



**IN THE MATTER OF** an application submitted by 1010 Pacific Street LLC pursuant to Sections 197-c and 201 of the New York City Charter for an amendment to the Zoning Map, Section No. 16c:

1. changing from an M1-1 District to an R7D District property bounded by Pacific Street, Classon Avenue, a line midway between Pacific Street and Dean Street, and a line 440 feet northwesterly of Classon Avenue; and
2. establishing within the proposed R7D District a C2-4 District bounded by Pacific Street, Classon Avenue, a line midway between Pacific Street and Dean Street, and a line 440 feet northwesterly of Classon Avenue;

Borough of Brooklyn, Community District 8, as shown on a diagram (for illustrative purposes only) dated October 29, 2018, and subject to the conditions of CEQR Declaration E-503.

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This application for a zoning map amendment was filed by 1010 Pacific Street LLC on August 7, 2017. The applicant proposes to change an M1-1 zoning district to an R7D/C2-4 zoning district. This application, in conjunction with the related action (N 180043 ZRK), would facilitate an 11-story mixed-use development with approximately 154 dwelling units and ground floor commercial and community facility space at 1010 Pacific Street in the Crown Heights neighborhood of Brooklyn, Community District 8.

### **RELATED ACTIONS**

In addition to the zoning map amendment (C 180042 ZMK) that is the subject of this report, implementation of the proposed project also requires action by the City Planning Commission on the following application, which is being considered concurrently with this application:

**N 180043 ZRK**            Zoning Text Amendment to designate a Mandatory Inclusionary Housing (MIH) area.

### **BACKGROUND**

The applicant seeks a zoning map amendment to change an M1-1 district to an R7D/C2-4 district and a zoning text amendment to establish an MIH area coterminous with the rezoning area. The project is in the Crown Heights neighborhood of Brooklyn, on the northeastern portion of a block

bounded by Pacific Street to the north, Dean Street to the south, Classon Avenue to the east, and Grand Avenue to the west.

The project area consists of 12 tax lots (Block 1133, Lots 32, 42-49, 51-53), which are developed with one- to two-story light industrial uses, an auto-related business, open parking and storage uses, and three-story, pre-existing, non-conforming multi-family residential buildings. The development site (1010 Pacific Street) is developed with a vacant, two-story warehouse building and parking lot.

The area to be rezoned is currently in an M1-1 district that has existed since 1961, a remnant of the early 1900s when Atlantic Avenue served as a freight rail corridor and where goods were transferred and processed. After freight service was discontinued in the early 1900s, and after passenger rail service was subsequently moved below grade, industrial buildings along Atlantic Avenue and on nearby blocks evolved with an auto-oriented character as allowed per the 1961 M1-1 zoning regulations.

M1-1 districts have a maximum floor area ratio (FAR) of 1.0 for manufacturing and commercial uses and 2.4 for certain community facility uses, such as medical offices and houses of worship. M1-1 districts generally support low-rise, one- to two-story buildings and allow a range of light industrial uses, such as repair shops, wholesale service, and storage facilities. Offices, retail, and other commercial uses are also allowed as-of-right. Building heights are regulated by a sky exposure plane beginning 30 feet above the street line. Off-street parking and loading facilities are required according to the type and size of the use. No new residential uses are permitted.

Zoning in the surrounding area has been subject to several prior land use approvals, including the Crown Heights West Rezoning (C 130213 ZMK), initiated by the Department of City Planning at the request of Community Board 8 and the local Council Member, and approved by the City Council on September 24, 2013. This application rezoned an approximately 55-block area south of the proposed rezoning area with contextual residential zoning districts to maintain the existing scale and character of the neighborhood, create incentives for affordable housing development via

the voluntary Inclusionary Housing program, and match commercial zoning to reflect the existing retail character. As part of this area-wide zoning, R7A districts, which permit up to 4.6 FAR for residential use, were mapped extensively along Franklin Avenue and specific mid-block locations, while R7D districts, which permit up to 5.6 FAR for residential use, were mapped at three block frontages along the Bedford Avenue corridor. The M1-1 area had been considered to be added within the Crown Heights West Rezoning, but was removed to expedite the implementation of the contextual rezoning.

The surrounding area contains a diverse mix of uses. Classon Avenue, along with nearby Franklin and Washington avenues, serves as a local commercial corridor characterized by many mixed-use buildings with ground floor retail and residences above. The area zoned M1-1 consists of auto repair and supply businesses, open parking and storage, non-conforming residential uses, and low-rise industrial buildings used primarily for warehousing. The area outside of the M1-1 district is predominantly residential and characterized by multi-family apartment buildings generally ranging from three to 12 stories.

The rezoning area is well-served by public transit. The Franklin Avenue subway station provides access to the C subway line and Franklin Avenue Shuttle, located less than a half of a mile to the northeast. Additionally, multiple bus lines nearby provide connections to Downtown Brooklyn. The B65 line runs east/west along Dean Street and Bergen Street and the B25 line runs east/west along Fulton Street. The B48 line at Classon Avenue and the B45 line at Washington Avenue provide north/south bus service. Dean Street and Bergen Street also have protected bicycle lanes, and Atlantic Avenue serves as a major east-west connection for vehicular use.

The Department of City Planning is currently conducting a land use study, in partnership with Community Board 8, of the M1-1 zoning districts within Community Districts 3 and 8, including the rezoning area. This “M-Crown” study’s two core goals are to create opportunities for new housing, including affordable housing, and to foster job-generating uses. The Department has been closely engaged with Community Board 8 in this effort. A land use framework released in 2018 identified sub-areas where a mix of new residential and non-residential uses would be appropriate,

as well as sub-areas where only non-residential uses at increased densities would be allowed to support existing clusters of commercial and industrial uses. Along Classon Avenue and Grand Avenue south of Atlantic Avenue, the framework recommended moderate density, mixed-use growth to reinforce the north-south connections of these corridors, while recommending that the interior portions of blocks also support mixed-use growth with an appropriate bulk envelope consistent with the scale of mid-block side streets. The subject 1010 Pacific Street rezoning area is in the mixed-use sub-area, encompassing part of the Classon Avenue corridor and the mid-block side street along the southern frontage of Pacific Street. Classon Avenue and Pacific Street are both 70 feet wide.

The applicant is seeking a zoning map amendment and a zoning text amendment. The zoning map amendment would change the M1-1 district to an R7D/C2-4 district, on the northeastern side Classon Avenue between Pacific Street and Dean Street. The proposed R7D district allows up to 5.6 FAR for residential uses when mapped in an Inclusionary Housing area, a maximum base height of 95 feet, or nine stories, and a maximum building height of 115 feet, or 11 stories. Residential buildings and portions of buildings must comply with Quality Housing program regulations. R7D districts are typically mapped along corridors in close proximity to public transit. Off-street parking is generally required for 50 percent of the dwelling units and optional for income-restricted units within the Transit Zone. The rezoning area and surrounding blocks are located within the Transit Zone. C2-4 is a commercial overlay that permits a maximum FAR of 2.0 for commercial uses and permits a range of local retail and service-related uses, such as grocery stores, restaurants, beauty salons, and laundromats. When the R7D district is paired with a C2-4 commercial overlay, the ground floor is required to contain non-residential uses to a depth of 30 feet, excluding residential lobbies and accessory parking entrances.

The development site consists of two contiguous tax lots (Block 1133, Lots 32 and 42) comprising approximately 25,870 square feet. The proposed actions would facilitate the development of an 11-story mixed-use building totaling 144,842 square feet of floor area (5.6 FAR) with approximately 154 dwelling units and 7,056 square feet of commercial and 4,378 square feet of community facility space, which is intended to be occupied by a not-for-profit arts center, on the

ground floor. Thirty-nine of the 154 dwelling units would be permanently affordable under Option 1 of the MIH program. The proposed building would rise to base heights of 65 feet and 95 feet at different building segments, followed by a 15-foot setback, and then rise to a total building height of 115 feet. It would also maintain and restore the façade of a portion of the site’s existing two-story industrial building and provide an open recreational area directly above this structure for residents. A 49-space parking garage in the cellar would satisfy the off-street parking requirement for 50 percent of the non-income-restricted units. The MIH units would not require parking, as this site is within the Transit Zone. The commercial and community facility space would not generate a parking requirement based on the proposed non-residential square footage and parking requirements of the proposed R7D/C2-4 district.

The applicant also proposes a zoning text amendment to designate an MIH area mapped with Options 1 and 2 coterminous with the proposed R7D/C2-4 district. Option 1 requires that at least 25 percent of the residential floor area be provided as housing permanently affordable to households with incomes 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. Option 2 requires that 30 percent of residential floor area be set aside for affordable housing units for residents with incomes averaging 80 percent of the AMI. No more than three income bands can be used to average out to 80 percent, and no income band can exceed 130 percent of the AMI. The applicant intends to pursue MIH Option 1, and to provide 39 units of permanently affordable housing.

