



## CITY PLANNING COMMISSION

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August 19, 2020 / Calendar No. 13

C 190296 ZMK

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**IN THE MATTER OF** an application submitted by 1-10 Bush Terminal Owner L.P. and 19-20 Bush Terminal Owner L.P. pursuant to Sections 197-c and 201 of the New York City Charter for an amendment of the Zoning Map, Section No. 16b:

1. changing from an M3-1 District to an M2-4 District property bounded by:
  - a. 32nd Street and its northwesterly centerline prolongation, 3rd Avenue, 36th Street, a line 100 feet northwesterly of 3rd Avenue, 37th Street, and 2nd Avenue; and
  - b. 39th Street, 2nd Avenue, 41st Street and its northwesterly centerline prolongation, a line 245 feet northwesterly of 1st Avenue, the northwesterly centerline prolongation of former 40th Street, and a line 560 feet northwesterly of 1st Avenue; and
2. establishing a Special Industry City District (IC) bounded by:
  - a. 32nd Street and its northwesterly centerline prolongation, 3rd Avenue, a line 45 feet northeasterly of 37th Street, a line 100 feet northwesterly of 3rd Avenue, 37th Street, and 2nd Avenue; and
  - b. 39th Street, 2nd Avenue, 41st Street and its northwesterly centerline prolongation, a line 245 feet northwesterly of 1st Avenue, the northwesterly centerline prolongation of former 40th Street, and a line 560 feet northwesterly of 1st Avenue;

Borough of Brooklyn, Community District 7, as shown on a diagram (for illustrative purposes only) dated October 28, 2019, and subject to the conditions of CEQR Declaration E-527.

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This application for a zoning map amendment, in conjunction with the related actions for a zoning text amendment, special permit and a City Map amendment, was filed by the applicant, 1-10 Bush Terminal Owner L.P. and 19-20 Bush Terminal Owner L.P., on February 19, 2019, to facilitate the proposed Industry City mixed-use development containing approximately 6.6 million square feet of industrial, commercial, and community facility uses in the Sunset Park neighborhood of Brooklyn, Community District 7.

## **RELATED ACTIONS**

In addition to the zoning map amendment (C 190296 ZMK) that is the subject of this report, implementation of the land use actions associated with the proposed development also require action by the City Planning Commission (CPC) on the following applications, which are being considered concurrently with this application:

- N 190298 ZRK**      A zoning text amendment to establish the Special Industry City District (IC) and create a new special permit to modify use, bulk, and other requirements within the newly-created IC
- C 190297 ZSK**      A special permit to modify use, bulk, and other requirements within the IC
- C 160146 MMK**      A City Map amendment for the elimination, discontinuance, and closing of 40th Street between 1st and 2nd avenues

## **BACKGROUND**

This report reflects the conditions at the time of the vote of the CPC. Though the economic impacts of the coronavirus (COVID-19) pandemic remain uncertain at this time, efforts to mitigate such impact are being made citywide. The proposed land use changes are reflective of long-term planning and land use strategies and were considered by the CPC independent of any short-term impacts that may result from the pandemic.

The applicant proposes a zoning map amendment, zoning text amendment, special permit, and an amendment to the City Map in order to facilitate a 6.6-million square-foot mixed-use development, known as Industry City, comprised of industrial, commercial, and community facility uses. The proposed development includes the rehabilitation of 16 existing buildings and the construction of three new buildings in two clusters that collectively occupy approximately 30 acres of land.

### *Historic Bush Terminal Complex*

The Industry City complex was once part of the larger historic Bush Terminal, a 200-acre complex on the Sunset Park waterfront. Bush Terminal was comprised of multiple warehouse structures, loft buildings, and piers that were built beginning in the 1890s and operated as a multimodal, multi-use facility comprised primarily of warehouse, industrial and distribution uses. At its peak, Bush Terminal employed over 30,000 people but employment and activity declined following World War II as heavy manufacturing and large-scale distribution uses left New York City. The Industry City complex is in private ownership, while much of the remainder of the Bush Terminal complex was acquired by the City of New York in the 1970s and remains in City ownership.

### *Prior Land Use Actions*

Over the past 30 years, there have been a number of land use actions by both the CPC and the Board of Standards and Appeals (BSA) in the surrounding area.

In 2009, the CPC approved an application by Community Board 7 for the Sunset Park 197-a plan (N 080396 NPK), which provided a framework to guide the revitalization of the Sunset Park waterfront. The goals of the 197-a plan were to promote industrial redevelopment and job creation in Sunset Park while retaining existing industrial jobs; maximize waterfront access and open space opportunities in combination with industrial and waterfront development; preserve existing industrial, commercial, and residential uses and fabric in the area east of 1st Avenue; encourage development that places a minimal environmental burden on adjacent residential communities; and preserve and celebrate Sunset Park's rich maritime and industrial heritage.

In 1988, the CPC approved an Urban Development Action Area and Project designation, disposition of City-owned land, and a zoning map amendment to change an M3-1 zoning district to an M1-2 zoning district at the northwest corner of 3rd Avenue and 37th Street in order to facilitate the rehabilitation of an existing building for use by a non-profit with sleeping accommodations (C 870526 HAK and C 870329 ZMK).

In 1995, the CPC approved a special permit and a zoning authorization on the block bounded by 37th and 39th streets and 2nd and 3rd avenues (Block 699, Lot 1) to facilitate the development of a retail establishment (Costco) of over 10,000 square feet in an M1 district (C 950319 ZSK and N 950320 ZAK).

In 2003, the CPC approved an acquisition of property to permit the realignment of a portion of the 1st Avenue Rail Line by the NYC Department of Small Business Services (SBS) for a rail easement within the roadbed of 1st Avenue between 39th and 41st streets on Block 706, Lots 24 and 101 (C 030527 POK).

In 2010, the CPC approved an application for the disposition of City-owned property within the South Brooklyn Marine Terminal (SBMT) on Block 662, part of Lot 1 for a long-term lease for parking and accessory uses (C 100204 PPK).

In addition, the CPC has approved a number of site selection and acquisition applications over the last several decades by various City agencies for storing and warehousing of City property, both within Industry City and in the surrounding area.

Prior actions by the BSA include a number of applications approved in 2016 to allow for construction of elevated pedestrian walkways and loading docks within the bed of privately-owned, mapped streets along 34th, 35th, and 36th streets between 2nd and 3rd avenues (83-15-A through 86-15-A).

A BSA variance was granted in 2014 (254-12-BZ) to permit Use Group 10A uses (retail uses with more than 10,000 square feet of floor area per establishment), contrary to use regulations of an M3-1 zoning district on the first and second floors of a 1.1 million square foot building located at Liberty View Industrial Plaza, 850 3rd Avenue (Block 671, Lot 1).

## **Project Area**

The project area is comprised of two non-contiguous areas containing 22 tax lots on nine blocks (Block 679, Lot 1; Block 683, Lot 1; Block 687, Lot 1; Block 691, Lot 1, 44, 45 and 46; Block 695, Lots 1 and 20; Block 706, Lots 1, 20, 24, and 101; Block 710, Lot 1; Block 662, part of Lot 1; Block 695, Lots 37-43). The northern area is roughly bounded by 2nd Avenue to the west, 3rd Avenue to the east, 32nd Street to the north, and 37th Street to the south. The southern area is roughly bounded by 41st Street to the south, 39th Street to the north, 2nd Avenue to the east and the Brooklyn waterfront to the west. The project area includes the existing Industry City complex, seven lots that the applicant intends to acquire and incorporate into the proposed development, and three lots that are not part of the proposed development.

### *Industry City*

Industry City is the largest privately-owned industrial complex in New York City and consists of two building clusters. It is comprised of 16 buildings on 12 tax lots with a total lot area of 1.29 million square feet and 5.3 million square feet of floor area at a floor area ratio (FAR) of 3.9. The northern building cluster is known as the Finger Buildings and the southern building cluster is known as the 39th Street Buildings.

The Finger Buildings are situated between the 80-foot wide 2nd Avenue and the 150-foot wide 3rd Avenue, extending between 32nd and 37th streets on eight tax lots (Block 679, Lot 1; Block 683, Lot 1; Block 687, Lot 1; Block 691, Lot 1 and 44; Block 695, Lots 1, 20, and 43). All streets between 32nd and 37th streets are 60 feet wide and are considered narrow streets. The Finger Buildings are comprised of 10 buildings (numbered 1–10). Finger Buildings 1–9 are six-story structures that rise to 85 feet in height and extend from 2nd Avenue to 3rd Avenue from 37th Street to 33rd Street. Buildings 1–8 are connected at 3rd Avenue (forming a long U-shape) and contain central courtyards that open to 2nd Avenue. Building 9 is located on the north side of 33rd Street and mimics the built form of Buildings 1–8. Building 10 is located on 3rd Avenue between 32nd

and 33rd streets and is 12 stories tall, rising to 170 feet in height. A decommissioned powerhouse structure, which formerly provided electricity to Industry City, is located on the corner of 32nd Street and 2nd Avenue. A two-story office building is located along 3rd Avenue near the intersection of 36th Street (Block 691, Lot 44) and a parking and loading area is located on 3rd Avenue between 36th and 37th streets (Block 695, Lot 43). There are three publicly-accessible courtyards in the U-shape between Finger Buildings 1 and 2, 3 and 4, and 5 and 6 that contain seating, passive recreational uses, landscaping and seasonal programming. The western terminus of the mapped portions of 32nd through 35th streets are located at varying lengths west of 3rd Avenue. The prolongations of the street ends connect to 2nd Avenue but are not mapped streets. They are privately-owned, unmapped driveways that are part of Industry City, but are typically open to vehicular and pedestrian traffic. Elevated walkways along 34th, 35th, and 36th streets separate pedestrian traffic from vehicular traffic and provide loading berths that are parallel to Finger Buildings 1–7 to allow for through traffic along the streets while loading is occurring. A pedestrian corridor called “Innovation Alley” runs approximately midway between 2nd and 3rd avenues between all of the Finger Buildings.

The six 39th Street Buildings are bounded by 41<sup>st</sup> Street to the south and 39<sup>th</sup> Street to the north on four tax lots (Block 706, Lots 1, 24, and 101; Block 710, Lot 1). 41st Street is 60 feet wide and 39th Street is 80 feet wide west of 1st Avenue and 100 feet wide east of 1st Avenue. Buildings 19, 20, and a vacant lot on Block 706, Lot 101, are located between 1st and 2nd avenues, both of which are 80 feet wide. Buildings 22–26 are located between 1st Avenue and the waterfront. The 39th Street Buildings are generally eight-story structures rising to 115 feet in height with the exception of Building 19, that rises to a height of 139 feet, and Building 25, a two-story structure that rises to 30 feet. The section of 40th Street between 1st and 2nd avenues is mapped at 60 feet wide and is approximately 700 feet long, with a total area of 42,000 square feet, but is not built. This section of the street is part of Block 706, Lots 1, 20, 24, and 101, all of which are under private ownership. Portions of Buildings 19 and 20 are constructed within the bed of the mapped street. There are approximately 127 surface parking spaces located within Industry City, in the courtyard between

Buildings 19 and 20 or along the Finger Buildings. In addition, there are 473 off-site parking spaces leased at SBMT that serve Industry City.

