carparking accommodations. However, he acknowledges that access to automobiles would enhance mobility for the lives of the area residents. The costs associated with individual car ownership can be very challenging for households of limited financial means, particularly in instances in which such vehicles are not used on a daily basis for commuting to places of employment. However, there can be moments throughout the year when affordable access to automobiles would be considered a quality-of-life enhancement based on the type of mobility that an automobile can provide. While the proposed development sites are located in a Transit Zone, access to motor vehicles is likely to enhance quality-of-life.

To some extent, a rental car can enhance mobility for certain trips, though it is not as flexible as having direct access to a car for a set amount of time and can be expensive for longer trips. Car rental requires, at minimum, a full day reservation as well as time and effort to access such facilities. In addition, research suggests that car-share availability reduces automobile use for individuals who already own cars, creating environmental benefits and reducing congestion. Given that a percentage of households that would be residing at 931 Carroll Street and 40 Crown Street are less likely to own cars, and that parking is already a challenge for residents of Crown Heights, Borough President Adams believes that a subset of the parking spaces in the 40 Crown Street parking garage could be set aside for a limited number of car-sharing vehicles. The staging of these vehicles within the garage should be pursued through dialogue with car-sharing companies.

According to ZR Section 36-46(a)(1), car-sharing entity parking is permitted to occupy up to five parking spaces though not more than 20 percent of all parking spaces, in group parking facilities. The proposed off-street parking facility at 40 Crown Street provides an opportunity for such rentals

from car-share operators (based on reasonable pricing) to facilitate utilization of its parking spaces.

Borough President Adams believes that prior to consideration by the City Council, the applicant, CP VI Crown Heights, LLC, should engage car-sharing companies to lease multiple spaces within the garage, in consultation with CB 9, the New York City Department of Transportation (DOT), and local elected officials.

## **Advancing Vision Zero Policies**

Borough President Adams is a supporter of Vision Zero policies, one of which is to extend sidewalks into the roadway as a means of shortening the path where pedestrians cross in front of traffic lanes. These sidewalk extensions, also known as bulbouts or neckdowns, make drivers more aware of pedestrian crossings and encourage them to slow down.

In 2015, Borough President Adams also launched his own initiative, Connecting Residents on Safer Streets (CROSS) Brooklyn. This program supports the creation of bulbouts or curb extensions at dangerous intersections in Brooklyn. During the program's first year, \$1 million was allocated to fund five dangerous intersections in Brooklyn. By installing more curb extensions, seniors will benefit because more of their commutes will be spent on sidewalks, especially near dangerous intersections. At the same time, all users of the roadways will benefit from safer streets.

Given the mixed commercial and residential character of Franklin Avenue, the foot traffic stemming from the Franklin Avenue subway station, and the residents expected to occupy the proposed development, together with potential users of the FRESH supermarket, it is important to advance improvements that promote pedestrian safety at crossings along Franklin Avenue.

Borough President Adams believes there is an opportunity to implement the provision of a curb extension, either as a raised extension of the sidewalk or as a protected area as defined by the installation of temporary perimeter bollards bordering a section of roadbed where gravel and/or

paint is applied, per his CROSS Brooklyn initiative, at the intersections of Crown and Montgomery streets and Franklin Avenue.

Borough President Adams recognizes that the costs associated with construction of sidewalk extensions can be exacerbated by the need to modify infrastructure and/or utilities. Therefore, where such consideration might compromise feasibility, Borough President Adams urges DOT to explore the implementation of either protected painted sidewalk extensions defined by a roadbed surface treatment or sidewalk extensions as part of the Builders Pavement Plan.

If the implementation meets DOT's criteria, the agency should enable CP VI Crown Heights, LLC to undertake such improvements after consultation with CB 9, as well as local elected officials, as part of its Builders Pavement Plan. Where that is not feasible, as the implementation of a sidewalk extension through roadbed treatment requires a maintenance agreement that indemnifies the City from liability, contains a requirement for insurance, and details the responsibilities of the maintenance partner, Borough President Adams would expect CP VI Crown Heights, LLC to commit to such maintenance as an ongoing obligation.

Therefore, prior to considering any rezoning, the City Council should seek a demonstration from CP VI Crown Heights, LLC of their implementation of CROSS Brooklyn in coordination with the New York City Department of Environmental Protection (DEP) and DOT to install curb extensions either as part of a Builders Pavement Plan or as treated roadbed sidewalk extensions. The City Council should further seek demonstration of the developer's commitment to enter into a standard DOT

maintenance agreement for the intersections of Crown and Montgomery streets and Franklin Avenue. Furthermore, DOT should confirm that implementation will not proceed prior to consultation with CB 9 and local elected officials.