## **ENVIRONMENTAL REVIEW**

This application (C 180042 ZMK), in conjunction with the application for the related action (N 180043 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 16DCP134K.

After a study of the potential environmental impact of the proposed action, a Negative Declaration was issued on October 29, 2018. The Negative Declaration included (E) designations to avoid the potential for significant adverse impacts related to hazardous materials, air quality, and noise (E-503). The requirements of the (E) designation are described in the Environmental Assessment Statement (EAS) and Negative Declaration.

On April 5, 2019, a Revised EAS was issued, which describes and analyzes modifications to the proposed actions (described below). The Revised EAS concluded that the modifications would not result in any new or different significant adverse environmental impacts. A Revised Negative Declaration was issued on April 10, 2019. The Revised Negative Declaration reflects the modifications to the proposed actions and supersedes the Negative Declaration issued on October 29, 2018.

The City Planning Commission has determined that the proposed actions will have no significant effect on the environment.

## **UNIFORM LAND USE REVIEW**

This application (C 180042 ZMK) was certified as complete by the Department of City Planning on October 29, 2018 and duly referred to Brooklyn Community Board 8 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 180043 ZRK), which was referred in accordance with the procedures for non-ULURP actions.

## **Community Board Public Hearing**

Brooklyn Community Board 8 held a public hearing on this application (C 180042 ZMK) and the related action (N 180043 ZRK) on December 6, 2018. On December 13, 2018, by a vote of 22 in favor, none opposed, and three abstentions, the Community Board adopted a recommendation to disapprove the application with the following conditions:

- “The eastern boundary of the area to be rezoned is moved to 230 feet west of Classon Avenue;
- The application is amended to establish an MX district with mapping to MI-4 to reduce the non-residential parking requirement;
- The zoning envelope be amended from R7D to R7A, pursuant to a binding commitment by the applicant to make residential development per R6A MIH, with remaining bulk for non-residential use, including community facility use, and full ground floor lot coverage for non-residential use, excluding lobby, core and parking entrance; and
- In the absence of such a commitment, rezoning is amended to R6A/M1-4.”

### **Borough President Recommendation**

This application (C 180042 ZMK) was considered by the Brooklyn Borough President, who on February 12, 2019 issued a recommendation to approve the application with the following conditions:

1. “That in lieu of the proposed R7D, the City Council and/or CPC approve, beyond 230 feet of Classon Avenue, the proposed commercial district paired with an R7A residence district, and retain the existing MI-1 zoning district within 230 feet of Classon Avenue
2. That prior to considering the application, the City Council obtain commitments in writing from the applicant, 1010 Pacific Street LLC, that clarify how it would:
  - a. Restrict residential floor area ratio (FAR) to R6A Mandatory Inclusionary Housing (MIH)
  - b. Provide 100 percent ground-floor lot coverage to maximize M-Crown permitted uses
  - c. Restrict non-residential use within 30 feet of the street wall to restricted M-Crown uses, inclusive of commercial space for one or more local non-profit organizations such as arts and/or cultural entities at below-market lease terms, such as the indicated art gallery, as warranted
3. That the CPC and/or City Council require MIH Option 1
4. Should the City Council deem it appropriate to prioritize residential floor area in lieu of M-Crown use floor area, obtain adequate representation, in writing, from 1010 Pacific Street LLC demonstrating the filing of a legally binding mechanism that commits an increased percentage of permanently affordable housing floor area
5. That prior to considering the application, the City Council obtain commitments in writing from the applicant, 1010 Pacific Street LLC, that clarify how it would:

- a. Memorialize a bedroom mix having at least 50 percent two- or three-bedroom affordable housing units, and at least 75 percent one or more one-bedroom affordable housing units, but for accounting for studios serving households at 40 percent AMI
- b. Implement outreach efforts to assist senior households earning up to 40 percent AMI for single-person households, and 50 percent AMI for two-person households, as a means to maximize participation in the affordable housing lottery
- c. Utilize a combination of locally-based affordable housing development non-profits to serve as the administering agent, and having one or more such entities play a role in promoting affordable housing lottery readiness
- d. Engage car-sharing companies to lease multiple spaces within the garage
- e. Explore additional resiliency and sustainability measures such as incorporating blue/green/white roof treatment, passive house, rain gardens, solar panels, and/or wind-turbines
- f. Implement a rat baiting plan prior to and during demolition including site excavation and foundation preparation, in consultation with CB 8 and local elected officials
- g. 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 1010 Pacific Street LLC commit to a building service workforce that is recruited from the local population and paid prevailing wages, with appropriate benefits
2. Should the City Council determination result in the project proceeding according to MIH Option 1, 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
3. That the CPC and/or the City Council call for the modification of the Mandatory Inclusionary Housing (MIH) section of the New York City Zoning Resolution (ZR) pertaining to MIH designated areas being 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 more rent than what the housing lottery offers) to qualify for such affordable housing units pursuant to MIH”

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

On January 30, 2019 (Calendar No. 5), the City Planning Commission scheduled February 13,

2019 for a public hearing on this application (C 180042 ZMK) and the related action (N 180043 ZRK). The hearing was duly held on February 13, 2019 (Calendar No. 38). Three speakers testified in favor of the application and four testified in opposition.

An applicant team consisting of the land use attorney and project architect spoke in favor, describing the development, the requested actions, and the surrounding context, noting that the mid-blocks southeast of the rezoning area were rezoned to R7A under the Crown Heights West Rezoning and that multi-family apartment buildings above 10 stories are located nearby. The attorney stated that the surrounding neighborhood is experiencing increasing housing pressure with high rates of rent-burdened households. He said that more than half of the block is vacant and that it lacks a cohesive existing built context. The attorney also said that the applicant team benefitted from the M Crown study engagement, but acknowledged that the proposed R7D district allows more density than the M Crown framework recommendation. He stated that the proposed density was appropriate as it would maximize the number of units, including affordable units. He also stated that the applicant is actively seeking an arts organization to occupy the ground floor, but that a suitable tenant has not yet been selected. He also expressed confidence in the demand for new commercial uses at this site, emphasizing that the proposal would extend an existing commercial strip from Classon Avenue. Regarding the rezoning boundary extending to Classon Avenue, the attorney said there was no land use rationale for scaling back the rezoning area to just the mid-block land owned by the applicant.

The project architect described the proposed massing and design principles, which incorporate parts of the existing on-site two-story structure into the new building to help preserve the area's historic fabric. He also stated that part of the ground floor is intended to be a community facility or arts center, and that the rest of the ground floor would accommodate a broad range of uses, such as a food court or bar that would enliven the streetscape.

A representative from the 32BJ property service workers' union expressed opposition to the proposed development, requesting that the applicant commit to prevailing wages for the building service workers.

A representative from Community Board 8 spoke in opposition. He shared additional background on the M Crown study, noting that the board voted to support the study in 2015. In an effort to foster job-creating uses, the Board recommended restricting retail uses on mid-block side streets, mandating non-residential ground floors, and requiring that 0.25 FAR be set aside for a limited group of uses, such as light industrial. He contrasted the applicant's proposal with the Board's original M Crown proposal, which called for a two-floor non-residential use requirement, and said that the proposed density of 5.6 FAR could trigger additional speculation and market pressure nearby.

A local resident spoke in opposition, expressing concern about the M Crown study area boundary and asked that the proposal's potential effects on schools, parks, and infrastructure be examined further. A representative from the Association for Neighborhood and Housing Development spoke in opposition, stating that private applications undermine the goals of the neighborhood study. He also recommended that industrial mixed-use models be evaluated and urged that manufacturing uses be part of the development in an effort to meet the community's goals and provide well-paying jobs. A representative from the Pratt Center for Community Development spoke in opposition, describing the proposal as unresponsive to community priorities, inconsistent with policies elsewhere in Brooklyn, and lacking a zoning designation that allows or incentivizes industrial use.

A representative from the applicant team spoke in favor, noting that the applicant recognizes the stakeholder concerns and that the proposal seeks to provide affordable housing and space for jobs. She emphasized that the proposed zoning would mandate ground floor non-residential use and that many industrial uses sought by stakeholders are not compatible with residential uses. Further, she noted that use mandates and restrictions have a possibility of creating vacant storefronts.

There were no other speakers, and the hearing was closed.

## **CONSIDERATION**

The Commission believes that this application for a zoning map amendment (C 180042 ZMK), as modified herein, in conjunction with the related application for zoning text amendment (N 180043 ZRK), is appropriate.

Together these actions would facilitate a mixed-use development with permanently affordable housing, and active ground floor commercial and community facility space, and allow several non-applicant-owned residential properties to be in conformance with zoning.