Industry City is occupied by mix of commercial and industrial uses, as well as vacant space. Of the existing floor area, approximately 26 percent (1.39 million square feet) is used for storage and warehouse uses, approximately 25 percent is vacant (1.34 million square feet) and 19 percent is used for manufacturing (1 million square feet). Manufacturing uses include producers of food and beverages, clothing, furniture and household goods, and other specialty goods. Custom manufacturing uses, art studios, and film and photography studios occupy approximately 500,000 square feet of floor area. Office uses are comprised of a range of professional services and non-profits and also occupy approximately 500,000 square feet of floor area. A small portion of the space is occupied by other uses such as retail, event space, and trade schools, one of which includes the Innovation Lab, a public-private partnership between Industry City and local non-profit organizations and academic institutions. The Innovation Lab provides a range of workforce development and vocational programs to local residents, including job training, internships, and small business support services, as well as job placement at businesses located in Industry City and elsewhere. Since launching in 2016, over 550 individuals have been trained through a variety of programs, classes, and small business services and over 450 job placements have occurred, with 30 percent of all placements going to Sunset Park residents.

In 2013, the owners of Industry City launched an initiative to rehabilitate and activate the complex and have spent over \$400 million on basic infrastructure improvements. These improvements include replacing of over half of the windows (over 15,000) with energy efficient windows, installing new boiler vacuum systems in all buildings except Building 24, modernizing and moving over 50 percent of the electrical distribution system from the basements to the rooftops to mitigate the risks associated with future floods, transforming three of the Finger Building courtyards into publicly-accessible green spaces, and building elevated sidewalks along the Finger Buildings to facilitate loading and pedestrian and vehicular traffic. These improvements addressed some of the

resulting deferred maintenance accrued over time as well as damage caused by Superstorm Sandy in 2012, though some of the buildings remain in need of significant capital investment in order to be habitable. Since 2013, the employment at Industry City has increased from 1,900 workers at 150 businesses to over 8,000 workers at more than 450 companies.

#### *Planned Acquisition Parcels*

There are seven tax lots that the applicant does not own but intends to acquire in order to expand Industry City. These include six tax lots located on 3rd Avenue between 36th and 37th streets (Block 695, Lots 37, 38, 39, 40, 41, 42) with a total lot area of approximately 10,900 square feet. Lot 37 contains a one-story commercial building with a café. Lots 38–42 contain three-story mixed-use buildings that each contain a ground floor retail use and have two residential units above. One tax lot on 39th Street between 1st Avenue and Buildings 19 and 20 (Block 706, Lot 20) contains a three-story industrial building occupied by a manufacturer of plastic products.

#### *Other Affected Properties*

There are three tax lots affected by the proposed action that are not part of the proposed development. Two lots are located on the northwest corner of 3rd Avenue and 36th Street (Block 691, Lots 45 and 46). Lot 45 contains a one-story retail building and Lot 46 contains a two-story building containing a sandwich shop and an office unit above. The small portion of Block 662, Lot 1 within the project area is a vacant parcel on the southern side of 39th Street that is part of the larger lot occupied by SBMT.

#### **Surrounding Area**

The area to the west of the 3rd Avenue is comprised of a mix of industrial and commercial uses and vacant land. Located immediately to the west of the project area across 2nd Avenue is SBMT, which is owned by the City of New York. The Sims Municipal Recycling Facility is located on the 29th Street Pier in the northern portion of SBMT. The remainder of SBMT is largely vacant and is the subject of an initiative led by the NYC Economic Development Corporation (EDC) to

reactivate 64 acres of the site to support future offshore wind production.

Immediately north of the Finger Buildings across 32nd Street is the GSA Fleet Motor Management site, comprised of a vacant warehouse building of approximately 13,000 square feet and an adjacent parking area owned by the federal government and the Liberty View Industrial Plaza, an approximately 1.1 million square foot, eight-story development containing big-box retail and industrial uses. North of the Liberty View Plaza is the Metropolitan Detention Center, a federal detention facility located on the block bounded by 29th Street, 30th Street, 2nd Avenue and 3rd Avenue. South of the Finger Buildings, a large-scale retail establishment (Costco) occupies a super block between 37th and 39th streets and 2nd and 3rd avenues.

Between the waterfront and 3rd Avenue south of 39th Street are predominantly one- and two-story buildings used for warehouse, industrial and auto-related uses, including the City-owned portion of the Bush Terminal complex comprised of several warehouse buildings that are partially or fully vacant and the site of the EDC-led “Made in NY” initiative to create space for the garment manufacturing and film and media industries.

The elevated Gowanus Expressway runs above 3rd Avenue to the east of the project area, separating the industrial neighborhood to the west from a mix of lighter industrial uses, commercial, residential and community facility uses to the east. There are a mix of small- to medium-sized warehouse buildings with commercial, storage and industrial uses and residential buildings ranging from two to four stories in the area to the east of the expressway. A mix of retail and auto-oriented uses are located along 3rd Avenue and a mix of three-story mixed-use (ground floor commercial and upper floor residential) buildings, and commercial and community facility uses are located along 4th Avenue. The primary vehicular east-west route in the area is 39th Street, which connects the Sunset Park waterfront to Borough Park.

The 36th Street subway station, providing access to the D, N, and R subway lines, is located one

avenue east of the project area, at the intersection of 36th Street and 4th Avenue. The applicant currently provides a shuttle bus service to and from Industry City to this station every 10 minutes. The 36<sup>th</sup> Street subway station is one express stop away from the Atlantic Terminal station in Downtown Brooklyn, a local and regional rail transit hub that provides access to the Long Island Railroad and nine subway lines. Access to public bus service is provided by the B37, which runs along 3rd Avenue and connects Downtown Brooklyn to Bay Ridge; the B70, which connects the Sunset Park waterfront at 39th Street to Dyker Heights; and the B35, which runs along 39th Street and provides service from Sunset Park to Brownsville.

There is an active rail line that extends from the 65th Street railyard at the waterfront to the Sims recycling facility at SBMT. This rail line crosses through the project area, along 1st Avenue between 39th and 41st streets.

The Brooklyn Waterfront Greenway Master Plan is a planned 26-mile pedestrian and bicycle path that will connect Greenpoint to Bay Ridge. Approximately 18 miles of the Greenway have been built. A section of the Greenway is planned within and around the project area along 2nd Avenue and 39<sup>th</sup> Street, but has not yet been built.

Portions of the project area are located within the 100-year flood zone and the entirety of the project area is located within the Southwest Brooklyn Industrial Business Zone (IBZ). A portion of the project area is located within the 200-acre New York State/National Register-eligible Bush Terminal Historic District.

### **Existing Zoning**

The bulk of the project area is comprised of 15 tax lots that are currently within an M3-1 zoning district. M3 zoning districts permit the heaviest industrial uses, as well as light industrial uses and a range commercial uses including retail and office. Retail uses that exceed 10,000 square feet of floor area per establishment and hotels and most community facility uses are generally not allowed.

Other than trade schools for adults, no academic or educational institutions are allowed as-of-right. M3-1 zoning districts have a maximum FAR of 2.0. Height and setback regulations permit a maximum base height before setback of 60 feet (or four stories) with overall height governed by a sky exposure plane. Parking regulations require one parking space per 1,000 square feet of floor area (or one per three employees) for manufacturing or semi-industrial uses and one parking space per 300 square feet for general retail or service uses.

A small portion of the project area, the 3rd Avenue frontage between 36th and 37th streets, is mapped within an M1-2 zoning district (Block 695, Lots 37-43). M1-2 zoning districts permit a range of commercial, industrial, and select community facility uses. Retail uses that exceed 10,000 square feet of floor area per establishment are generally not permitted, except through CPC special permit. Permitted community facility uses are limited to health facilities governed by New York State, ambulatory medical facilities, houses of worship and museums that are ancillary to existing motion picture, radio, or television studios. Other than trade schools for adults, no academic or educational institutions are permitted as-of-right. Schools are permitted only by BSA special permit. Hotels are permitted only by CPC special permit. A maximum FAR of 2.0 applies to manufacturing and commercial uses and a maximum FAR of 4.8 applies to community facility uses. Height and setback regulations permit a maximum base height before setback of 60 feet (or four stories) with height governed by a sky exposure plane. Parking requirements vary depending on use. Parking regulations require one parking space per 1,000 square feet of floor area (or one per three employees) for manufacturing or semi-industrial uses and one parking space per 300 square feet for general retail or service uses.

### **Proposed Development**

The applicant seeks to transform a complex of underutilized buildings into an “Innovation District” at Industry City, a mixed-use complex that would support businesses involved in every step of the production process, ranging from research and development to design, engineering and manufacturing. This district would be predominantly comprised of “Innovation Economy”

businesses that make products in a variety of sectors, including art and design, film and television, retail products, fashion, technology, and food. The proposed development would preserve and rehabilitate the 16 existing buildings within Industry City and expand the complex with the addition of three new buildings and create a pedestrian-friendly environment that activates local streets and connects the upland neighborhood to the waterfront. The full vision for the proposed development comprises four zoning lots (19 tax lots) with a total lot area of 1.3 million square feet and 6.6 million square feet of development (4.97 FAR). The applicant states that the proposed development is projected to support over 15,000 jobs.

In addition to the manufacturing, office, retail, production and studios, event space, trade school, and storage and warehouse uses that are already present at Industry City, the proposed development would also include a broader range of community facility and commercial uses, including additional retail and service uses and hotels. Colleges and universities and libraries, museums, and non-commercial art galleries would add to the educational and training opportunities currently provided by on-site trade schools. Hotels would enable businesses to host prospective workers, partners, and visitors in close proximity to their operations. A broader range of retail uses would include Physical Culture Establishments (PCEs) and stores larger than 10,000 square feet, such as food stores, clothing stores, dry goods or fabric stores, household appliance stores, and carpet, rug, or linoleum or other floor covering stores. Retail uses would generally be restricted to the first and second floors of all buildings in order to activate the streetscape. Local retail is anticipated to be oriented along 3rd Avenue, closer to the existing Sunset Park residential community. The upper floors of most buildings would be occupied by a mix of manufacturing, office, art studios and television, film, and photo studios.

The proposed development would be comprised of approximately 1.8 million square feet of industrial and manufacturing uses (27 percent of the proposed floor area); 900,000 square feet of custom manufacturing and arts, film, and photo studios (14 percent of the proposed floor area); 900,000 square feet of commercial office (14 percent of the proposed floor area); 900,000 square

feet of retail use (14 percent of the proposed floor area); 415,000 square feet of storage and warehouse uses (six percent of the proposed floor area); 400,000 square feet of college and university uses (six percent of the proposed floor area); 290,000 square feet of hotel use (four percent of the proposed floor area); and 43,000 square feet of event space (one percent of the proposed floor area). The remaining floor area would be comprised of uses occupying less than one percent of the proposed floor area in addition to parking.

The existing buildings within Industry City are proposed to remain as-is, with the exception of the powerhouse structure, which would be demolished in order to facilitate new construction. Three new buildings are proposed to be constructed: the Gateway Building, Building 11, and Building 21. The Gateway Building would be constructed along 3rd Avenue between 36th and 37th streets on seven tax lots (Block 695, Lots 37 through 43) within the Finger Buildings cluster. The applicant owns one of the seven tax lots and intends to acquire the other six tax lots in order to construct this building. The 12-story Gateway Building would rise to a height of 170 feet without a setback. One hotel occupying 160,368 square feet and 223 rooms would be located within the Gateway Building. Building 11 would be an L-shaped building within the Finger Buildings cluster on Block 679, Lot 1 with frontage along 2nd Avenue and 32nd Street, containing approximately 495,162 square feet of floor area. The portion of the building fronting on 2nd Avenue (to a depth of 130 feet) would contain 13 stories and rise to a height of 170 feet without a setback and the portion of the building fronting on 32nd street would contain five stories. Within the 39th Street Buildings cluster, new Building 21 would be constructed along the east side of 1st Avenue between 39th Street and 41st Street (Block 706, Lots 20, 101, and p/o 24). Building 21 would be a 10-story building, rising to a total of 150 feet with a 120-foot base and contain approximately 781,000 square feet of floor area and would include a hotel of up to 127, 251 square feet with 197 rooms. Within the 39th Street Buildings, vehicular, loading, and service access to the buildings is intended to be shifted off 39th Street in favor of 41st Street and 1st Avenue, allowing 39th Street to operate as a pedestrian-oriented street.