## 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, 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. 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.

Furthermore, as part of his flood resiliency policy, Borough President Adams also encourages developers to introduce best practices to manage stormwater runoff such as incorporating permeable pavers and/or establish rain gardens that advance DEP's green infrastructure strategy. Borough President Adams believes that sidewalks with nominal landscaping and/or adjacent roadway surfaces are potential resources that could be transformed through the incorporation of rain gardens, which provide tangible environmental benefits through rainwater collection, improved air quality, and streetscape beautification. Tree plantings can be consolidated with rain gardens as part of a more comprehensive green infrastructure strategy. In addition, blue/green roofs, permeable pavers, and rain gardens would divert stormwater from the City's water pollution control plants.

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

The proposed developments offer opportunities to explore resiliency and sustainability measures such as incorporating blue/green/white roof finishes, passive house construction principles, and solar panels in the development. The required Builders Pavement Plan provides an opportunity to incorporate rain gardens along the frontages of each development site. Such rain gardens might be integrated with new street tree plantings along the perimeters of both development sites, as there are currently no trees on those portions of Carroll Street, Crown Street, or Franklin Avenue. The planting of street trees would provide shade on days of excessive heat, as well as other aesthetic, air quality, and enhanced stormwater retention benefits. It should be noted that a rain garden would require a maintenance commitment and attention from the landlord. Maintenance includes cleaning out debris and litter that can clog the inlet/outlet and prevent proper water collection, regular inspection to prevent soil erosion, watering during dry and hot periods, and weeding to keep the plants healthy and uncongested for proper water absorption. However, the implementation of rain gardens could help advance DEP green water/stormwater strategies, enhancing the operation of the Owls Head Wastewater Treatment Plant during wet weather. Such rain gardens have the added benefit of serving as a streetscape improvement.

Borough President Adams believes that CP VI Crown Heights, LLC should consult with DEP, DOT, and the New York City Department of Parks and Recreation (NYC Parks) for consideration regarding the inclusion of a rain garden with integration of street trees as part of a Builders Pavement Plan. Where the agencies have interest in implementing an enhancement, consultation should be initiated with CB 9 and local elected officials prior to agreeing to take action.

In the September 24, 2018 letter to Borough President Adams the applicant CP VI Crown Heights, stated intent to explore integration of cogeneration and solar technology in the project, as well as commitment to exceed the local energy code.

Therefore, prior to considering the application, the City Council should obtain in writing from the applicant, CP VI Crown Heights, LLC, commitments that clarify how it would memorialize integrating resiliency and sustainability features. The City Council should further seek demonstration of CP VI Crown Heights, LLC's commitment to coordinate with DEP, DOT, and NYC Parks regarding the installation of rain gardens and tree plantings, and/or the provision of sidewalk extensions, as part of a Builders Pavement Plan, for development site intersections in consultation with CB 9 and local elected officials.

#### **Construction 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 LBEs and MWBEs 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).

Borough President Adams believes that prior to considering the application, the City Council should obtain commitments, in writing, from the applicant, CP VI Crown Heights, LLC, to memorialize retention of Brooklyn-based contractors and subcontractors, especially those who are designated LBEs consistent with section 6-108.1 of the City's Administrative Code and MWBEs 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.

## <u>Community Preference: Inclusion of Homeless Shelter Student Population by School</u> Zone

New York City's community preference policy for affordable housing lotteries provides a pathway for reaching 50 percent or more of applicants residing in the community district where affordable housing is built. There are additional pathways for priority lottery selection such as United States Armed Forces veteran status, certain disabilities, and other categories. Given the significant increase in the number of homeless families with school-aged children entering the public shelter system, Borough President Adams believes it is appropriate for HPD to extend local lottery preference to include the school zone attended by children of households residing at neighboring City-funded or -operated homeless shelters.

This is especially important given the number of students living in homeless shelters. The New York City Independent Budget Office (IBO) recently produced a report analyzing homeless rates in

schools. School student registration data identifies those residing in public shelters as Students in Temporary Housing (STH). Using data from the 2014-2015 school year, a review of the 50 schools in Brooklyn with the highest percentage of STH enrollment identifies approximately 4,300 students attending such schools, with more than 18 percent of the enrollment categorized as STH.

Research indicates that students living in temporary accommodations are most challenged in attaining academic success. These students are more likely to lack access to technology such as computers that would aid with homework and research assignments, as well as access to a quiet space to complete assignments and study for exams. In addition, commuting between a school and shelter requires significantly more time for many students. These commutes often make it difficult to participate in extracurricular school activities, which might otherwise enhance the students' academic and community experiences.