The subject block and the neighboring blocks in the existing M1-1 zoning district are substantially underdeveloped. Unchanged since 1961, the M1-1 zoning is a remnant of a past era and does not reflect current neighborhood conditions and needs, particularly the burgeoning residential demand and need for affordable housing. While Crown Heights and nearby areas have experienced a resurgence of activity and growth, the M1-1 zoning has directly constrained new development by limiting density to 1.0 for commercial and industrial uses, and imposing a high parking requirement incongruous with a transit-accessible area. Moreover, numerous lots in, and adjacent to, the rezoning area are either vacant or used for open parking and storage, contributing to an unattractive, barren streetscape.

The Commission commends Community Board 8's leadership on the M Crown study, as well as the Department's ongoing community engagement with the Board, to develop a shared vision and framework to guide future growth within the area. The land use framework developed by the Department in response to the Community Board's goals and vision would encourage mixed use, residential, commercial, and community facility uses within the project area and the proposed rezoning would be broadly in conformance with the framework. However, the Commission notes that the Department has recommended densities on the mid-blocks that are lower than the densities proposed by the applicant due to the narrow width of streets and length of the blocks. These concerns were also reflected in the recommendations of the Community Board and the Borough President. The proposed R7D district would allow a building's base height to rise to 95 feet, or nine stories, with a maximum overall height of 115 feet, or 11 stories, which would result in buildings that would be inappropriately tall and dense on a 70-foot-wide street and 800-foot-long

block, and would also set an undesirable precedent for density on other similar mid-block locations.

Therefore, the Commission herein modifies the zoning map amendment application (C 180042 ZMK) to change from a proposed R7D/C2-4 district to an R7A/C2-4 district. R7A districts allow buildings with FARs up to 4.6 with MIH and generally produce high lot coverage, seven- to nine-story apartment buildings. Building heights are regulated by a required minimum base height of 40-65 feet (75 feet with a qualifying ground floor or inclusionary housing), a mandatory setback, and a maximum building height of 90 feet with MIH (95 feet with a qualifying ground floor). Off-street parking is required for 50 percent of all non-income-restricted dwelling units, but the requirement is waived when 15 or fewer parking spaces are required. The modification would be in alignment with the Department's land use framework and also with the 2013 Crown Heights West Rezoning, which also mapped R7A districts on mid-blocks.

The Commission is pleased that the applicant has proposed to set aside non-residential space to activate the ground floor and support job growth with new commercial space and community facility space envisioned to be occupied by a non-profit arts center. Under the modified zoning district, the C2-4 use regulations would remain the same, however, in contrast to the R7D/C2-4 district pairing, an R7A/C2-4 district would allow, but not require, non-residential ground floor uses. Regarding the recommendations from Community Board 8 and the Borough President to mandate non-residential uses on the ground floor of the new building, the Commission notes that non-residential requirements are typically mapped along established retail corridors to promote and maintain a lively and engaging pedestrian experience along commercial avenues. Requiring active ground floor uses on a side street with no existing retail or active ground-floor presence could create isolated non-residential space that might remain unoccupied due to a lack of a market for such space. Such a requirement could also impede the economics for the construction of new buildings, leaving the rezoning area in its undeveloped state. For these reasons, the Commission does not believe that mandating non-residential uses on the ground floor would be appropriate at this side street location, but would be appropriate along Classon Avenue, an established corridor with existing commercial and community facility uses. Finally, mixing residential and industrial

uses in the same building in this area was shown to be financially infeasible in the Department's "Can Industrial Mixed-Use Buildings Work in NYC?" report, which analyzed a typical site in the area. Such buildings also have the potential to create a streetscape with loading docks and windowless walls that would be uninviting and pose conflicts with the new residential uses. Additionally, a mechanism to restrict certain uses on the ground floor, as requested by the community board, would be beyond the scope of the proposed actions. The Commission also notes that modifying the C2-4 commercial overlay to an Mixed Use (MX) District with an M1-4 manufacturing district is beyond the scope of the proposed actions.

The Commission believes that the proposed rezoning boundary, which extends from the applicant's property to Classon Avenue, is critical to maintaining a rational district boundary, consistent with sound and well-established land use policy. Modifying the boundary would have the potential to result in an irregular mid-block parcel detached from Classon Avenue, a significant north-south corridor that connects the neighborhoods of Crown Heights and Bedford Stuyvesant.

The proposed zoning text amendment (N 190054 ZRK) is appropriate. The action would designate a new MIH area coterminous with the rezoning area, supporting the creation of sorely needed affordable housing for Crown Heights. The text amendment will map MIH Options 1 and 2, and the applicant intends to use Option 1 for the proposed development.

While not a condition of this approval, the Commission notes that the applicant, in response to the Borough President's recommendation to adjust the bedroom unit mix and conduct outreach to local nonprofit groups to serve as an administering agent for the affordable housing, in a letter addressed to the Borough President dated February 1, 2019, provided a breakdown of the bedroom unit mix and stated that it intends to collaborate with nonprofit groups suggested by the local Council Member. In that letter, the applicant noted that it intends to use local Minority and Women-owned Business Enterprises for a portion of the building construction and that the proposed ground floor commercial and arts space would generate local jobs.

In a separate letter to the Borough President, the project architect indicated that several sustainable elements would be incorporated in the development, including bioswale tree pits, a rain garden in the rear yard, and locally sourced, environmentally friendly building materials.

## **RESOLUTION**

**RESOLVED**, that having considered the Revised Environmental Assessment Statement, for which a Revised Negative Declaration was issued on April 8, 2019 with respect to this application (CEQR No. 16DCP134K), 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 the consideration described in this report, the Zoning Resolution of the City of New York, effective as of December 15, 1961, and as subsequently amended, is further amended by changing the Zoning Map, Section 16c:

1. changing from an M1-l District to an R7A District property bounded by Pacific Street, Classon Avenue, a line midway between Pacific Street and Dean Street, and a line 440 feet northwesterly of Classon Avenue; and
2. establishing within the proposed R7A District a C2-4 District bounded by Pacific Street, Classon Avenue, a line midway between Pacific Street and Dean Street, and a line 440 feet northwesterly of Classon Avenue;

Borough of Brooklyn, Community District 8, as shown on a diagram (for illustrative purposes only) dated October 29, 2018, modified by the City Planning Commission on April 8, 2019, and subject to the conditions of CEQR Declaration E-503.

The above resolution (C 180042 ZMK), duly adopted by the City Planning Commission on April 8, 2019 (Calendar No. 1), is filed with the Office of the Speaker, City Council, and the Borough President together with a copy of the plans of the development, in accordance with the requirements of Section 197-d of the New York City Charter.

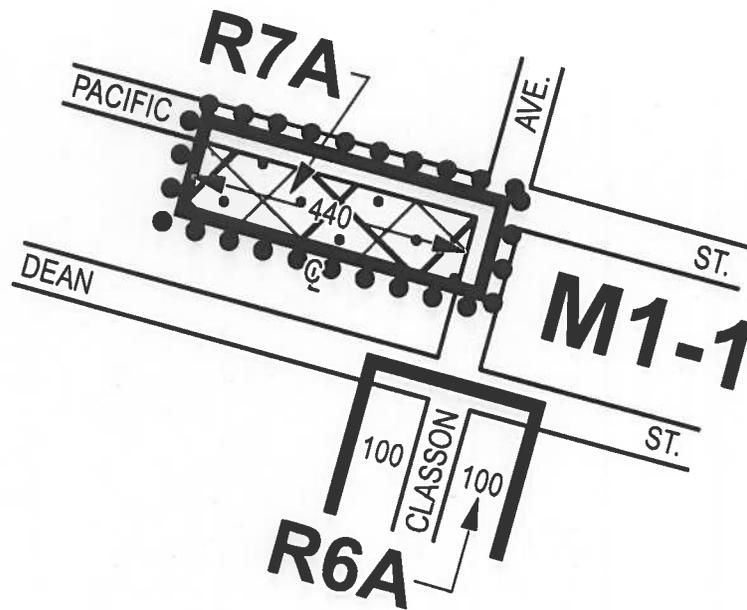
**MARISA LAGO**, *Chair*

**KENNETH J. KNUCKES, Esq.**, *Vice Chairman*

**ALFRED CERULLO, MICHELLE R. de la UZ, JOSEPH I. DOUEK,  
RICHARD W. EADDY, ANNA HAYES LEVIN, ORLANDO MARÍN, LARISA ORTIZ,  
RAJ RAMPERSHAD,**

**DAVID BURNEY**, *Commissioner*, ABSTAINING

**ALLEN P. CAPPELLI, Esq.**, *Commissioner*, VOTING NO



CITY PLANNING COMMISSION  
 CITY OF NEW YORK  
 DIAGRAM SHOWING PROPOSED  
**ZONING CHANGE**  
 ON SECTIONAL MAP  
**16c**

BOROUGH OF  
**BROOKLYN**

*S. Lenard*  
 S. Lenard, Director  
 Technical Review Division



New York, Certification Date  
 OCTOBER 29, 2018  
 CPC, Modification Date  
 APRIL 08, 2019