New parking facilities would be provided within each building cluster to serve the entire complex. A three-story parking garage containing between 334 and 384 parking spaces would be located on the third through fifth floors of Building 11 and a four-story parking garage containing between 1,350 and 1,600 spaces would be located in Building 21. The parking spaces would be shared across the proposed development, given the varying peak hours of the different uses.

### **Proposed Actions**

In order to facilitate the proposed development, the applicant is seeking a zoning text amendment, a zoning map amendment, a special permit, and a City Map change.

#### *Zoning Text Amendment (N 190298 ZRK)*

The applicant proposes a zoning text amendment to create a new special district, which would modify use regulations of the underlying zoning districts and create a new special permit applicable within the special district to modify use and bulk regulations, subject to findings and a site plan.

The goals of the IC are to foster a sustainable business environment by allowing for a range of industrial, commercial, and community facility uses; create a local and regional employment, institutional, and retail center within a well-considered site plan; strengthen connections to the upland neighborhood of Sunset Park; support a pedestrian-friendly environment; and preserve, protect, and enhance the built form and character of the existing industrial and manufacturing district.

Within the IC, the regulations of Article VI, Chapter II (Special Regulations Applying in the Waterfront Area) of the Zoning Resolution (ZR) would not apply and M1 performance standards would be applicable, imposing the most stringent set of requirements on industrial uses.

The special permit would allow for community facility, commercial, and industrial uses that would not otherwise be permitted by the underlying zoning districts. The community facilities that the

special permit would allow are schools, with no living or sleeping accommodations (Use Group (UG) 3A); colleges and universities (UG 3A); and libraries, museums and non-commercial art galleries (UG 3A). The commercial uses that the special permit would allow are transient hotels (UG 5 or 7A); PCEs; and a broader range of retail and service establishments including all uses within Use Groups 6A, 6C, 9A, 10A, and 12B. The retail and service establishment use groups listed include establishments that occupy 10,000 square feet or more. The special permit would also allow distilleries (UG 18A) that are otherwise restricted to M3 zoning districts.

For any use modifications, the applicant would be required to meet findings relating to the compatibility of uses, the generation of vehicular traffic through local streets, pedestrian safety and conflict with vehicles, and surrounding character. If any Use Group 3A community facility uses are sought through the special permit, specific findings regarding conflicts with industrial uses and the proximity of mass transit would have to be met. If any Use Group 5 or 7A transient hotels are sought through the special permit, specific findings regarding conflicts with industrial uses and the appropriateness to the businesses in the IC would be required to be met.

The special permit would contain several provisions that cap specific uses and address use conflicts and parking requirements. Because retail and community facility uses are proposed to be secondary uses that complement the core “Innovation Economy” uses, all retail and service uses (comprised of Use Groups 6A, 6C, 7B, 8B, 9A, 10A 2B and 14A) would be limited to 900,000 square feet and all schools, colleges or universities, and libraries, museums, and non-commercial art galleries would be limited to 625,000 square feet.

In order to mitigate potential land use conflicts, schools, colleges and universities and libraries, museums, and non-commercial art galleries and hotels would not be permitted to locate in the same building or share a common wall with any heavier commercial or industrial uses that release emissions that would have a measurable effect on surrounding uses. They would also not be permitted to store hazardous materials in quantities that require them to file a Risk Management

Plan with the NYC Department of Environmental Protection under the City's Right-to-Know Law, or are categorized as UG 18.

Parking would be required at a rate of one space per 500 square feet of retail and service establishment uses for any retail and service uses in excess of 120,000 square feet. This requirement would apply to new floor area as well as change of use to existing floor area. An accessory group parking facility of up to 500 permitted parking spaces would be permitted if the NYC Department of Buildings (DOB) finds that specific conditions regarding separation of vehicular entrances and exits and reservoir spaces are met.

In addition to use modifications, the special permit would allow the CPC to modify all underlying bulk regulations other than FAR if the applicant meets specific findings demonstrating that the proposed modifications facilitate a site plan that enhances the streetscape and will not unduly obstruct light and air of adjoining properties or public streets, and that the distribution of bulk will not unduly increase the bulk of buildings in any one block or unduly obstruct light and air to the occupants or users of buildings and public streets.

Vesting of the special permit would be triggered not only by substantial construction, which typically involves new construction of a building, but also by the issuance of a Certificate of Occupancy for a use that is permitted only by the special permit.

#### *Zoning Map Amendment (C 190296 ZMK)*

The applicant proposes a zoning map amendment to establish the IC and to change an M3-1 district to an M2-4 zoning district.

The IC would encompass the following lots: Block 679, Lot 1; Block 683, Lot 1; Block 687, Lot 1; Block 691, Lot 1, 44, 45, and 46; Block 695, Lots 1, 20, 37, 38, 39, 40, 41, 42, 43; Block 706, Lots 1, 20, 24, and 101; Block 710, Lot 1, and part of Block 662, Lot 1.

The proposed M2-4 zoning district would be mapped on the following lots: Block 679, Lot 1; Block 683, Lot 1; Block 687, Lot 1; Block 691, Lot 1, 44. 45. And 46; Block 695, Lots 1 and 20; Block 706, Lots 1, 20, 24, and 101; Block 710, Lot 1, and part of Block 662, Lot 1. M2-4 zoning districts permit a maximum FAR of 5.0 for commercial and manufacturing uses. Height and setback regulations permit a maximum base height before setback of the lesser of 85 feet or six stories, require setbacks (15 feet along wide streets and 20 feet along narrow streets), with overall height governed by a sky exposure plane above the base height. Parking is not required.

*Special Permit (C 190297 ZSK)*

Special Permit Use and Bulk Modifications

The applicant seeks a special permit to modify the use and bulk regulations of ZR sections 42-10 (Uses Permitted As-Of-Right), 42-27 (Performance Standards Regulating Fire and Explosive Hazards), 43-10 (Floor Area Regulations), 43-20 (Yard Regulations), and 43-40 (Height and Setback Regulations).

The applicant seeks a special permit that would allow for community facility and commercial uses that are not permitted by ZR Section 42-10, including colleges and universities; libraries, museums, and non-commercial art galleries; hotels; all retail and service uses in Use Groups 6A, 6C, 9A, 10A, and 12B; and PCEs.

The applicant is also requesting that the special permit allow distilleries and for existing distilleries at Industry City to remain in conformance and permit new distilleries. Distilleries would otherwise not be permitted by ZR 42-27 due to the production of Class III materials, which is only allowed in M3 zoning districts. In lieu of underlying performance standards regulating distilleries, the proposed special permit would allow them subject to approval by the NYC Fire Department (FDNY) for compliance with the Fire Code.

In order to allow for the flexibility to accommodate tenant locational and expansion needs over time across the four zoning lots that comprise Industry City, the applicant seeks to allow floor area to be transferred across zoning lot lines, which is not permitted by ZR Section 43-10. Such floor area would be subject to contextual zoning envelopes that relate to the built form of the existing historic buildings in lieu of the underlying bulk regulations, which would allow for buildings of unlimited height governed by a sky exposure plane. These contextual envelopes would also allow for limited increases in height above existing buildings and for the construction of new buildings that mirror the form of existing buildings.

Because the existing Industry City buildings encroach into the required rear yards and into the required setbacks and sky exposure planes of the underlying districts, the applicant is seeking relief from the requirements of ZR Sections 43-20 and 43-40. In addition to addressing non-complying bulk conditions, the applicant is seeking flexibility to permit vertical expansions of existing buildings and to permit the Gateway Building, Building 11 and Building 21 to be constructed so as to mirror the built form of the existing buildings. While no expansions of the existing buildings are proposed, the flexibility for future vertical expansions would be permitted.

For Finger Buildings 1-9, a maximum building height of 110 feet would be permitted above a base height of 85 feet after a required setback of 10 feet along the avenues and 15 feet along the streets and unmapped driveways. This would allow for a vertical expansion of 25 feet above the existing buildings. Both the proposed Gateway Building (Block 695, Lots 37– 43) and the 2nd Avenue frontage of Building 11 (to a depth of 130' from 2nd Avenue on Block 679, Lot 1) are intended to form anchor points at the northwest and southeast corner of the Finger Buildings cluster that would mirror the bulk of existing Building 10, which rises to 170 feet without a setback. Accordingly, the contextual envelopes would allow these buildings to rise to 170 feet in height along the avenues without a setback. For the 39th Street Buildings, a maximum building height of 150 feet would be permitted above a base height of 120 feet after a 20-foot required setback. This would generally allow for a vertical expansion of 35 feet above most of the 39th Street Buildings.

### Special Permit Development Scenarios

In order to allow for flexibility in assembling the properties it does not yet own but intends to acquire, the applicant is requesting approval of four separate development scenarios referred to as Large-Scale Development Assemblages A, B, C, and D. Large-Scale Development Assemblage A includes only the properties that the applicant currently owns, occupied by the existing Industry City complex (Block 679, Lot 1; Block 683, Lot 1; Block 687, Lot 1; Block 691, Lot 1 and 44; Block 695, Lots 1, 20, and 43; Block 706, Lots 1, 24, and 101; Block 710, Lot 1). Large-Scale Development Assemblage D represents the applicant's full vision for the proposed development, which includes seven additional tax lots that the applicant intends to acquire. Six of the lots (Block 695, Lots 37–42) would be acquired and combined with Block 695, Lot 43 (that the applicant already owns) for construction of the Gateway Building. The seventh lot (Block 706, Lot 20) would be acquired to be incorporated into Building 21, increasing the building's footprint.

Because the applicant does not yet have an acquisition timeline for the properties it does not yet own, two additional development scenarios account for only one of the two acquisition sites.

Large-Scale Development Assemblage B includes the extent of Large-Scale Development Assemblage A with the addition the site of the Gateway Building (Block 695, Lots 37– 43). Large-Scale Development Assemblage C includes the extent of Large-Scale Development Assemblage A with the addition of Block 706, Lot 20, which would increase the footprint of Building 21.

Upon approval of the proposed action and related actions, Large-Scale Development A would be in effect. If the additional parcels are acquired in the future, the applicant would be required to seek a Chairperson Certification proving ownership of such parcels in order for Large-Scale Development Assemblage B, C, or D to take effect thereby replacing Large-Scale Development Assemblage A.

### *City Map Change (C 160146 MMK)*

In order to allow for the construction of Building 21, the applicant seeks a City Map change to

demap the portion of 40th Street between 1st and 2nd avenues. This portion of 40th Street is mapped to a width of 60 feet and is part of Block 706, Lots 1, 20, 24, and 101, all of which are privately owned. This portion of the street is unbuilt, has never been in use as a street, and is occupied in part by buildings.

## **ENVIRONMENTAL REVIEW**

The certified application (C 190296 ZMK), in conjunction with the applications for the related actions (N 190298 ZRK, C 190297 ZSK and C 160146 MMK), were 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 18DCP034K.