Many parents and students find it important to maintain school continuity despite the circumstances faced by households dependent on the City's homeless shelter system. Borough President Adams believes that it should be the City's responsibility to take action that would eliminate or reduce such hardships. One such action would be to enable economically-challenged households with children in public schools to qualify for community local preference based on where the children attend school.

According to an interactive map provided by the Institute for Children, Poverty, and Homelessness (ICPH), there are three elementary schools within several blocks of the proposed development, which are located in New York City Community School District 17 (CSD 17). This area contains approximately 266 homeless students. Borough President Adams believes it would be appropriate for such students and their families to be considered part of the 50 percent local preference for the 931 Carroll Street and 40 Crown Street housing lotteries.

Borough President Adams believes that HPD should modify its affordable housing lottery community preference standards to include the school zone attended by a child of a household residing at a City-funded or -operated homeless shelter.

## <u>Accommodating Rent-Burdened Households in Lieu of Strict Area Median Income</u> Standards

Brooklyn is one of the fastest-growing communities in the New York City metropolitan area and the ongoing Brooklyn renaissance has ushered in extraordinary changes that were virtually unimaginable even a decade ago. Unfortunately, Brooklyn's success has led to the displacement of longtime residents who can no longer afford to live in their own neighborhoods. Borough President Adams is committed to addressing the borough's affordable housing crisis through the creation and preservation of much-needed affordable housing units for very low- to middle-income Brooklynites. Among numerous approaches and strategies, Borough President Adams is committed to advancing his affordable housing policy through his role in the ULURP process. The development of much-needed affordable housing provides opportunities to existing neighborhood residents at risk for displacement or increased degree of being rent-burdened.

Data shows that more than 80 percent of those making 50 percent of AMI or less are rent-burdened. The crisis is even worse among the lowest-income citizens, those making 30 percent of AMI or less, currently \$28,170 for a family of three. Among this population, well over 50 percent pay more than half of their income toward rent. More than one-fifth of New York City households — over two million people — earn less than \$25,000 a year and almost one-third earn less than \$35,000. As the City's housing crisis grows worse, the burden falls most heavily on these low-income households, many of whom are senior citizens.

There are households living in rented apartments within CD 9 who reside in unregulated housing, or regulated apartments subjected to a legal regulated rent increase in which landlords have been renting below the legally-permitted regulatory rent (preferential rent) and have been seeking to increase rent at lease renewal according to the legal amount permitted.

For ZIP code 11225, disclosed data from the New York City Rent Guidelines Board (RGB) dated June 1, 2017 lists 2,251 such units, representing 20 percent of all rent-stabilized units. The continued significant increase in rents has resulted in an increased rent burden and/or residential displacement. Therefore, there is a pressing need to provide more affordable housing units in this area.

In much of CD 9, too many households fall into low- and very low-income categories and are often rent-burdened. Given the risk for displacement, the City should take steps to increase the probability that rent-burdened households qualify for as many affordable housing lotteries as possible.

A strict rent-to-income requirement of not exceeding 30 percent of income for yearly rent payment ends up disqualifying many income-challenged households from the affordable housing lotteries. As a result, these rent-burdened households do not meet the housing lottery's minimum household earnings because too often they are already paying the same rent, or are in excess of the rent stated for the affordable housing unit. Thus, the requirement to pay no more than 30 percent of household income is actually hurting people who are already living in substandard housing and are paying more than 30 percent of their income toward housing.

As first noted in his East New York Community Plan ULURP response, Borough President Adams believes that it is time to break the mold in which families that are already paying too much rent for substandard housing are disqualified from affordable housing lotteries. Borough President Adams seeks to qualify rent-burdened households for selection through the housing lottery process. Such eligibility would ensure rent-burdened households receive the maximum opportunity to secure regulated affordable housing units, expanding the number of eligible households for government-regulated affordable housing lotteries.

One means to address rent burden could be achieved by amending the ZR to adjust the AMI qualifications so they include such households that would maintain or reduce their rent burden. For such lotteries resulting from MIH housing lottery offerings, DCP needs to amend the ZR to allow for exceptions to the 30 percent of income threshold so that households that are burdened, though are paying the same or more rent than the lottery unit rent, would be eligible to live in affordable, newly-produced, and quality housing accommodations.

Borough President Adams believes that the CPC and/or the City Council should echo his call to seek the modification of the MIH section of the ZR pertaining to MIH-designated areas to be adopted with a requirement that permits households with rent-burdened status to qualify for such affordable housing units pursuant to MIH.