**NOTE:**

-  Indicates Zoning District Boundary
-  The area enclosed by the dotted line is proposed to be rezoned by changing an existing M1-1 District to an R7A District and by establishing a C2-4 District within the proposed R7A District.
-  Indicates a C2-4 District





Eric Adams  
Borough President

# COMMUNITY BOARD NO. 8

1291 ST. MARKS AVENUE • BROOKLYN, NEW YORK 11213

TEL.: (718) 467-5620 • FAX: (718) 778-2979

Nizjoni Granville  
Chairperson

Robert Matthews  
Chairperson Emeritus

Michelle T. George  
District Manager

January 8, 2019

Ms. Marisa Lago, Director  
Dept. of City Planning  
120 Broadway, 31<sup>st</sup> Floor  
New York, NY 10271

**Re: ULURP Application 1800422MK, N180043ZRK for 1010 Pacific Street Rezoning (CEQR 16DCP134K)**

Dear Director Lago,

At the December 13, 2018 general meeting, members voted 22 in favor, 0 opposed, with 3 abstentions to withhold support for the aforementioned ULURP application seeking to change the zoning of a portion of Block 1133, in particular, project site 1010 Pacific Street (block and lots 1133/ 32 & 42) between Grand and Classon Avenues from M1-1 to R7D/C1-4. The application includes 11 additional non-applicant controlled sites: lots 32, 42, 43 – 49 and 51 -53. Board members resolved to withhold support unless the following changes were made to the application:

- The eastern boundary of the area to be rezoned is moved to 230 feet west of Classon Avenue;
- The application is amended to establish an MX district with mapping to M1-4 to reduce the non-residential parking requirement;
- The zoning envelope be amended from R7D to R7A, pursuant to a binding commitment by the applicant to make residential development per R6A MIH, with remaining bulk for non-residential use, including community facility use, and full ground floor lot coverage for non-residential use, excluding lobby, core and parking entrance; and
- In the absence of such a commitment, rezoning is amended to R6A/M1-4.

Additionally, there is concern that information presented to the Borough President differed from information presented to us, mainly that the AMI level of 60% was increased to

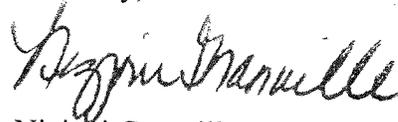
80% at the Borough President's hearing. The jump in AMI is quite considerable, and dramatically changes the landscape of affordability for the project.

As you are aware from past communication, Brooklyn Community Board 8 is diligently working on what is known as the M-CROWN proposal, which would create a new zoning for the under-utilized manufacturing zone within Community District 8 to serve the dual purpose of providing much needed affordable housing and economic development via commercial and light manufacturing uses in the catchment area. Unfortunately, the Dept. of City Planning has been resistant to embrace elements of the M-CROWN proposal, and the owners and developers of the 1010 Pacific Street site are seeking to capitalize on the length of time the study is taking to complete, and push through their own vision for the site. If we were to approve of this plan, it is our belief that it would open the doors for other private developers to move further away from what our community needs in advancing their own visions and desires for the area.

We hope that through the ULURP process, changes to the application are made by your agency and by the City Council so that the proposal is made more compliant with the M-CROWN vision. We understand the frustration on behalf of the applicants in having to wait until DCP approves the M-CROWN proposal, but we are steadfast in our resolve to see M-CROWN succeed.

Thank you for the opportunity to allow us to participate in this very important process in changing the face of our community. If you have any questions, comments, or concerns, please do not hesitate to contact us.

Sincerely,



Nizjoni Granville  
Chairperson

**Brooklyn Borough President Recommendation**  
CITY PLANNING COMMISSION  
120 Broadway, 31<sup>st</sup> Floor, New York, NY 10271  
[calendaroffice@planning.nyc.gov](mailto: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 #:** 1010 PACIFIC STREET – 180042 ZMK, 180043 ZRK

Applications submitted by 1010 Pacific Street LLC pursuant to Sections 197-c and 201 of the New York City Charter for zoning map and text amendments to rezone the northeast section of a block fronting Classon Avenue and Pacific Street to a length of 440 feet. The zoning map amendment would change the properties from M1-1 to R7D and establish a C2-4 commercial overlay within the rezoning area. The zoning text amendment would designate the site as a Mandatory Inclusionary Housing (MIH) area. Such actions would facilitate the development of an 11-story mixed commercial, community facility and residential building, containing 154 dwelling units in Brooklyn Community District 8 (CD 8). Approximately 39 apartments would be affordable to households at an average of 60 percent AMI, according to MIH Option 1. The development would provide approximately 7,056 sq. ft. of commercial floor area, 4,378 sq. ft. of area for community facility use, and accessory parking for 50 vehicles. The applicant would recruit a local arts non-profit organization to operate the community facility space.

COMMUNITY DISTRICT NO. 8

BOROUGH OF BROOKLYN

**RECOMMENDATION**

APPROVE  
 APPROVE WITH  
MODIFICATIONS/CONDITIONS

DISAPPROVE  
 DISAPPROVE WITH  
MODIFICATIONS/CONDITIONS

SEE ATTACHED

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

February 8, 2019

\_\_\_\_\_  
DATE

**RECOMMENDATION FOR: 1010 PACIFIC STREET – 180042 ZMK, 180043 ZRK**

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On December 17, 2018, Brooklyn Borough President Eric L. Adams held a public hearing on the acquisition request. There were five speakers on the item, with one in support and four in opposition. Speakers in support included a local resident who noted the need for new affordable housing in the area, and the importance of testing the local real estate market with successful mixed use projects. Speakers in opposition included three members of Brooklyn Community Board 8 (CB 8)'s Land Use committee who clarified the board's position on the application, expressed concerns about the proposed development's impact on the M-Crown framework, and took issue with the stated amount of affordable housing and parking provided within the development. Finally, a representative of 32BJ Service Employees International Union (32BJ SEIU) noted the need for a commitment to well-paying building service jobs on this project.

Borough President Adams noted that CB 8 has updated its M-Crown zoning recommendations for the M1-1 district, based on the New York City Department of City Planning (DCP) M-Crown framework, which contains the proposed rezoning.

In response to Borough President Adams' inquiry regarding CB 8's recommendations for the M-Crown area, and how the requested zoning district and extent of the envisioned use are consistent with the board's vision, the representative stated they are committed to finding tenants who conform to uses laid out in the M-Crown framework. With regard to the envisioned arts center, the applicant intends to work with the community and elected officials to find an appropriate organization.

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 the overall bedroom mix as 37 studios, 61 one-bedroom units, 48 two-bedroom units, and eight three-bedroom units. According to MIH Option 1, the development would provide 10 studios, 15 one-bedroom units, 12 two-bedroom units, and two three-bedroom units. The incomes and rents would be pursuant to guidelines published by the New York City Department of Housing Preservation and Development (HPD).

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 8, and whether the applicant's marketing strategy would include a financial literacy campaign to assist local residents in becoming lottery-eligible, the representative stated they intent to work with the local City Council member to identify a local

community group and work with such group and the council member's office to hold workshops on how to apply for affordable units.

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, New York City Department of Environmental (DEP) rain gardens, solar panels, and/or wind turbines, the representative noted the intended historic preservation, and stormwater features, including retention on the roof, rear yard gardens, and rain gardens.

In response to Borough President Adams' inquiry regarding the inclusion and participation of locally-owned business enterprises (LBEs) and women-owned business enterprises (MWBEs) in the construction process, the representative expressed commitment to use MWBE contractors, as well as to work with the City Council member and CB 8 to identify such entities. It was noted that the developer has worked with MWBEs in the past, and would also try to hire local residents for construction site.

Subsequent to the hearing, Borough President Adams received a letter from the applicant's representative, dated February 1, 2019, detailing the anticipated average rents and bedroom mix, the applicant's strategy for marketing the affordable housing units, and its intent to retain MWBE contractors for the construction of 1010 Pacific Street.

### **Consideration**

On December 13, 2018, CB 8 disapproved this application with the following conditions: That the eastern boundary of the rezoning area be restricted to 230 feet west of Classon Avenue; that the application be amended to establish an MX district, with an M1-4 zone mapped to reduce the non-residential parking requirement; that the zoning envelope be amended from R7D to R7A pursuant to a binding commitment by the applicant to achieve residential development per R6A/MIH, with the remaining bulk reserved for community facility use, and full ground-floor lot coverage for non-residential use, excluding the lobby, elevator core, and parking entrance, and that in the absence of such commitment that the rezoning be amended to R6A/M1-4. The board also expressed concerns regarding the possibility that the developer might pursue MIH Option 2 instead of Option 1, which, while providing a greater amount of affordable floor area, would target households at an average AMI of 80 rather than 60 percent.