It was determined that this application, in conjunction with the applications for related actions, may have a significant effect on the environment, and that an Environmental Impact Statement (EIS) would be required. A Positive Declaration was issued on September 20, 2017, and subsequently distributed, published, and filed. Together with the Positive Declaration, a Draft Scope of Work for the Draft Environmental Impact Statement (DEIS) was issued on September 20, 2017. A public scoping meeting was held on October 24, 2017, and the Final Scope of Work was issued on October 25, 2019.

A DEIS was prepared and a Notice of Completion for the DEIS was issued on October 25, 2019. Pursuant to SEQRA regulations and the CEQR procedures, a joint public hearing was held on the DEIS on February 19, 2020 in conjunction with the public hearing on the related Uniform Land Use Review Procedure (ULURP) items (N 190298 ZRK, C 190297 ZSK, C 160146 MMK). A Final Environmental Impact Statement (FEIS) reflecting the comments made during the public review process was completed, and a Notice of Completion of the FEIS was issued on August 7, 2020.

The proposed project as analyzed in the FEIS identified significant adverse impacts with respect to historic and cultural resources (architectural), transportation (transit, traffic, and pedestrian), air quality (stationary sources and industrial sources), noise, and construction (noise).

Significant adverse impacts related to hazardous materials, air quality and noise would be avoided through the placement of (E) designations (E-527) on the project site as specified in Chapter 8, Chapter 13 and Chapter 15, respectively, of the FEIS.

The application as analyzed in the FEIS contained Project Components Related to the Environment (PCREs) related to air quality and construction, which are set forth in Chapter 13, “Air Quality”, and Chapter 18, “Construction”. To ensure the implementation of the PCREs, the applicant will execute and record a Restrictive Declaration, attached as Exhibit A, after approval of land use-related actions and prior to issuance of any permits.

The identified significant adverse impacts and proposed mitigation measures under the proposed actions are summarized in Chapter 20, “Mitigation”. To ensure the implementation of the mitigation measures identified in the FEIS, the mitigation measures are included in the Restrictive Declaration.

## **UNIFORM LAND USE REVIEW**

In response to the COVID-19 pandemic, the Mayor issued Emergency Executive Order No. 100 on March 16, 2020 that suspended certain time requirements relating to the ULURP and other land use processes as of March 12, 2020. The suspension included portions of sections 195, 197-c and 197-d of the New York City Charter, as well as sections of the Administrative Code and the Rules of the City of New York, pertaining to time limitations. The CPC ceased meeting immediately after issuance of the Executive Order until August 3, 2020, when the regular schedule of meetings was

resumed. The ULURP time requirements suspended by Emergency Executive Order No. 100 are expected to begin running by September 14, 2020.

This application (C 190296 ZMK), and the related applications for a special permit (C 190297 ZSK and City Map change (C 160146 MMK), were certified as complete by the Department of City Planning on October 28, 2019, and duly referred to Community Board 7 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 190298 ZRK), which was referred for information and review in accordance with the procedures for non-ULURP matters.

### **Community Board Public Hearing**

Brooklyn Community Board 7 held a public hearing on this application (C 190296 ZMK), in conjunction with the related applications for a zoning text amendment (N 190298 ZRK), special permit (C 190297 ZSK), and City Map change (C 160146 MMK) on December 9, 2019. On January 15, 2020, the community board adopted a resolution as follows: no position was taken on the zoning map amendment (C 190296 ZMK) and the zoning text amendment (N 190298 ZRK); and disapproval with modifications/conditions of the City Map change (C 160146 MMK) by a vote of 31 in favor, 13 against, and three abstaining; and disapproval with modification/conditions of the special permit (C 190297 ZSK) by a vote of 32 in favor, 12 against, and two abstaining. The majority of the modifications/conditions are organized in seven key issue areas, as described below. Those addressed to the applicant are identified with an “A” and those addressed to the City or other entities are identified with a “B” or “C”, respectively.

#### Issue #1: Immigration/Identity

Eight modification/conditions are as follows:

“A1 Applicant to provide public commitment of support of Sunset Park’s immigrant community and to feature the community’s location and neighborhood as part of its marketing

and leasing materials. Materials to be provided in Sunset Park’s primary languages (English, Spanish, Cantonese and Arabic); A2 Applicant to partner with local community-based organizations to provide information on partnerships and services; A3 Applicant to provide transparency as to which businesses they are leasing to by providing a report of marketing and leasing activities biannually to the Board; A4 Applicant to do outreach to local Sunset Park businesses for construction, maintenance and leasing subcontracts in the project area; A5 Update EIS analysis to determine impact of rezoning on local businesses in an expanded trade area extending from 1st to 8th Avenues and from 15th Street to the LIRR Cut; A6 Applicant to provide donations, sponsorships and assistance as requested by local community organizations in CD7 to help support and enhance neighborhood cultural and social programs; A7 Applicant to meet MWBE, Living Wage and Safety Protection Local Laws during construction/fitout of spaces; B1 Landmarks Preservation Commission to review the Finger Buildings (former Bush Terminal warehouses) for New York City Landmark designation and for the State to designate State and National Historic Register status.”

#### Issue #2: Housing and Displacement

Twenty modification/conditions are as follows:

“A8 Applicant to provide racial/ethnic impact study prior and post rezoning that includes a more diverse and comprehensive data set (school attendance, churches, etc.) for purposes of determining the true nature of primary and secondary displacement of residents and businesses. Study shall be modeled on Council legislation Intro 1572-2019; A9 Applicant shall provide significant contributions to a community led and controlled housing fund for preservation of existing affordable units and construction of new affordable units; A10 Applicant shall provide funding to support residential and business anti-harassment legal services, enforcement of tenant protections, legal services against unjust evictions; A11 Applicant shall provide funding for directly displaced residential tenants in future proposed site area along 3rd Avenue. Applicant shall further provide funding for storage of resident

possessions, temporary housing at the same cost to tenants, and rent stabilized apartments at the same cost to the displaced tenants, or rental subsidies equal to the difference of the tenants current rent vs. market rate apartments which may be available at the time of displacement; A12 Applicant shall provide funding for directly displaced businesses in future site area along 3rd Avenue. This funding shall include costs of temporary storage for business materials, stipend for disruptions of business, space for rent at the same rent as the displaced business; A13 Applicant to provide report and analysis of Private Equity Fund/Opportunity Zone proposal to provide funding for preservation of affordable units in CD7; A14 Applicant to fund affordable housing analysis report if NYCHPD does not meet deadline – see B2 below; B2 NYCHPD shall fund analysis report prepared by a third-party community organization selected by the Board examining preservation of existing affordable housing units, home and property sale price changes for homeowners from 2013 to present, identification of possible potential development sites for new affordable housing and/or preservation purchases. If NYCHPD has not funded and completed study within 1-year post-rezoning, Applicant shall fund report; B3 Per NYC Department of City Planning Executive Director Anita Laremont’s letter to Council Member Menchaca and CB7 Board Chair Cesar Zuniga, NYCHPD to provide a list of the 18 locations of Certificate of No Harassment program properties in CD7, and locations of 448 homes in CD7 where affordability has been preserved and to what extent; B4 NYCHPD to provide record of outreach in CD7 where information about relevant housing affordability and tenant protection programs or services have been provided to homeowners and renters (in English, Spanish and Cantonese and Arabic languages); B5 Per Anita Laremont’s letter to Menchaca/Zuniga, NYCHRA Office of Civil Justice (OCJ) to provide a list of the 300 Council District 38 households served in FY2019, breaking down households by Community District. Provide a hard count of the number of evictions avoided among these households. OCJ to provide record of outreach in CD7 where information about these programs have been provided to homeowners and renters (in English, Spanish, Cantonese and Arabic languages); B6 City shall provide additional anti-harassment legal services,

enforcement of tenant protections, legal services against unjust evictions and funding for such initiatives to affected residents in CD7; B7 City to develop a community-specific strategy to mitigate displacement pressures with input from the Board and to provide funding to implement the results of the study; B8 Expand city pilot program by NYCHPD to fund basement conversions into legal dwellings in CD7; B9 City to ensure stricter review and community notice of DOB applications as it applies to changes in FAR usage and/or deductions and variances; B10 Ensure Community Board notice and review of any City Planning Commission decisions relating to the neighborhood, including special permits, special districts, variances, etc.; B11 NYCHPD and NYCHDC shall create a public-private partnership for purposes of affordable housing development and preservation, as well as procurement of existing 2-3 family houses to be placed into affordable housing stock in CD7 (HPD Pillars, NYC Acquisition Fund); B12 City to fund targeted outreach for NYCHPD homeowner repair and retrofitting programs and to make a concerted effort to make these programs known to residents in CD7; B13 State of New York Mortgage Authority (SONYMA) and NYCHPD to fund and provide outreach for their down-payment assistance programs for purchasing of co-operative and or condominium type units and rental assistance programs within CD7; B14 City shall modify CEQR standards to include review of direct/indirect housing and business displacement for all applications. EIS should expand review area to encompass the full neighborhood represented by CD7; expand study to include other developments currently in process and their effects on CD7.”

Issue #3: Traffic/Transit

Fifteen modification/conditions are as follows:

“A15 Applicant to develop and implement pedestrian streetscape plan focused on improving pedestrian amenities, safety, accessibility, and security at private and public streets adjacent to IC sites; A16 Applicant to pay for traffic studies prior to and at 1-year, 3-year, 5-year, 10-year and 15-year time periods post-rezoning showing impacts to street

network and traffic conditions, including further mitigation, including but not limited to adjustments to signal phasing and timing, traffic management strategies and parking regulation changes; A17 Applicant to plan and implement improvements to waterfront access along its waterfront perimeter and to partner with city agencies to improve and build public waterfront access; B15 NYCDOT to provide comprehensive truck route study of CD7; B16 NYCDOT to conduct future traffic studies including truck distribution hub traffic planned or under construction in CD7 and CD6, EDC-managed developments and properties such as Made in NY campus, Brooklyn Army Terminal and SBMT, commercial waste hauling, congestion pricing, and new schools opening along the 3rd Avenue corridor; B17 NYCDOT to complete a Safe Routes to School study for schools along the 3rd Avenue corridor; B18 MTA to review additional exits from the 36th Street subway station, as well as reopening existing secondary entrances at all stations in CD7. MTA to provide study of capacity improvements to existing bus lines serving the project area; B19 NYSDOT to provide study for additional vehicular ramp entrances onto southbound and northbound BQE at 39th Street; B20 NYCDOT to provide schedule of installation of pedestrian crossing improvements throughout CD7; B21 NYCDOT to provide study for pedestrian safety measures within waterfront IBZ area, including - curb bumpouts, traffic calming devices, painted curbs vs. steel, wider, higher visibility crosswalks, American with Disabilities Act (ADA) accessibility at all crosswalks in the area, accessible markers, sound and visibility aids, cane detection, widening sidewalks on key pedestrian routes, planters, and protected bike lanes; B22 NYCDOT/MTA to provide study for ferry transit hub (bus to ferry) at the foot of 39th Street or other locations on the Sunset Park waterfront; B23 NYCDOT to provide study for elimination of parking along right side of southbound 3rd Avenue and improved access to and circulation in the parking fields under the Gowanus Expressway; B24 NYCDCP to review transit entrance improvement FAR bonus for development sites along 4th Avenue from 37th Street to 32nd Street; B25 NYPD to step up enforcement of local traffic laws in project area – double parking, truck routes; B26 City to provide schedule of implementation of roadway improvements listed in CB7's Community

Needs Assessment.”