#### 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 <u>disapprove this</u> application subject to the following conditions:

1. That the height be reduced through appropriate zoning district designation

- 2. The substantial density increases be conditioned on the provision of an appropriate percentage of affordable housing floor area and a reduction of average rents for such units
- 3. That prior to considering any modified zoning action, the City Council shall obtain commitments in writing from the developer, CP VI Crown Heights, LLC, that clarify how it would memorialize the extent that it would:
  - a. Commit to proceeding according to MIH Option 3 at 40 Crown Street and provide an adequate demonstration of a commitment to pursue a binding mechanism to ensure that:
    - i. Forty (40) percent of the floor area in excess 4.6 FAR is permanently affordable
    - ii. Affordable housing floor area not pursuant to MIH Option 3 does not exceed 60 percent AMI average rents
  - b. Memorialize a bedroom mix having at least 50 percent two- or three-bedroom affordable housing units and at least 75 percent one or more bedroom affordable housing units
  - c. Set aside a portion of the units equal to or greater than 50 percent for studio and one-bedroom units and target those units affordable to households at 40 percent AMI to seniors, including those who are formerly homeless
  - d. Utilize any combination of locally-based affordable housing development non-profits to serve as the administering agent, and have one or more such entities play a role in promoting affordable housing lottery readiness
  - e. Commit to hiring locally for building service jobs and paying prevailing wages to this workforce
  - f. Set aside a portion of the commercial space for one or more local non-profit organizations such as arts and/or cultural entities at below-market lease terms, as warranted
  - g. Engage car-sharing companies to lease multiple spaces within the garage, in consultation with Brooklyn Community Board 9 (CB 9), the New York City Department of Transportation (DOT), and local elected officials
  - h. Commit to Connecting Residents on Safer Streets (CROSS) Brooklyn coordination with DOT and the New York City Department of Environmental Protection (DEP) to implement curb extensions as part of a Builders Pavement Plan and/or as treated roadbed sidewalk extensions, with a developer commitment to enter into a standard DOT maintenance agreement for the southeast intersections of Crown and Montgomery streets at Franklin Avenue, and consultation with CB 9 and local elected officials
  - i. Integrate additional resiliency and sustainability measures such as incorporating rain gardens, blue/green/white roof treatment, and/or solar panels
  - j. Retain Brooklyn-based contractors and subcontractors, especially those who are designated Local Business Enterprises (LBEs) consistent with Section 6-108.1 of the City's Administrative Code, and Minority- and Women-Owned Business Enterprises

(MWBEs) 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:

- That the City Planning Commission (CPC) and/or the City Council call for the modification of the Mandatory Inclusionary Housing (MIH) section of the ZR pertaining to MIH-designated areas to be adopted with a requirement that permits households with rent-burdened status (allow for exceptions to the 30 percent of income threshold for households paying the same orgreater rent than what the housing lottery offers) to qualify for such affordable housing units pursuant to MIH
- 2. That the New York City Department of Housing Preservation and Development (HPD) modify its affordable housing lottery community preference standards to include the school zone, thus capturing the population of public school children residing at City-funded or -operated shelters

## CP VI Crown Heights, LLC

C/O Carmel Partners 805 Third Avenue, 20<sup>th</sup> Floor New York, NY 10022

September 24, 2018

Borough President Eric Adams Brooklyn Borough Hall 209 Joralemon Street Brooklyn, NY 11201

Re: Franklin Avenue Rezoning

Dear Borough President Adams:

Thank you for the opportunity to present our rezoning application at the public hearing you hosted on September 4, 2018. I would like to reiterate a few of the commitments that CP VI Crown Heights, LLC is making to the Crown Heights community should this rezoning application be approved.

CP VI Crown Heights, LLC recognizes its responsibility to the community of Crown Heights and is committed to using best efforts to hire qualified local residents during both construction and operations. During construction, we will use best efforts to award not less than 15% of the value of construction work to qualified minority/women-owned business enterprises and seek to assist MWBE subcontractors who may otherwise not qualify through an assistance program to be established with the project's general contractor.

Upon completion of the project, CP VI Crown Heights, LLC will use best efforts to hire building service workers from the local community. All qualified building service workers will receive wages that meet or exceed the prevailing wage (where such benchmark is issued by the City of New York). We have been discussing our development with Local 32BJ and believe that the union would be an excellent source of qualified local employees. We will continue our discussions with 32BJ and believe we can reach an agreement with them shortly.

Finally, CP VI Crown Heights, LLC believes that sustainable design and construction can be cost effective in the long term and environmentally responsible in both the short and long term. As the project is being designed, we will continue to work with our engineering team to incorporate features such as cogeneration and solar technology, where feasible. We are also committed to exceeding the requirements of the energy code.

Please let me know if you have any additional questions about the project.

Very truly yours,

CP VI CROWN HEIGHTs, LLC

Matthew Feldman Vice President