The applicant's property consists of two tax lots that would be merged into a single 25,869 sq. ft. zoning lot with approximately 235 feet of frontage on Pacific Street. The larger lot is improved with a two-story brick warehouse, constructed circa 1900, while the smaller one is an accessory parking lot. The applicant seeks to rezone these two lots and 10 adjacent lots to the east, fronting Classon Avenue and Pacific Street, from M1-1 to R7D/C2-4 and establish an MIH area coterminous with the rezoning boundary. The non-applicant lots range from 1,320 to 4,050 sq. ft. in size and house a variety of commercial, industrial, and residential uses. The rezoning area contains three residential buildings with a total of 16 dwelling units.

The surrounding context includes a vibrant mix of commercial, industrial, and residential uses, located within an M1-1 zone bordered by Atlantic Avenue to the north and Bergen Street to the south. 1000 Dean Street, a 150,000 sq. ft. historic building that was renovated in 2014 to house a mix of commercial uses and a ground-floor food hall, is located two blocks away from the project site. Most buildings in the M1-1 zone range from one to four stories and typical uses include offices and warehouses. There are numerous unimproved lots, utilized primarily for open storage.

This M1-1 district contains CB 8's M-Crown study area, which emerged from the 2013 Crown Heights West rezoning and a 2015 CB 8 resolution calling on the New York City Department of City Planning (DCP) to establish a zoning framework for the area. The board found an urgent need for affordable housing and jobs within CD 8, coupled with a high rate of underutilized and vacant properties in the M1-1 zone. The M-Crown plan treats the M1-1 district as an opportunity zone and seeks to increase available density for commercial/manufacturing uses mixed with residential floor area on certain blocks. Its strategies include using market-rate office, residential, and retail development to cross-subsidize affordable housing and creative artisanal and maker economy work spaces. It also seeks affordability levels based on the median income for CD 8 and maximizing potential for living wage jobs. With regard to job creation, the M-Crown planning framework seeks to grow and retain creative artisanal and maker economy jobs while fostering a wide range of employment categories, including eating and drinking establishments, entertainment, hotels, retail, medical, and office uses.

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, the development rights generated from the R7D section of the site would result in, at minimum, 25 percent of the residential zoning floor area made permanently affordable according to MIH, resulting in approximately 39 permanently affordable housing units. Development adhering to the MIH program is consistent with Borough President Adams' policy for affordable housing developments to remain permanently affordable.

Borough President Adams 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 redevelopment of 1010 Pacific Street would target units to households at multiple income tiers through the affordable housing lottery.

Borough President Adams believes that zoning to increase density is appropriate in proximity to public transportation. Nearby transportation includes the Long Island Rail Road (LIRR), New York City Transit (NYCT) subways, and several bus lines. The closest subway station, Franklin Avenue, is served by the Eighth Avenue Express A and Local C trains, as well as the Franklin Avenue Shuttle. The LIRR stops at Nostrand Avenue, approximately four blocks east of the site. Nearby buses include the B48, which travels along Classon Avenue, and the B65, which runs along Bergen and Dean streets.

Borough President Adams is supportive of commercial zoning that is a reflection of an area reasonably served by transit. The amount of commercial and community facility floor area for the proposed development at 1010 Pacific Street would be below the threshold that would require the provision of additional parking associated with these uses. There would be no requirement for the affordable housing units due to the development's location in a transit zone. However, he believes that tying the proposed parking for the development at 1010 Pacific Street on its provision of market-rate housing would be appropriate.

Borough President Adams is generally supportive of the redevelopment of the property at 1010 Pacific Street. However, he believes that proposed rezoning would result in excessive density and height, and lack the extent of desired non-residential floor area with such floor area being consistent with the M-Crown plan, or, in lieu of such inclusion within 1010 Pacific Street, insufficient commitment of additional permanently affordable housing floor area to increase the public benefit of the upzoning. In addition, with regard to 1010 Pacific Street, he seeks for there to be the memorializing of a percentage of apartment types suited to families, maximizing community participation to obtain the affordable units, including senior households, promoting access to car-share vehicles, incorporating resilient and sustainable energy and stormwater practices, as well as achieving a high level of local hiring for the project's construction. With regard to the affordable housing lottery, Borough President Adams believes that the New York City Department of Housing Preservation and Development (HPD) should modify its community preference standards to include the local homeless student population, and calls on the City Planning Commission (CPC) and City Council to modify MIH regulations so as to qualify rent-burdened households for affordable housing developed pursuant to MIH. Finally, he encourages the applicant to provide high-quality building service jobs at 1010 Pacific Street.

### **Appropriate Zoning and Density**

As represented, 1010 Pacific Street would be constructed to the maximum 5.6 FAR permitted under the proposed R7D MIH district. Such zoning exceeds both the density and height of CB 8's M-Crown framework. The represented 5.11 FAR residential floor area is far in excess of the 3.6 residential FAR stipulated in the M-Crown framework. Moreover, at a maximum height of 115 feet and 11 stories, the building would be far taller than any of the adjacent properties in the current M1-1 district. The R7D and its Voluntary Inclusionary Housing (VIH) density equivalent, has been established in Brooklyn along the Fulton Street subway transit corridor and the Myrtle Avenue bus transit corridor, also in proximity to nearby subway service in CD 3, in CD 13 as part of the Special Coney Island District (SCID), in CD 16 either in proximity to the Broadway Junction transit hub and the New Lots Avenue station, and opposite the Brownsville Recreation Center, as well as more recently along a very-wide section of Park Avenue in CD 2. At a width of 70 feet, Pacific Street is defined in the New York City Zoning Resolution (ZR) as a narrow street, and is not located in proximity to subway service (though the site is in a ZR-defined transit zone). Therefore, Borough President Adams believes that the proposed bulk and density, pursuant to R7D zoning, are not appropriate for this block.

Regarding the 1010 Pacific Street development site, Borough President Adams concurs with CB 8's recommendation that the zoning should be limited to R7A to result in substantially reduced bulk and height. Such a district would allow up to 4.6 FAR in a configuration not exceeding nine stories (95 feet). This designation, coupled with a further restriction of the allowable residential FAR to 3.6 through other use controls to maximize commercial floor area for uses consistent with M-Crown, would be more in line with the M-Crown framework. While R7A might be appropriate density and height for the remaining portion of the block proposed for rezoning, such a district would not provide a means to ensure that future development would be consistent with the M-Crown framework for its mid-block and short end-of-the-block sections. Therefore, the City Planning Commission (CPC) and/or the City Council should modify the proposed R7D/C2-4 district to a R7A/C2-4 beyond 230 feet of Classon Avenue.

### **Limiting the Rezoning Boundary to Maximize Future Occupancy by M-Crown Uses**

Borough President Adams recognizes CB 8's concerns regarding the extent of the proposed rezoning on Classon Avenue, which includes 10 non-applicant lots. While the current M1-1 zoning does not permit residential use, the requested R7D/C2-4 MIH district would unlock 5.6 FAR, creating an incentive to redevelop the lots as high-rise, primarily residential buildings.

The applicant's Environmental Assessment Statement (EAS) projects three non-applicant development sites and one additional potential development site. The first of these sites involves a 2,750 sq. ft. lot presently occupied by a one-story industrial building. Under the proposed rezoning, this lot was projected to yield a 16-unit mixed-use building with a commercial ground floor. The second of these sites involves merging two adjacent lots on the block's northeast corner into a single 3,890 sq. ft. zoning lot. This assemblage might yield a 23-unit building with ground-floor commercial use. The third of these sites involves merging two adjacent lots fronting Classon Avenue into a single 3,260 sq. ft. zoning lot that was projected to accommodate a 19-unit development with a commercial ground floor. It should be noted that because these sites were represented to result in fewer than 25 projected dwelling units, the affordable units pursuant to MIH would not have to be provided onsite, but rather a financial contribution could be made to the City's affordable housing fund. Finally, the potential development site identified would result from the merger of three lots currently held in common ownership. The resulting 7,130 sq. ft. combined lot was projected to yield a 42-unit development with ground-floor commercial use.

When mapped with a commercial overlay, the R7D zoning district mandates retail use to a depth of at least 30 feet on the ground floor. Therefore, any future development on the non-applicant sites would result in some commercial use. However, such use would be limited to Use Groups (UGs) 3 through 9, which encompass community facilities and retail-focused commercial establishments. With the exception of UG 9, which includes studios for creative uses, virtually none of these commercial uses would provide M-Crown uses for the mid-block area.

While the range of permitted uses for the non-applicant controlled properties would be generally consistent with the M-Crown framework, there is no guarantee that any non-residential floor area would be developed on these lots beyond a depth of 30 feet. On the other hand, pairing the C2-4 overlay with a less dense residential district would remove the commercial use floor area requirement for the rezoned properties. Therefore, with or without the ground floor requirement, there is no appropriate mechanism to achieve the desired M-Crown uses and extent of non-residential floor area. In addition, Borough President Adams believes that permitting new development to maximize residential use in the M-Crown study area without a guarantee of additional commercial and/or industrial use is contrary to the plan's goals.