Issue #4: Environment/Health

Sixteen modification/conditions are as follows:

“A18 Applicant to review lease structure to attract triple bottom line businesses and encourage green leases to improve levels of corporate social responsibility; A19 Applicant to study and report on alternative and renewable energy sources to serve new and renovated spaces in the complex, in order to reduce reliance on existing energy infrastructure, such as construction of a co-generation plant to serve entire campus’ summer peak heating demand for process and domestic hot water production or use of Upper New York Bay water for heat exchange for heating/cooling for compressorized systems; A20 Applicant to develop design guidelines for tenants to encourage sustainable building practice for energy efficiency in all new construction and interior renovations; A21 Applicant to develop and implement site-wide recycling plan, including sustainable waste and composting; A22 Applicant to fund third-party neighborhood-wide climate impact analysis and brownfield site remediation and mitigation strategies study for Board; A23 Applicant to comply with Energy Efficiency Local Laws, in particular Local Law 97 in its entirety adhering to the 2030 requirements starting in 2024, mandating biannual reporting of progress to Board; A24 Applicant to manage all site stormwater within project area utilizing storm tanks to keep roof area available for Local Law 92/94 compliance; A25 Applicant shall comply with Local Laws 92 and 94 whereas solar coverage shall be the predominant means of compliance; A26 Applicant to participate in and provide funding for a new waterfront IBZ BID to manage security and sanitation on adjacent public and private streets; A27 Applicant to provide funding to improve and maintain Sunset Park, Bush Terminal Park, D’Emic Playground, Gonzalo Plascencia Playground and Pena Herrera Park; B27 Per Anita Laremont’s letter to Menchaca/Zuniga, DCP to provide a schedule of implementation and completion regarding environmental infrastructure as listed in CB7’s Community Districts

Needs; B28 City to assist in the organization of a Business Improvement District to provide safety and sanitation services within the waterfront IBZ district; B29 NYCDEP to provide a list of improvements to project area sewer system and combined sewer outflows at the waterfront and the schedule for their completion; B30 NYSDEC to conduct study proposed by Assemblymember Felix Ortiz to measure air pollution changes around CD7 school locations; B31 Con Ed, National Grid and NYCDEP to study existing electric, gas, water and sewer distribution systems inclusive of percentage maximum capacity throughout the district, develop recommendations for improvement, and provide report to CB7; B32 NYSERDA to provide technical assistance to companies in the waterfront IBZ to implement clean energy as part of their business plans and services.”

#### Issue #5: Jobs/Economic Development

Eleven modification/conditions are as follows:

“A28 Applicant to provide a non-profit managed manufacturing set aside of floor area in perpetuity, to be not less than 1.5M sf in total, to include lease protections for existing businesses and preferential rents, to promote manufacturing, arts and arts production (except for UG6C Commercial Galleries), job development, strengthen business development activities and address affordability and manufacturing business challenges; A29 As part of the non-profit managed manufacturing set aside, Applicant shall ensure business incubator space for start-up businesses and workspaces for artists will be provided; A30 Applicant to provide mandatory mediation procedure when IC renegotiates leases with existing businesses and tenants within the project area; A31 Applicant commits to creating a finance mechanism such as a property tax assessment that would enhance industrial business creation – an industrial BID – similar to efforts at West Shore Staten Island, Brownsville, and JFK Airport; A32 Applicant to market and provide leasing preference to businesses that comply with CLCPA (Climate Leadership and Community Protection Act). Applicant to provide public commitment to expand Clean Energy Job uses/employment on

site; A33 Applicant’s construction, maintenance, and purchasing activities to comply with City wage rules, MWBE preference, safety protections and collective bargaining rules; A34 Applicant to provide plan to maintain and increase local resident population served by the Innovation Lab over next 20 years; A35 Applicant to commit to partnership with non-profit organization to provide supportive employment services for underserved people, including older adults and adults with disabilities; B33 NYCSBS to target deployment of programs and incentives, such as the Commercial Lease Assistance Program, to local Sunset Park businesses, both within and beyond the project area. Provide record of outreach (in Sunset Park’s four primary languages: English, Spanish, Cantonese and Arabic); B34 NYCEDC to provide information on use of HireNYC and NYCIDA benefits by IC or tenants in the complex; B35 City Council to pass Small Business Jobs Survival Act to protect and strengthen negotiation positions of small businesses in lease renewals and protect against displacement due to demolition and new construction – Council Intro 737-2018.”

#### Issue #6: Youth/Education

Thirteen modification/conditions are as follows:

“A36 Applicant to commit to continuing collaborative partnerships with public schools within CD7; A37 Applicant to commit to and implement local and first source hiring policies focusing on local zip codes to target specific community needs and strengths and agree to penalties if these benchmarks are not met; A38 Applicant to provide public commitment and funding support for vocational training, adult education, ESL and literacy programs; A39 Applicant to provide tech training programs, with focus on encouraging women, persons of color, persons with disabilities and other underrepresented group participation; A40 Applicant to prioritize explicit living wage provisions for all businesses within and including landlord management and operations personnel; A41 Applicant to identify potential Community Facility partners and educational tenants to Board prior to lease signing. Applicant shall not lease to for-profit education providers; A42 Applicant to

include Corporate Social Responsibility Pledge with leases. Companies leasing space shall commit to pro-diversity measures, corporate social responsibility measures and community engagement; A43 Applicant to lease classroom space in project area to CUNY and SUNY to provide programs in green jobs and specialized skills training; A44 Applicant to hire locally and provide a living wage and benefits, health care, paid time off, retirement savings, and professional career development for contracted and internal employees, and to work with its tenants to do the same. (Amendment); B36 DOE to explore founding of a vocational/technical high school in CD7 modeled on STEAM program at Brooklyn Navy Yard, with programs for children and adults; B37 CUNY, SUNY and local community colleges to explore location of programs and services at IC; B38 City to provide fiber optic broadband STEM education funding in local schools; B39 City to fund new local public parks, additional playground and recreational space.”

#### Issue #7: Land Use/Process

Seventeen modification/conditions are as follows:

“A45 THE BOARD DID NOT AFFIRM A POSITION ON THIS ACTION [Zoning Map Amendment C 190296 ZMK]; A46 THE BOARD DID NOT AFFIRM A POSITION ON THIS ACTION [N 190298 ZRK]; A47 THE BOARD VOTED TO DISAPPROVE OF THE SPECIAL PERMIT, unless the conditions listed in Issue Sections 1-6 are met and the following changes are made [C10-C26]: A48 THE BOARD VOTED TO DISAPPROVE THE DEMAPPING OF 40TH STREET unless the conditions listed in Issue Sections 1-6 and the Special Permit are met. The Board reiterates that no hotel uses shall be located at this site. (Amendment); C10 Prohibit additional retail uses on any floor in any of the 39th Street Buildings (Buildings 19, 20, 22-23, 24, 25, 26, and Building 21) (Amendment); C11 Retail uses shall be limited to 10,000 sf per establishment. Overall retail uses are limited to 300,000 sf total. Retail uses shall include Use Groups (UG) 6A, 6C, 7B, 8A, 8B, 9A, 12A, 12B and 14A; C12 To prevent conflict with manufacturing uses and their loading

requirements, primary access to retail use storefronts is not permitted on numbered street frontages in the Finger Building area; C13 Retail storefronts shall be accessed from a common area, courtyard or corridor, which shall have a primary entrance on or within 100' from the streetline of 2nd or 3rd Avenues; C14 The ground level of internal courtyards between Finger Buildings must be left unbuilt and open to the public within reasonable hours of operation. Overbuilt floor areas within and/or above courtyard areas must start at least 30' above the existing 1st Floor level and must be setback from 2nd Avenue by 30'; C15 Nightclubs uses with a capacity of over 200 persons (UG12D) shall not be permitted within the project area; C16 Formula Retail Establishments are not permitted in the project area, as defined: “[a] retail sales establishment which, along with ten or more other retail sales establishments located in the United States, maintains two or more of the following features: a standardized array of merchandise, a standardized facade, a standardized decor and color scheme, a uniform apparel, standardized signage, a trademark or a servicemark.”; C17 Accessory parking shall be as provided in the application, except that it shall also include all newly permitted retail and service establishments, including retail, local service and eating and drinking establishments in UG 6A/6C and such parking shall be provided when such uses reach a 40,000 square feet threshold and beyond; C18 30% of all parking spaces shall support electric car charging. Multiple contiguous parking spaces must each support charging even if they are all filled at once. Each charging adapter should be considered as supporting only one parking space; C19 Buildout and/or renovation of floor area must be governed in stages – for every square foot of office use (UG 6B) granted a new Temporary or Permanent Certificate of Occupancy (TCO), or an equivalent post-rezoning, there must be one square foot of studio, manufacturing or industrial use (UGs 11, 16, 17, 18) in operation per TCO; C20 Manufacturing uses must have clear access 24 hours a day, 7 days a week to common service corridors, freight elevators, and loading docks on streets to ensure active industrial spaces; C21 Hotel uses (UG 5) shall not be permitted within the project area; C22 Findings must authorize a Community Advisory Committee organized by the Community Board to receive biannual updates on Industry City’s goals, commitments

and progress regarding Local Laws and Special Permit findings; C23 Applicant shall notify the Board three months prior to submitting a change in the Large Scale Development Plan for CPC certification, attend a monthly meeting of the Board to present the change, and provide an updated report on leasing, job development, and progress on fulfilling recommendations listed in this Response prior to certification; C24 The Special Permit drawings shall be amended to note a minimum street wall height of 85 feet (A64); C25 In order to maintain view corridors from Sunset Park to Lower Manhattan, the Special Permit drawings shall be amended to include a maximum building height of 110' for Buildings 11, 21 and the Gateway Building; C26 Applicant must provide an up-to-date Master Leasing Plan showing ground floor public spaces, primary and secondary public entrance locations, loading and service dock areas, street and service access doors, mechanical equipment areas and areas dedicated for lease by use. Plan shall show square footage for all areas indicated.”

Nine additional modifications/conditions were provided separate from those listed under the seven issue areas, as follows:

“C1 Special Regulations applying in the Waterfront Area, Article VI, Chapter 2 shall apply and the SICD shall not be exempted; C2 Zoning text of the special district must include a FAR limitation of 4.5 to limit adverse environmental impacts; C3 Zoning text of the special district must include mandatory front building walls along First, Second and Third Avenues; C4 Zoning text of the special district must prohibit all self-service storage facilities and other warehousing not ancillary to manufacturing and industrial uses. Warehousing ancillary to wholesale trade is limited to no more than 10,000 sf per establishment except this limit for the specific establishment may be increased upon review and approval by the Board (Amendment); C5 Zoning text of the special district shall prohibit trucking terminals and motor freight stations over 10,000 sf to limit traffic impacts and reserve space for higher value manufacturing uses; C6 The Board supports the location

of a grocery store meeting FRESH requirements as an approved use pursuant to special permit, with the stipulation that it can only be located in Building 11 on the ground floor; C7 The Discussion of Findings must be amended to incorporate findings that were added by the zoning text amendments recommended by the Board, including the following; C8 Under (2)(i) for use modifications, revise to “such proposed uses are compatible with manufacturing and industrial uses and are appropriate for the location.(Amendment)”; C9 Add (3)(iv) for bulk modifications to read “The proposed modifications do not unduly change the dimensions of, or access to, existing private streets” to ensure access to loading areas for manufacturing uses.”

### **Borough President Recommendation**

The Brooklyn Borough President held a public hearing on this application (C 190296 ZMK), in conjunction with the related applications for a zoning text amendment (N 190298 ZRK), special permit (C 190297 ZSK), and City Map change (C 160146 MMK) on January 14, 2020, and on March 4, 2020, issued a recommendation to approve the application for the City Map change, approve with modifications/conditions the application for the zoning map amendment and zoning text amendment, and disapprove with modifications/conditions the special permit. The conditions for the approval of the zoning map amendment is that the modifications related to the zoning text amendment, outlined below are adopted.

Conditions of the approval applicable to the zoning text amendment are that

“ZR Section 129-21 Special Permit for Use and Bulk Modifications be modified to enable CPC to allow uses as per the following:

- a. Restrict school locations: ZR 129-21(a)(1)(i) ...from Use Group 3A: #schools# located to be within 200 feet of Third Avenue,...
- b. Eliminate hotels: ZR 129-21(a)(1)(ii) #transient hotels#, as listed in Use Groups 5 and 7A
- c. Regulate amusement uses: ZR 129-21(a)(1)(iii) all #uses# listed in Use Groups 6A, 6C, 7B, 8A, 9A, 10A, 12A, except that eating or drinking establishments with

entertainment and a capacity of more than 200 persons, or establishments with any capacity and dancing would not be permitted, 12B...

d. Regulate amusement, and retail/service establishment uses based on the proportion of the following required uses

i. Agricultural establishments, Automotive Service establishments restricted to renewable energy sources, Certain Community Facility Uses, Heavy Service establishments, Manufacturing establishment, Studios for art, music, dancing, motion picture production, photographic, radio/television, or theatrical, Semi-industrial uses, Trade Schools for Adults, existing non-conforming Depositories Warehousing establishment floor area: ZR 129-21 (a)(1)(ii) Office, as listed in Use Group 6B, and Amusement, Retail and Service Use Groups listed in Use

Groups 6A, 6C, 7B, 8A, 9A, except for blue printing or photostatting establishments, dental or medical laboratories, musical instrument repair shops, studios, trade schools for adults, 10A, except for non-conforming depositories, and studios, 12A, 12B and 14A shall be permitted to the extent that the ratio of floor area for Required Industry City Use Groups 3A uses, as permitted according to ZR 129-21(a)(1)(i), 9A limited to blue printing or photostatting establishments, dental or medical laboratories, musical instrument repair shops, studios, trade schools for adults, 10A limited to non-conforming depositories, and studios, 11A, 16A except for automobile showrooms, 16B, 16D except for truck terminals, warehouses and, wholesale establishments, 17B, 17C limited to agriculture, and 18A, are provided

ii. Provide that:

1. For existing floor area, such aggregate zoning lot floor area for Required Industry City Use floor area be provided at a rate of 1.6 square foot for every one square feet of amusement, retail and/or service use floor area
2. For newly constructed floor area, such aggregate zoning lot floor area for Required Industry City Use floor area be provided at a rate of one square foot for every five square feet of floor area and at a rate of 1.6 square foot for every one square feet of amusement, retail and/or service use floor area

3. For when warehouse floor area is provided in excess of 10,000 square feet, Required Industry City Use floor area shall be provided at a rate of 4.0 square foot for every subsequent one square feet of amusement,
 

retail, and/or service use floor area provided, until such increment of amusement, retail, and/or service use floor area in excess of 1.6 square feet results in not less than one half of warehouse floor area dedicated as Required Industry City Use floor area
  4. Accessory retail floor area that would otherwise meet the definition of Use Groups 6A, 6C, 7B, 7D, 8B, 8C, 10A, and 12, not exceed the greater of 100 square feet or 10 percent of an establishment's floor area, (limited to 1,000 square feet), in order to be deemed accessory
  5. That such manufacturing uses be provided with clear access to common service corridors, freight elevators, and loading docks on streets 24 hours a day, seven days a week to ensure active industrial spaces
  6. That compliance and recordation shall be according to ZR 74-962(d)
  7. That periodic notification by owner shall be according to ZR 74-962(e)
  8. That annual reporting by a qualified third party shall be according to ZR 74-962(f)
  9. That floor area sublet to and/or managed by a not-for-profit agency shall remain part of the zoning lot and be required to comply with annual reporting and periodic notification requirements
- e. Reduce floor area permitted for retail and service uses by 150,000 square feet (sq. ft.), restrict extent and location of establishments in excess of 10,000 sq. ft., and require post-opening traffic study. ZR 129-21(a)(1)(iii)(a) all amusement, retail and service establishments #uses# shall be limited to an aggregate #floor area" of 900,000 750,000 square feet; Additionally:

- i. Uses shall be limited to 10,000 square feet, except that no such establishments are permitted on Zoning Lot 4 unless within 100 feet of First Avenue for Buildings 22, 23 and 26 and all of Building 24
- ii. Primary access to individual establishments shall not be permitted on 33rd, 34th, 35th, and 36th street frontages, though one common access point is permitted per listed street. Direct access shall be permitted from Second and Third avenues and interior courtyards
- iii. The Certificate of Occupancy (C of O) for uses in excess of 10,000 sq. ft. shall note a requirement for a post-occupancy traffic study when such establishments exceed 150,000 sq. ft, to be initiated no earlier than six months, and no later than one year after the threshold is met, and prepared in consultation with the New York City Department of Transportation (DOT).
- iv. Retail uses in excess of 10,000 square feet shall be subject to the following location restrictions:
  1. Uses permitted up to 50,000 sq. ft. per establishment shall be located on the first and/or second floors between 37th Street to within 100 feet of 37th Street and Third Avenue to within 100 feet of Third Avenue, and limited to an aggregate 80,000 sq. ft. of establishments in excess of 10,000 sq. ft.;
  2. Uses permitted up to 80,000 square feet per establishment shall be located within the first and or second floor of the existing building at 39th Street between Second Avenue and 325 feet from Second Avenue to within 150 feet of 39th Street and between Second Avenue and 125 feet from Second Avenue to 41st Street, with such uses shall be limited to an aggregate 150,000 sq. ft. of establishments in excess of 10,000 sq. ft, Building 11 and Building 21, and limited to an aggregate of 160,000 sq. ft. of establishments in excess of 10,000 sq. ft.
- f. Additional stipulations tied to proposed Parking Requirements, to achieve alternative fueling facilities, additional bicycle parking, and spaces for car share vehicles: ZR 129-21(a)(1)(iii)(b): Provided that required parking is located in an enclosed parking garage, there shall be access to high-capacity alternative fuels,

such as electric, hydrogen, natural gas, or other alternative source in proximity to the facility's entrance; electric charging adapters shall be accessible to no less than 10 percent of all parking spaces; required parking shall dedicate additional space to car-share vehicles at a rate of one per 50 parking spaces while accessory bicycle parking shall be provided at a rate of one per 4,000 sq. ft. for community facility uses and one per 8,000 sq. ft. for Use Groups

- g. (UGs) 6A, 6C, 7B, 8A, 8B, 9A (except for depositories for storage of office records, microfilm or computer tapes, or data processing), 12B and 14A, the amount of aggregate.....
- h. Restrict Automotive Service Stations, limited to renewable energy sources, and Restrict Trucking Terminals and Warehouses ZR 129-21(a)(1)(vi) Use Group 16B Automotive Service Establishments shall be limited to renewable energy sources, Use Group 16D warehouses, not ancillary to manufacturing and industrial uses, such as wholesale trade, shall be limited to no more than 10,000 sq. ft. per establishment north of 37th Street and to 250,000 sq. ft. per establishment, and no more than 750,000 sq. ft. of such establishments, though this establishment limit may be increased upon application for the grant of a special permit by CPC. ZR 74-64 Trucking Terminals or Motor Freight Stations shall made applicable to warehouses in the IC, and UG 17C shall exclude Trucking Terminals and Motor Freight Stations with no limitation of lot area per establishment
- i. Ensure Finger Building Courtyards as a publicly-accessible amenity, analyze and mitigate actual traffic conditions, enhance pedestrian safety, and explore transit connectivity: ZR 129-21(a)(2) The Commission may permit modifications to all underlying #bulk# regulations other than permitted #floor area ratio# except for the following:
  - i. All courtyards between 33rd and 37th streets must be left clear of any permanent building section below a height of 30 feet above the courtyard elevation, except for accessory structures consistent with ZR 37-53 Design Standards for Pedestrian Circulation Spaces ZR 37-53 Kiosks and Open Air Cafés
  - ii. For new development Buildings 11 and 21: Before the New York City Department of Buildings (DOB) Commissioner approves plans for retail establishments in excess of 10,000 sq. ft. that taken together, exceed 80,000 square feet within Building 11 or 80,000 square feet within Building 21, such bulk modifications shall mandate that the issued C of O require a post-occupancy traffic study to be initiated no earlier than six months, and no later than one year after the threshold

is met or exceeded. Such study shall be prepared in consultation with DOT. Moreover, any mitigation costs identified shall be the direct responsibility of the property owner

- iii. For new development Buildings 11 and 21, prior to the approval of any Builders Pavement Plan, sidewalk extensions (construction and/or protected painted treated roadbed sidewalk extensions) for the intersections of First Avenue and 39th Street and Second Avenue and 32nd Street shall be incorporated into such plan subject to approval by the DOT Commissioner
- iv. For new development Building 21, before the DOB Commissioner approves the issuance of a building permit, the property owner shall contribute monies to a City Comptroller Fiduciary Account for a feasibility study of a station entrance and platform immediately west of Fourth Avenue at 38th Street to accommodate potential New York City Transit (NYCT) shuttle service to First Avenue and 39th Street
- j. Ensure consideration for industrial and manufacturing uses, remove consideration for hotels, include private street accommodation of loading areas, and advance locally-based hiring in construction trades CPC findings for use modifications should be amended as follows:
  - i. ZR 129-21(b)(2)(i) such proposed #uses# are compatible with existing industrial and manufacturing #uses# and are appropriate for the location
  - ii. ZR 1229-21(b)(2)(vi) for #transient hotels# in Use Group 5 or 7A...
  - iii. ZR 129-21(b)(3)(iv) “such modifications do not unduly change the dimensions of, or access to, existing private streets” to ensure access to loading areas for manufacturing uses
  - iv. ZR 129-21(b)(3)(v) require adequate representation that new development would result in achievement of Locally-Based Enterprise (LBE) participation consistent with Section 6-108.1 of the City’s Administrative code and Minority and/or Woman-Owned Business Enterprise (MWBE) participation in accordance with Local Law 1 standards.”