Retaining M1-1 zoning on the applicant properties would allow a wider range of M-Crown framework uses. However, the ZR imposes a more substantial parking requirement of one space per 300 square feet in M1-1 districts for UGs 6 through 9, which serves as a deterrent to the cost-effective development on non-residential use and thus might effectively limit such occupancy on the commercial ground floor. However, the retention of the M1-1 district on the non-applicant lots would help prevent the displacement of existing commercial/industrial uses until a more appropriate set of zoning mechanisms can be advanced toward encouraging occupancy by M-Crown consistent uses.

One solution to advance the M-Crown framework would involve combining R7A zoning with M1-4 to create an MX district along with non-residential floor area requirements. In contrast to M1-1 zoning, M1-4 does not require accessory parking. Such a solution would require the advancement of a manufacturing district equivalent of a Special Enhanced Commercial District (SECD). As such approaches are beyond the scope of the application, they are not available to the CPC and/or City Council during this ULURP process. Therefore, given the potential for displacement of existing commercial/industrial uses, and the risk of development inconsistent with the M-Crown framework, Borough President Adams believes that the CPC and/or City Council should approve a commercial district with an R7A residential equivalent and retain the existing M1-1 district within 230 feet of Classon Avenue.

**Restricting Residential Floor Area and Maximizing Ground-Floor Commercial Floor Area to Promote Uses Consistent with the M-Crown Plan**

The M-Crown framework encourages and/or permits certain uses through floor area increases, mandatory floor area requirements, and preferential zoning floor area. According to the plan, most of the sub-areas would allow residential use pursuant to MIH. For the sections of Atlantic Avenue and block ends where residential uses would be permitted, the framework seeks ground floor non-residential use. For mixed-use area mid-blocks, such as the 1010 Pacific Street block, the framework mandates provision of M-Crown required uses in a manner consistent with SECDs, though with more restrictions on permitted uses. The resulting ground-floor uses for mid-blocks would include arts and culture spaces, community facilities including medical offices, light industrial applications, and studios for uses in the creative arts.

For the mid-block MX zone in which 1010 Pacific Street is located, the framework seeks to promote moderate-density mixed-use development. This would be achieved through M-Crown guidelines that stipulate a residential FAR of 3.6, approximately 0.25 FAR of M-Crown required uses, and preferential floor area of approximately 1.15 FAR for a wider range of permitted commercial uses. As represented, the program at 1010 Pacific Street, which consists of 5.11 FAR of residential use, 0.17 FAR of M-Crown use, and 0.3 FAR of other non-residential use, does not meet CB 8's specific goals for mixed-use development in the study area. Moreover, the commercial ground floor envisions occupancy by retail uses to an extent that appears to contradict what would be permitted for mid-block properties.

Increasing the amount of commercial floor area in the development would create additional opportunities for the incorporation of required M-Crown uses. One means to encourage more floor area for M-Crown uses is to limit residential floor area, while maximizing ground-floor commercial space. Reducing the proposed development's residential bulk from 5.11 to 3.6 FAR, which is the maximum permitted in an R6A district, would yield additional FAR for non-residential occupancy, which could be used to achieve the recommended maximum permitted floor area according to R7A MIH. Such non-residential floor area could be realized by mandating 100 percent ground-floor lot coverage with primary occupancy by commercial/industrial uses, except as required for the lobby, elevator core, and parking entrance associated with the residential component.

As noted, the 1010 Pacific Street ground floor is intended to realize 7,056 sq. ft. of commercial area, with an additional 4,378 sq. ft. of community facility space. However, the ground floor also includes a 5,531 sq. ft. non-required commercial rear yard, a 3,563 sq. ft. garden in the rear of the proposed art gallery, and an additional non-required landscaped rear yard. If these areas were converted to enclosed non-residential space, the ground floor would be able to accommodate additional non-residential uses, and achieve the approximate 0.25 FAR of M-Crown uses. However, even with such additional floor area, there would be no guarantee that the ground-floor would be reserved for such uses, especially given the limited UGs permitted under the requested C2-4 commercial overlay zone. Moreover, the 0.17 FAR of M-Crown uses represented by the art gallery has not been memorialized and does not restrict the gallery's ground-floor space to uses consistent with the M-Crown framework.

While it may be premature to mandate such use restrictions throughout the larger M-Crown framework area, Borough President Adams believes that prior to considering the application, the City Council should obtain commitments, in writing, from the applicant, 1010 Pacific Street LLC that clarify the extent that it would limit residential FAR to R6A MIH, provide additional non-residential floor area to maximize M-Crown permitted uses, and limit non-residential use within 30 feet of both street walls to restricted M-Crown uses and beyond 30 feet from the street wall to the permitted M-Crown uses.

### **Designating an MIH Option That Provides for Very Low-Income Households**

The ZR specifies four options for new construction subject to MIH regulations. The option initially disclosed in the application for 1010 Pacific Street is one of two that requires making some units available to very low-income households. During Borough President Adams' hearing, the applicant's representative stated that under MIH Option 1, 1010 Pacific Street would provide 10 studios, 15 one-bedroom units, 12 two-bedroom units, and two three-bedroom units, while under MIH Option 2, the development would contain 11 studios, 18 one-bedroom units, 15 two-bedroom units, and three three-bedroom units. However, in the letter to Borough President Adams dated February 1, 2019, the applicant's representative provided the anticipated bedroom mix, with both 25 percent affordable housing floor area (MIH Option 1) and 30 percent affordable housing floor area (MIH Option 2).

While MIH Option 2 would result in a greater number of affordable housing units including family-sized units, it would also target households at higher AMIs. However, lower-income households are more likely to be in need of affordable housing as they tend to have a higher segment of rent-burdened tenants. Furthermore, targeting apartments to very low-income households allows seniors, especially one-person households, to qualify for affordable housing lotteries. Borough President Adams believes that providing affordable housing opportunities for some very low-income households serves a reasonable public purpose for those constituents.

MIH Option 1 requires that 40 percent of the MIH residential floor area be marketed at rents affordable to households at 40 percent AMI. Since MIH Option 1 applies to 25 percent of the residential floor area, approximately 10 percent of the units at 1050 Pacific Street would be affordable to such households. As compared to MIH Option 2, MIH Option 1 reduces the amount of legally permanent affordable housing floor area. However, Borough President Adams believes that designating MIH Option 1 at 1010 Pacific Street would provide project enhancements for very low-income constituents in need of affordable housing. Furthermore, CB 8 has called for MIH Option 1 to be mapped at this site, as part of its conditional approval of the project in order to provide deeper affordability for a range of households, particularly those in the CD 8 community.

Therefore, prior to considering the application, the CPC and/or the City Council should obtain commitments in writing from the developer, 1010 Pacific Street LLC, to provide permanently affordable housing according to MIH Option 1.

### **As an Alternative to Maximizing M-Crown Use Floor Area: Achieving Greater Affordability of the Affordable Housing Floor Area**

Should the City Council determine that it prioritizes residential development over maximizing M-Crown use floor area for the development of 1010 Pacific Street, Borough President Adams believes that the requested zoning floor area increase substantially exceeds the public benefit of affordable housing floor area in proportion to the requested change in the market rate floor area.

In order to have MIH withstand constitutional challenges, it must have consistency for advancing a public purpose. However, in doing so, the proposed MIH rezoning falls well short of capturing the added value of the increase in floor area that results from converting low-density manufacturing land to higher-density residential use. Upzoning from an M1-1 district, with no residential FAR, to an R7D MIH district, with a maximum 5.6 FAR, results in a windfall of development rights beyond the standard public benefits attributed to MIH. Such a FAR increase and use opportunity incentivizes significant market-rate development in comparison to as-of-right opportunity. There is thus a significant difference between drastic upzonings, such as what is proposed in this application, and more modest upzonings, such as changing an R6A to R7A. Additionally, any zoning district in excess of R6A lacks leverage through MIH to induce more affordable housing as a

public benefit pursuant to MIH. As such, the proposed rezoning would substantially enrich the development site with market-rate floor area without the public benefit of extra affordable housing, compared to an upzoning that provides for less development opportunity.

Borough President Adams believes that significant upzonings should yield more affordable housing 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 can be achieved by blending what is required, according to the proposed MIH, with the establishment of a voluntary special bulk permit. However, in the absence of such a special permit within the ZR, he believes that an applicant could equate such policy through a legally binding mechanism.

Specifically, under this request, Borough President Adams believes that a determination of an appropriate extent of affordable housing floor area in excess of the MIH requirements, the site should be analyzed in the context of R6A MIH regulations, which stipulate a FAR of 3.6. As proposed to be mapped, the 1010 Pacific Street property's 25,869 sq. ft. of lot area within the proposed R7D MIH zoning represents 119,000 sq. ft. of additional development rights in excess of the M1-1 district. Of such rights, 100,056 sq. ft. was represented to be used for market-rate residential floor area according to MIH Option 1, and 7,056 sq. ft. would be reserved for market-rate commercial use, inclusive of retail. This is 38,785 sq. ft. in excess of what is permitted for market-rate floor area if this site were zoned as an R6A MIH district assuming the 4,378 sq. ft. of art gallery space were retained. Borough President Adams believes that a portion of these rights might be reasonably used to advance additional public benefit.