Conditions of the disapproval applicable to the special permit are as follows:

- “1. That the set of drawings associated with the IC Uniform Land Use Review Procedure (ULURP) - Assemblage A Waiver Plan be modified as follows:
- a. Drawing Z2.0A Zoning Analysis, dated February 19, 2020:
    - i. Zoning Lots 2 and 3 shall eliminate UG 5A and 7A transient hotels, but include UG 3A schools and UG 8A and 12A amusements as uses subject to locational restrictions
    - ii. Regarding Floor Area Permitted and Floor Area Ratio (FAR) Permitted, for all Zoning Lots, the commercial use exception shall be expanded to include amusement establishments in UGs 8A and 12A; in addition to retail/service establishments amusement establishments in UGs 8A and 12A, shall be included; floor area and FAR shall be reduced from 900,000 to 750,000 square feet (sq. ft.) 0.7 FAR to 0.58 FAR and eliminate UG 5 and 7A hotels
    - iii. Regarding Parking Proposed, in addition to retail/service establishments, amusement uses in UGs 8A and 12A shall be included in the total floor area to determine when parking would be required
    - iv. Regarding Bicycle Parking Required, in addition to commercial uses, in lieu of one space per 10,000 sq. ft., the parking requirement shall be increased to one space per 8,000 sq. ft., and for community facility uses, in lieu of one space per 5,000 sq. ft., it shall be increased to one space per 4,000 sq. ft.
  - b. Drawing Site Plan Enlarged — Zoning Lots 1 and 2 Z3.0A, dated February 19, 2019, shall be modified to establish coverage limiting dimensions for Building 11 consistent with the area shaded as proposed new construction
  - c. Drawing Site Plan Enlarged — Zoning Lots 3 and 4 Z4.0A, dated February 19, 2019, shall be modified to establish coverage limiting dimensions for Building 21 consistent with the area shaded as proposed new construction
  - d. Drawing Use Waivers Plan — Zoning Lots 1 and 2 Z7.0A, dated March 1, 2019, shall be modified to change the legend and drawing as follows:
    - i. For the notation to indicate such restrictions as applicable to Amusement Establishments listed in UGs 8A and 12A

- ii. For establishments permitted on the first floor only, to change the size limit from 40,000 sq. ft. to 10,000 sq. ft., and that enlarge such area of applicability for Zoning Lot 1 to include Zoning Envelope A but for Building 11 and all of Zoning Envelopes B, C, and D, and for Zoning Lot 2, the northern half of Zoning Envelope E
  - iii. For establishments permitted on the first and second floor and limited to 50,000 sq. ft. per establishment, reduce such area of applicability for Zoning Lot 2 to only include the southern (37th Street-fronting) half of Zoning Envelope E, and limit such establishments to 80,000 sq. ft.
  - iv. For establishments permitted on the first and second floor with no size limit per establishment, limit such applicability for Zoning Lot 1 to Zoning Envelope A Building 11 and limit establishments to 80,000 sq. ft.
- e. Drawing Use Waivers Plan — Zoning Lots 3 and 4 Z8.04, dated March 1, 2019, shall be modified to change the legend and drawing as follows:
- i. For the notation to indicate such restrictions as applicable to Amusement Establishments listed in UGs 8A and 12A
  - ii. For establishments permitted on the first floor only, to change the size limit from 40,000 sq. ft. to 10,000 sq. ft., and reduce such area of applicability for Zoning Lot 4 to within 100 feet of First Avenue for Buildings 22, 23 and 26 and all of Building 24
  - iii. For establishments permitted on the first and second floor with no size limit per establishment, limit such applicability for Zoning Lot 3 to Building 19 and new Building 21, and limited each establishment to 80,000 sq. ft., with a total limit of 150,000 sq. ft. of such establishments in Building 19, and 80,000 sq. ft. in new Building 21, with a total limit of 120,000 sq. ft. in Building 21
- f. Drawing Enlarged Sections — Zoning Lots 1 and 2 Z9.0A dated February 19, 2019, shall be modified to establish in Zoning Lot Section – Lots 1 and 2 Numbers 2 and 3, the removal of volume from the Zoning Envelopes of B, C, D and E, between the existing buildings from below a plane of elevation 30 feet above the courtyard level to the courtyard level”

2. That the set of drawings affiliated with the IC ULURP application — Assemblages

B, C, and D Waiver Plan be modified consistent with modifications for Assemblage, and for Assemblages B, C, and D, as follows:

- i. For establishments permitted on the first floor only, to have the size limit changed from 40,000 sq. ft. to 10,000 sq. ft., and that such area of applicability for Zoning Lot 1 be enlarged to include Zoning Envelop A but for Building 11 and all of Zoning Envelopes B, C, and D, and for Zoning Lot 2, the northern half of Zoning Envelop E except for within 100 feet of Third Avenue

For establishments permitted on the first and second floor and limited to 50,000 sq. ft. per establishment, that such area of applicability for Zoning Lot 2 shall be reduced to only include the southern (37th Street fronting) half of Zoning Envelope E and Third Avenue frontage to a depth of 100 feet and be limited to 100,000 sq. ft. of such establishments

- ii. For establishments permitted on the first and second floor with no size limit per establishment, that such applicability for Zoning Lot 3 shall be limited to Building 19 and new Building 21 and be limited to 80,000 sq. ft. per establishment in Building 19, and be limited to 150,000 sq. ft. of such establishments, and 80,000 sq. ft. in new Building 21, and be limited to 160,000 sq. ft. of such establishments

Be it further resolved that 1-10 Bush Terminal Owner L.P. and 19-20 Bush Terminal Owner L.P (BTO) (or its successors) memorialize commitment to the City Council to the extent that it would:

1. Convene annual Tech Apprenticeship Summits of its appropriate Technology, Arts, Media, and Innovation (TAMI) tenants
2. Undertake tenant outreach to promote utilization of the Empire State Apprenticeship Tax Credit
3. Launch tech apprenticeships as part of Apprentices NYC, funded via BTO or its successors through a percentage of amusement and/or retail and service lease revenues, in order to expand access to such careers
4. Commit to sustainability measures such as solar panels and/or wind turbines, passive house, blue and/or green roofs, New York City Department of Environmental Protection (DEP) rain gardens, a geothermal cogeneration plant to serve Industry City's summer peak heating demand for process and domestic hot water, or use of Upper New York Bay water for heating/cooling for compressorized

systems, and/or an interim urban agriculture use to grow green roof sedums for Industry City

5. Develop strategies to provide targeted marketing and leasing preference to businesses that comply with the New York State Climate Leadership and Community Protection Act (CLCPA), with the aim of expanding clean energy employment and uses at Industry City
6. To solicit the New York City Department of Education (DOE)'s interest in securing space for a publicly funded Science, Technology, Engineering, Arts, and Math (STEAM) Center or a STEAM-focused high school, and offer space to the agency prior to targeting retail users, providing DOE no fewer than 90 days for DOE to issue a response
7. Provide protected bicycle parking stations, in coordination with DOT

That the DOE, in consultation with Brooklyn Community Board 7 (CB 7), and local elected officials should:

- Commit to funding the installation of fiber-optic broadband to support Science, Technology, Engineering, Art, and Math (STEAM) education funding in Brooklyn Community District 7 (CD 7) schools
- Commit to execute a legal instrument with BTO (or its successors) expressing intent to fund either a STEAM center of approximately 30,000 sq. ft., technical high school at Industry City, modeled on the STEAM Center at the Brooklyn Navy Yard (BNY), of no less than 30,000 sq. ft., or a STEAM-focused high school of sufficient floor area where the resulting seats are re-apportioned through the conversion of an extremely underutilized high school to a middle school in a district where there is a shortfall of such seats, and proceed with the design for a STEAM Center or STEAM-focused high school no more than three years after the effective date of the rezoning
- That the DOE, in consultation with the Citywide Council on High Schools, shall identify underutilized high schools that might be re-positioned as a middle school in school districts projected to be in need of such seats

That the New York City Department of Small Business Services (SBS) should:

- Scale up the NYC Tech Talent Pipeline's associate engineering program — a promising model for connecting underrepresented talent with hands-on training and paid apprentice-like positions at growing tech companies

- Launch a Tech Apprenticeship Accelerator, per a Center for Urban Future (CUF) report, that would provide businesses intensive assistance to jump-start a customized apprenticeship program; bring together training partners, educational institutions, and sponsors to connect with employers, and create a platform for ongoing employer engagement and program development

That the New York City Economic Development Corporation (EDC), in consultation with Brooklyn Community Board 7 (CB 7), and local elected officials should:

- Prioritize, in its leasing strategy for City-owned industrial properties, uses consistent with the UPROSE Green Resilient Industrial District (GRID), including Brooklyn Army Terminal
- (BAT) Annex, Brooklyn Wholesale Meat Market, and Bush Terminal Industrial Site, as well as other holdings along the Sunset Park waterfront
- Encourage non-green economy industrial businesses with expiring leases in Sunset Park to relocate to facilities such as Industry City, to create more leasing opportunities for green economy industrial tenants and uses
- Advance the development of a second Sunset Park port facility by filling in the off-shore section between the bulkhead and pierhead lines south of Bush Terminal Piers Park
- Advance the construction of a ferry berth at 39th Street and initiate regular service as part of the NYC Ferry network
- Initiate a feasibility study for a long-term overbuild of the MTA New York Transit Authority (NYCT) 38th Street Train Yard and Facility to develop a new, planned, transit-oriented extension of Sunset Park, with a significant share of affordable housing, while allowing rail operations to continue below

That EDC, in consultation with the New York City Department of Housing Preservation and Development (HPD) should initiate a feasibility study for a near-term overbuild of the BAT parking lot along Second Avenue to realize a five-block, 100 percent affordable housing development with 50 percent of the units geared to Sunset Park Area Median Incomes (AMIs).

That the New York City Human Resources Administration (HRA), through its Office of Civil Justice, should immediately implement to ZIP codes 11220 and 11232, pursuant to the Universal Access to Legal Services law, with additional services from its Tenant

Support Unit, including: Housing Court defense attorney representation for eviction case court representation, as well free eviction defense legal assistance, legal help to tenants, buildings and tenant associations to help preserve their housing and protect against harassment or misconduct, and provide representation and legal advice in a range of housing-related cases

That HPD should:

- Set aside funding from the Mayor’s “Housing New York: A Five-Borough, Ten-Year Plan” intended for preservation of affordable housing to refinance residential buildings with expiring regulatory agreements in CD 7, and conduct follow-up outreach and engagement to owners of such properties
- Expand its Landlord Ambassadors Program to CD 7
- Increase funding to locally-based homeowner and tenant advocacy/counseling/organizing entities, such as the Brooklyn-Chinese American Association (BCA) and Neighbors Helping Neighbors (NHN), to enhance capacity for the following efforts: identifying the most at-risk buildings and developing a strategic action plan for preservation; providing legal assistance including tenants’ rights and property owner clinics, and promoting the HomeFix Program (homeowner repair), Green Housing Preservation Program (GHPP) (small building retrofitting), and HomeFirst Down Payment Assistance Program to residents in CD 7
- Extend the Certification of No Harassment requirement, established via a 2018 pilot program within geographies delineated in Local Law 1 of 2018, to all of CD 7, which would require owners of buildings with significant physical distress or ownership changes to acquire permits from DOB for work involving demolition or change in use/occupancy.

That CPC and/or the City Council should call for the modification of the Mandatory Inclusionary Housing (MIH) section of the ZR to stipulate that MIH-designated areas be adopted with a requirement that permits households with rent-burdened status (by excepting households paying equal or higher rent than what is set by a lottery from the 30 percent of income threshold) to qualify for affordable housing units pursuant to MIH.

That DOT, in consultation with Brooklyn Community Board 7 (CB 7) and local elected officials, should:

- Establish more CitiBike docking stations in proximity to Industry City and throughout Sunset Park and facilitate the provision of secure enclosed bicycle parking
- Study the feasibility of implementing Bus Rapid Transit (BRT) along Third Avenue
- Analyze Third Avenue southbound to implement traffic calming measures such as curb bulbouts/sidewalk extensions, the additional designated loading zones, sidewalk widening, protected bike lanes, and planters, as warranted
- Enhance Third Avenue pedestrian crossings via high visibility, wide-width painted crosswalks, additional lighting under the Gowanus Expressway viaduct, and new street art at the following cross-streets: 29th, 32nd, 34th, and 35th (D’Emic Playground); 36th, 37th, 39th, 40th, 41st, 43rd, 46th, and 47th (Pena Herrera Park), and 51st, 58th, and 59th (PS/IS 746K)

That the New York City Department of City Planning (DCP) undertake a study, in consultation with CB 7 and local elected officials, to establish a subway stairway bonus by upzoning the west side of Fourth Avenue between 33rd and 36th streets to fund transit improvements that widen stairwells and provide access to the northern side of 36th Street station’s downtown and uptown platforms.

That MTA NYCT should reopen existing secondary entrances at all subway stations in Brooklyn Community District 7 (CD 7), and advance fare integration with NYC Ferry.