For 1010 Pacific Street LLC to seek the additional 2.0 FAR of residential floor area, it is Borough President Adams' policy that there be a requirement for 40 percent of the additional residential floor area to be affordable based on rents averaging 60 percent AMI. Linking a substantial amount of market-rate floor area in excess of the 3.6 FAR, at an increased percent of the affordability requirement up to 4.6 FAR (according to Borough President Adams' recommended R7A overall floor area) would produce approximately 3,877 sq. ft. of additional floor area for affordable housing if the City Council were to agree to adopt R7A in lieu of the proposed R7D district. If the City Council seeks to adopt the proposed R7D district at an increased percent of the affordability requirement for the increment up to 5.6 FAR, such enhanced affordability requirement would produce approximately 7,757 sq. ft. of additional floor area for affordable housing.

Linking a substantial amount of market-rate floor area in excess of R6A to the developer benefit of a zoning district with either R7A MIH FAR, or the even substantially higher R7D MIH FAR, would still provide sufficient incentive for the developer to seek such a zoning district, while generating the publicly desired affordable housing.

Should the City Council deem it appropriate to prioritize residential floor area over M-Crown use floor area, unless there is an adequate demonstration by the developer of a commitment to pursue a binding mechanism for the additional 1.0 FAR beyond R6A (if R7A were approved) or an additional 2.0 FAR beyond R6A (if R7D were approved), then the developer should be required to memorialize the additional 1.0 or 2.0 FAR with 40 percent as permanently affordable and average rent for floor area not exceeding 60 percent AMI standards. Otherwise, it would not be appropriate for the development site to exceed R6A residential floor area. The CPC and/or City Council should set forth that Borough President Adams' recommended R7A MIH zoning district or requested R7D MIH zoning district be conditioned on a legal mechanism that commits an additional 3,877 or 7,757 sq. ft. of affordable housing floor area at an average rent of 60 percent AMI. Otherwise, the CPC or City Council should not consider exceeding R6A MIH floor area.

Borough President Adams believes that should the City Council deem it appropriate to prioritize residential floor area in lieu of M-Crown use floor area, prior to considering the application, the City Council should obtain adequate representation, in writing, from 1010 Pacific Street LLC demonstrating the filing of a legally binding mechanism that commits an increased percentage of permanently affordable housing floor area. The applicant's representative also clarified the range of resiliency and sustainability features that would be incorporated in the proposed development.

### **Bedroom Mix**

A recent report found 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 proposed developments to achieve an affordable unit mix that would adequately reflect the needs of low- to middle-income rent-burdened families.

In total, 1010 Pacific Street was represented to provide for 154 dwelling units, consisting of 37 studio units, 61 one-bedroom units, 48 two-bedroom units, and eight three-bedroom units. Pursuant to MIH Option 1, there would be 39 affordable units, of which 10 would be studios, 15 would be one-bedroom units, 12 would be two-bedroom units, and two would be three-bedroom units. The represented affordable housing bedroom mix is heavily weighted toward studio and one-bedroom apartments, with only 36 percent being two-bedroom units or larger.

The proposed rezoning presents an opportunity to ensure that such representation of accommodations for family-sized apartments is consistent with Borough President Adams' policy of advocating for 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 the letter to Borough President Adams dated February 1, 2019, the applicant's representative provided the projected bedroom mix. Under MIH Option 1, 1010 Pacific Street would provide 10 studios, 15 one-bedroom units, 12 two-bedroom units, and two three-bedroom units. Under MIH Option 2, the development would contain 11 studios, 18 one-bedroom units, 15 two-bedroom units, and three three-bedroom units. Such distribution would result in an inadequate provision of family-oriented apartments.

In order to ensure that an increase of the number of family-sized units is provided in the development, Borough President Adams believes that prior to considering the application, the City Council obtain commitments in writing from the developer, 1010 Pacific Street 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.

### **Achieving Deeper Affordability for Smaller Units to Improve Affordability for Senior 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 have 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 alone. 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. According to the study, there were 60 applicants for every apartment in lotteries conducted by HPD for senior housing developments. A recent study by LiveOn NY found that 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.

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 one-bedrooms. 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 1010 Pacific Street 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 Affordable Housing**

The ZR requires inclusionary 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 8 is served by several non-profit housing advocates such as the Fifth Avenue Committee (FAC), IMPACCT Brooklyn, and the Mutual Housing Association of New York (MHANY), with proven track records of marketing affordable housing units and promoting affordable housing lottery readiness through educational initiatives.

In the letter to Borough President Adams dated February 1, 2019, the applicant's representative affirmed the developer's intent to work with both the local community and City Council member to determine the appropriate administering agent for the affordable housing units.

Borough President Adams believes that prior to considering the application, the City Council should obtain commitments in writing from the applicant, 1010 Pacific Street 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.

### **Staging Car-Share Operations Within the Parking 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 car-parking 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 site is located in a Transit Zone, access to motor vehicles could be a valuable benefit for current and future residents.

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 rentals require, at minimum, a full day's 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 1010 Pacific 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 1010 Pacific 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 1010 Pacific 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 developer, 1010 Pacific Street LLC, should engage car-sharing companies to lease multiple spaces within the garage.

### **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.

Borough President Adams believes it is appropriate for the developer to engage the Mayor's Office of Sustainability, NYSERDA, and/or NYPA, as well as consider 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.

As part of his flood resiliency policy, Borough President Adams encourages developers to introduce best practices to manage stormwater runoff such as incorporating permeable pavers and/or establishing 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.

The required Builders Pavement Plan for the proposed development provides an opportunity to incorporate DEP rain gardens along the site's Pacific Street frontage. Planting street trees on Pacific Street, as required by the ZR for development in quality housing zoning districts, 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 Red Hook Wastewater Treatment Plant during wet weather. Such rain gardens have the added benefit of serving as a streetscape improvement.

Borough President Adams believes that 1010 Pacific Street LLC should consult with DEP, the New York City Department of Transportation (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 8 and local elected officials prior to agreeing to take action.

In the letter to Borough President Adams dated February 1, 2019, the applicant's representative expressed intent to incorporate a green roof garden, low-flow plumbing fixtures, and sustainable construction materials in the proposed development. The applicant also intends to pursue multiple rain gardens on the sidewalk fronting 1010 Pacific Street.

Therefore, prior to considering the application, the City Council should obtain in writing from the applicant, 1010 Pacific Street LLC, commitments that clarify how it would memorialize integrating resiliency and sustainability features. The City Council should further seek demonstration of 1010 Pacific Street LLC's commitment to coordinate with DEP, DOT, and NYC Parks regarding the installation of DEP 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 8 and local elected officials.

### **Implementing a Rat Mitigation Plan in and Around the Development Site to Address Known Infestation Issues in Crown Heights**

In Crown Heights and surrounding neighborhoods, new construction has disturbed rat colonies and dens, creating a public health and quality-of-life issue for local residents. In recent months, Borough President Adams met with those living in the vicinity of the nearby Pacific Park development to observe the problem firsthand. He has since engaged with City Council representatives on proposed legislation that would enforce rat abatement standards during construction phases when rat colonies and their dens are most likely to be disturbed. These include site preparation activities such as borings and drilling followed by excavation, underpinning, and preparation for pouring concrete foundations and footings. Borough President Adams hopes that City Council involvement will lead to certification of rat abatement mitigation procedures at multiple stages of development projects.

However, as such standards are not in place today, Borough President Adams believes that it is appropriate to utilize his advisory role in the ULURP process to secure rat abatement mitigation procedures in order minimize quality-of-life issues for the development's Crown Heights neighbors. Without adequate abatement and mitigation measures, demolition and excavation at 1010 Pacific Street may create ground disturbances that exacerbate the existing rodent problem in Crown Heights. Therefore, Borough President Adams urges the developers to create a rat mitigation strategy including, but not limited to, a robust baiting plan, rat-related enforcement measures, and other pest control measures in and around the proposed development site.

Therefore, Borough President Adams believes that 1010 Pacific Street LLC should commit to a rat mitigation plan implemented prior to and during demolition that includes site excavation and foundation preparation, in consultation with CB 8 and local elected officials.

### **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 2017," 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 20 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).

In the letter to Borough President Adams dated February 1, 2019, the applicant's representative stated intent to employ locally-based MWBE firms for at least part of the construction process, and expressed the expectation that the proposed development's retail and arts spaces would provide jobs for the community.

Borough President Adams believes that prior to considering the application, the City Council should obtain commitments in writing from the applicant, 1010 Pacific Street 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 MWBE as a means to meet or exceed standards per Local Law 1 (no less than 20 percent participation), as well as coordinate the oversight of such participation by an appropriate monitoring agency.

### **Prevailing Wages and Local Hiring for Building Service Workers**

Jobs within the building service and industrial sector have long served as a pathway to middle-class 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 that of the retail sector. Additionally, building service opportunities are often filled through local hiring.

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. Therefore, Borough President Adams strongly encourages 1010 Pacific Street LLC to commit to hiring locally for building service jobs and paying prevailing wages to this workforce.

### **Community Preference: Inclusion of Homeless Shelter Student Population by School 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 the New York City Department of Housing Preservation and Development (HPD) to extend local lottery preference to include the school zone attended by children of households residing at immediate and 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 the Institute for Children, Poverty, and Homelessness (ICPH), there are multiple public schools within several blocks of the proposed development, in Community School District 17 (CSD 17), where the proportion of homeless students is eight to 20 percent. Should the City

Council obligate 1010 Pacific Street LLC to provide units according to MIH Option 1, 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 1010 Pacific Street housing lottery. 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.

### **Accommodating Rent-Burdened Households in Lieu of Strict Area Median Income 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 \$23,310 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 them senior citizens.

There are residents living in rented apartments within CD 8 whose housing is unregulated housing, or whose apartments are 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 11238, disclosed data from the New York City Rent Guidelines Board (RGB) dated June 1, 2017 list 1,850 such units, representing 29 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 this section of CD 8, 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 already paying too much rent for substandard housing are disqualified. Borough President Adams seeks to qualify rent-burdened households to be eligible 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 should 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 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 approve this application with the following conditions:

1. That in lieu of the proposed R7D, the City Council and/or CPC approve, beyond 230 feet of Classon Avenue, the proposed commercial district paired with an R7A residence district, and retain the existing M1-1 zoning district within 230 feet of Classon Avenue
2. That prior to considering the application, the City Council obtain commitments in writing from the applicant, 1010 Pacific Street LLC, that clarify how it would:
  - a. Restrict residential floor area ratio (FAR) to R6A Mandatory Inclusionary Housing (MIH)
  - b. Provide 100 percent ground-floor lot coverage to maximize M-Crown permitted uses
  - c. Restrict non-residential use within 30 feet of the street wall to restricted M-Crown uses, inclusive of commercial space for one or more local non-profit organizations such as arts and/or cultural entities at below-market lease terms, such as the indicated art gallery, as warranted
3. That the CPC and/or City Council require MIH Option 1
4. Should the City Council deem it appropriate to prioritize residential floor area in lieu of M-Crown use floor area, obtain adequate representation, in writing, from 1010 Pacific Street LLC demonstrating the filing of a legally binding mechanism that commits an increased percentage of permanently affordable housing floor area
5. That prior to considering the application, the City Council obtain commitments in writing from the applicant, 1010 Pacific Street LLC, that clarify how it would:

- a. Memorialize a bedroom mix having at least 50 percent two- or three-bedroom affordable housing units, and at least 75 percent one or more one-bedroom affordable housing units, but for accounting for studios serving households at 40 percent AMI
- b. Implement outreach efforts to assist senior households earning up to 40 percent AMI for single-person households, and 50 percent AMI for two-person households, as a means to maximize participation in the affordable housing lottery
- c. Utilize a combination of locally-based affordable housing development non-profits to serve as the administering agent, and having one or more such entities play a role in promoting affordable housing lottery readiness
- d. Engage car-sharing companies to lease multiple spaces within the garage
- e. Explore additional resiliency and sustainability measures such as incorporating blue/green/white roof treatment, passive house, rain gardens, solar panels, and/or wind-turbines
- f. Implement a rat baiting plan prior to and during demolition including site excavation and foundation preparation, in consultation with CB 8 and local elected officials
- g. 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 1010 Pacific Street LLC commit to a building service workforce that is recruited from the local population and paid prevailing wages, with appropriate benefits
2. Should the City Council determination result in the project proceeding according to MIH Option 1, 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
3. That the CPC and/or the City Council call for the modification of the Mandatory Inclusionary Housing (MIH) section of the New York City Zoning Resolution (ZR) pertaining to MIH-designated areas being 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 more rent than what the housing lottery offers) to qualify for such affordable housing units pursuant to MIH



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

February 1, 2019

Hon. Eric Adams:

1010 Pacific Street LLC (the “Applicant”) is the applicant for the 1010 Pacific Street Rezoning currently under review by your office. The 1010 Pacific Street development consists of a proposed eleven-story mixed residential, commercial, and community facility building with 154 units, including approximately 39 permanently affordable units if (MIH Option 1 is selected) or 46 units (if Option 2 is selected). The proposed development fronts on Pacific Street in Community District 8. The proposed zoning map amendment would establish an R7D/C2-4 zoning district over the rezoning area. The proposed zoning text amendment would establish the Mandatory Inclusionary Housing (“MIH”) program over the rezoning area.

### Mandatory Inclusionary Housing

### **What are anticipated rents, along with a unit breakdown and bedroom count?**

Anticipated average rents and a unit breakdown are as follows:

	<b>Unit Count</b>	<b>Affordable Units (Option 1) (Approximate)</b>	<b>Affordable Units (Option 2) (Approximate)</b>	<b>Rent at 60% AMI (Option 1)</b>	<b>Rent at 80% AMI (Option 2)</b>
<b>Studio</b>	37	10	11	\$837	\$1,197
<b>One-bedroom</b>	61	15	18	\$1,058	\$1,509
<b>Two-bedroom</b>	48	12	15	\$1,280	\$1,820
<b>Three-bedroom</b>	8	2	3	\$1,472	\$2,096

**How will the affordable units be advertised and will we be partnering with a local non-profit group?**

The Applicant intends to collaborate with the local community to market the affordable units in Community District 8. The Applicant is working with Council Member Cumbo to determine potential non-profits and has preliminarily reached out to a number of these organizations that were suggested by the Council Member.

M/WBE Contracting & Local Job Opportunities

The Applicant intends to use local Minority and Women-owned Business Enterprises (“M/WBE”) for at least a portion of the construction of the building. The Applicant is a contracting company with a long history of using M/WBE for its projects. The Applicant further anticipates that the local retail and arts space in the development will generate sustainable jobs for the community.

Sustainability

1010 Pacific Street LLC is committed to environmental sustainability. Please see the attached letter from Jay Valgora, the project architect, for details about how the proposed development will help meet the environmental challenges of the 21<sup>st</sup> century.

Please be in touch with any questions or for additional information.

Respectfully,

A handwritten signature in dark ink, appearing to read 'Richard Lobel', written in a cursive style.

Richard Lobel

Cc: Richard Bearak

STUDIO V

February 1st , 2019

Richard Bearak  
Deputy Director Planning and Development  
Office of Brooklyn Borough President  
209 Joralemon Street  
Brooklyn, NY 4420

**Re: 1010 Pacific Sustainability Design**

Dear Mr. Bearak,

I am the architect for 1010 Pacific Street in Crown Heights Brooklyn which is applying for a re-zoning. I am writing as a follow up to a public hearing for the project conducted by the office of the Brooklyn Borough President, in response to the question about sustainable design relative to my client's application and architectural plans for this site.

My firm, STUDIO V Architecture, is an established architectural and urban planning firm based in New York City with extensive experience working with the Department of City Planning (and the Brooklyn Borough President's office) on master planning, re-zoning, and architectural design in Brooklyn and throughout the city. The focus of our work is the evolution of urban centers and the re-design of our cities to be greener, more sustainable, resilient, livable, and provide greater equity. Sustainability is central to our practice and design ethos.

A great deal of the Studio's work including this project is strongly focused on the application and implementation of sustainable technologies. This includes the fundamental premise of this project: a proposed re-zoning to create greater density in a transit oriented community, while adding other community benefits, including affordable housing, and a community facility with an arts center.

The 1010 Pacific Street project has many additional specific sustainable features that are unique to this design. Although it was in no way mandated by any historical designation, we elected in our design to include the adaptive reuse of a historic façade and building, in conjunction with elected officials and community groups, to create a new Art Center for the Crown Heights community. While reusing existing buildings is one of the strongest sustainable practices in architecture, we are also designing and incorporating a green roof garden above this, for the use of the residents and community.

Our design also incorporates significant green elements into the architecture. Bioswale Tree pits on the sidewalk and a rear yard rain garden will be part of the project's storm water management system. Low water consumption fixtures will ensure efficient use of domestic water. Our design intends to implement sustainable material specifications including utilizing only low volatile organic compound (VOC) materials, locally sourced materials, recycled content materials and certified sustainably harvested wood products.

Green design is part of STUDIO V Architecture's design practice and a significant element for our design for 1010 Pacific Street. I welcome any questions that you may have. We applaud the Borough President's initiative to promote sustainable architectural, planning, and design practices in the innovative borough of Brooklyn.

Please feel free to reach out to me with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jay Valgora', with a stylized initial 'J' and 'V'.

Jay Valgora AIA, AICP. LEED AP  
Principal, STUDIO V Architecture