That the New York City Department of Parks and Recreation (NYC Parks), in consultation with CB 7 and local elected officials, should provide funding to upgrade the following facilities: Bush Terminal Park, D’Emic Playground, Gonzalo Plascencia Playground, Pena Herrera Park, and Sunset Park.

That the Mayor’s Office of Resiliency (MOR) should advance the implementation of the Brooklyn Waterfront Greenway as a means to enhance bicycle safety along Third Avenue, and achieve integrated storm surge protection.”

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

On February 5, 2020 (Calendar No. 2), the CPC scheduled February 19, 2020 for a public hearing on this application (C 190296 ZMK) and the related applications for a zoning text amendment (N 190298 ZRK), special permit (C 190297 ZSK), and City Map change (C 160146 MMK). The hearing was duly held on February 19, 2020 (Calendar No. 24). There were 26 speakers in favor

and 26 in opposition.

An applicant team consisting of five speakers testified in support of the application. The applicant's land use attorney stated that 5.3 million square feet out of the 6.6 million square feet of space that comprises the proposed development has existed for over 100 years, and while the current zoning allows for office, warehouse, distribution and manufacturing uses, the desire for academic, retail, and hotel uses, as well as additional floor area, would allow the applicant to achieve its vision.

The CEO of Industry City described that the reactivation of the campus as an Innovation District is envisioned to generate more than 20,000 jobs and attract one billion dollars in private investment. He described how his experience leading similar efforts at the Brooklyn Navy Yard led to one billion dollars in private investment and thousands of new jobs. He also highlighted that the two other waterfront industrial complexes, the City-owned Brooklyn Navy Yard and the Brooklyn Army Terminal, were recipients of government funding for infrastructure upgrades while Industry City is a private property that will be privately financed. He described the recent growth of the complex since the current ownership has been in place, which has seen increased employment (from 1,900 to 8,000 workers and from 150 to 550 businesses) and has included \$400 million in private investment.

Regarding the size and spatial needs of existing businesses, he stated that the majority of businesses at Industry City have fewer than five employees and operate out of spaces smaller than 2,500 square feet and that many businesses have a production and manufacturing component as part of their operations. Regarding workers at Industry City, he stated that 35 percent live in the surrounding neighborhoods and that the types of jobs on-site range from production assistants, supervisors, entry-level kitchen positions, security staff, and construction workers. Of the 15 to 20 people placed in jobs by the Innovation Lab per month, 60 percent have a high school degree or equivalent and may start with an entry-level position, but that the intention is to provide pathways up the pay scale. He stated that the proposed development is envisioned to support 15,000 direct

jobs and 8,000 indirect jobs. Because of the small size of 450 of the companies at Industry City, most lack an in-house human resources function, and are assisted by the Innovation Lab when qualified candidates are sought for available positions.

He shared how several of the goals of the Sunset Park 197-a plan informed the proposed development, from the desire for academic collaborations, growth of modern manufacturing sectors, an increase in green space, and increased access to the waterfront. Regarding neighborhood character, he stated that reactivating 16 historic buildings and modifying the streetscapes to allow for loading functions that serve businesses, while also allowing for through traffic, would adapt the older structures to the existing needs of the area.

He described how the existing zoning regulations preclude key components of the proposed development such as academic partnerships that would provide access to job opportunities, large-scale retail that would draw people to the site and support small businesses, and the ability to build new facilities that would serve businesses that require modern space. He described some of the specific components of the proposed development that are present at other innovation districts in the country, including proximity to other innovation economy businesses and workforce development, open spaces that support networking and community building, and a range of amenities for tenants. He stated that, while the certified application included hotels as a business amenity desired by companies at Industry City, the applicant would support the request made by the Community Board and Council Member to remove hotels from the proposed development at the time of City Council review.

The Director of Community Engagement at Industry City spoke about the four community engagement priorities that were developed through over 100 meetings with local stakeholders and cited some specific accomplishments, including workforce development and job training, which resulted in the launch of the Innovation Lab in 2016, which has served over 2,500 people and placed 450 in jobs, 30% of whom are Sunset Park residents; education and schools, which has

resulted in partnerships with local schools and over 500 internships with young adults; family programming; and sustainability.

Another representative of the applicant team spoke about resiliency initiatives and stated that while some portions of existing buildings are located in the floodplain and present unique challenges regarding mitigation, measures would bring the buildings into compliance with Appendix G of the NYC Building Code for flood-resistant construction. These measures would include lifting infrastructure, such as elevator cores and electricity equipment out of the basements of existing buildings. She stated that new buildings to be constructed would have more robust resiliency measures implemented as required by the Building Code.

In addition to the applicant team, 21 people spoke in favor of the application.

A member of the 32BJ branch of the Service Employees International Union spoke about having positive negotiations with Industry City and the anticipation of prevailing wage jobs with benefits for union members.

Local residents, including some members of the Community Board, expressed support for the number and types of jobs that Industry City would bring to the neighborhood, which in combination with the workforce development programs already on-site and new educational components proposed, would present opportunities for Sunset Park residents. They also described how the area in and around Industry City has become safer and more welcoming for workers and families since the current ownership started investing in the properties. A number of residents spoke to some of the key concerns that have been voiced by community members opposed to the proposed development, particularly gentrification and the loss of manufacturing businesses on the waterfront. Regarding gentrification, some residents shared that while the rising cost of housing in the neighborhood has made it increasingly difficult for some long-time members of the community to continue to afford their homes, it has been an ongoing trend that began prior to the current

ownership entity taking over Industry City and that this issue and other broader issues such as traffic and safety are not caused directly by Industry City. Regarding the decline in manufacturing along the Sunset Park waterfront, broader reasons for this decline were cited, which included the obsolescence of products that used to be manufactured and the availability of cheaper labor in other areas of the country. Several residents mentioned that representatives from Industry City had attended a number of community meetings over the last several years to listen to community member concerns and share information about their plans.

A number of business owners or representatives from both new and established businesses described that their decision to locate at Industry City resulted from their search for more affordable rents compared to other areas of the city, greater availability of space, employment assistance provided by the Innovation Lab, proximity to other businesses and the investments that Industry City has made into the area, which have made it more attractive for their workers. One speaker described safety issues involving the blockage of emergency vehicles along the streets between the Finger Buildings, which were alleviated when the elevated sidewalks were implemented in recent years. Some businesses described on-the-job training that they provide to their new workers, many of whom walk to work from the residential area of Sunset Park. Several companies spoke in support of new hotels as an important amenity to the operations and growth of their businesses, as existing hotels in the area do not have the facilities or meet the desired standards that they would like to offer visitors. One local business owner shared his observation that the increased foot traffic to Industry City has improved visitors to his business, located nearby on 4th Avenue.

A representative from the Downtown Brooklyn Partnership stated that the number and types of job anticipated at Industry City, combined with workforce development initiatives, would serve as a model to be supported and replicated in order to support the revitalization of the borough as a jobs center. She emphasized that key strategies that the proposed development offered would continue to support growth of the economy by providing affordable space for small businesses, supporting

local workforce initiatives, colleges and universities that create pathways to employment, and amending outdated zoning regulations. A representative from the Brooklyn Chamber of Commerce stated that the proposed development aligned with the key goals of the 197-a plan, specifically to keep residential uses out of the waterfront and support job-intensive uses. Additionally, he stated that the needs and desires of Sunset Park youth are well matched to the types of jobs that Industry City is bringing to the neighborhood and that a community benefits agreement should focus on workforce development.

A representative from the Center for an Urban Future spoke about the growth of the “Innovation Economy” in New York City that is anticipated to continue to provide new middle-income jobs. He stated that well-paying jobs have been growing in “Innovation Economy” industries, such as technology and creative fields. He noted that New York City, and Brooklyn in particular, are well positioned to capture a significant share of this future growth if firms are able to find flexible and affordable commercial spaces to start and grow, as these types of spaces are in short supply. He also discussed how more can be done to ensure equitable access to these types of jobs, but that the place-based workforce training programs at Industry City are a model that should be replicated and expanded citywide.

A representative of an infrastructure and engineering firm that relocated a portion of their offices to Industry City described a mentorship program they created for students from Sunset Park High School. The program provides training and paid internships in resiliency-related subjects such as environmental engineering, landscape architecture, construction management, and the green economy, all with a focus on college readiness. He also stated his belief that economic resiliency is an important aspect of the overall resiliency strategy at Industry City, which would include a diverse mix of jobs and market sectors on-site.

The president of the Red Hook Container Terminal spoke about his partnership with Industry City with regards to SBMT and their joint commitment to the working waterfront and supporting the

maritime industry. Their partnership is focused on bringing offshore wind to SBMT that will benefit the neighborhood and the city with hundreds of green jobs and a modern port facility. He shared that some of the office functions and related job training will be located at Industry City or will be a collaboration with Industry City and its tenants.

Those who spoke in opposition included: members of the Community Board; members of Protect Sunset Park, a local coalition organized to oppose the proposed development; members and affiliates of UPROSE, a community-based organization that promotes sustainability and resiliency; local residents, academics and planners, and representatives from a number of community-based organizations advocating for environmental justice and climate change adaptation; and a representative from the Innovation Lab.

Members of the Community Board leadership shared that the community was divided on the proposed development. Community Board leadership also stated that the formal Community Board recommendation focused on how the proposed development aligned with the two key priorities articulated through the 197-a plan – prioritizing manufacturing uses and minimizing low-wage jobs. Some of the key modifications attached to the recommendation were highlighted, such as the applicability of waterfront regulations, a reduction in permitted FAR, mandatory street wall requirements, and a prohibition of uses such as self-storage and warehousing. It was clarified that the opposition to the proposed hotels did not necessarily stem from concerns about an actual hotel use, but were driven by the prevalence of hotels in the Community District that have been converted to homeless shelters or have been involved with illegal activities.

A number of speakers, many of whom were local residents as well as members of the Protect Sunset Park coalition or members/affiliates of UPROSE, emphasized that the proposed development would not address climate change, one of the key threats to the neighborhood. In lieu of the proposed development, speakers proposed that an alternative development proposal be adopted, called the Green Resiliency Industrial District (GRID). The GRID is a plan to support

maritime and industrial development that integrates climate resilience and adaptation measures while providing jobs and workforce training to local residents. Several academic and planning professionals stated that the buildings and space on the Sunset Park waterfront should be preserved in order for the City to address climate change and take advantage of the funding that the City could receive from the NYC Climate Mobilization Act (CMA) and the NYS Climate Leadership and Community Protection Act (CLCPA) for green jobs. Some speakers stated that the proposed development should not continue until a broader plan for the coastline and climate adaptation was developed.

A number of speakers also stated that the proposed development would cause or exacerbate gentrification, harm the character of the industrial waterfront, and be inconsistent with a number of local plans and policies. They also stated that the environmental review conducted was deficient.

Regarding gentrification and neighborhood character, a number of speakers described how Sunset Park has historically been a neighborhood where immigrants have found a foothold in the city, and where affordable rents have offered homes to start families and places to start local businesses. These speakers expressed concern that the neighborhood has become unaffordable for many long-time residents, many of whom are minorities and people of color. A concern was also expressed that the proposed development would cause direct displacement of the residents and businesses located in the Gateway parcel that Industry City intends to acquire, as well as indirect displacement throughout the neighborhood due to increased speculation of land and the associated rise in rents for residents and businesses. Concerns were expressed that this displacement would lead to the continued decline in the neighborhood's immigrant and minority population with more affluent, white residents replacing long-time residents.

It was also highlighted that manufacturing businesses would be especially vulnerable to rising costs, as they are not able to compete with other uses that can pay higher rents. One owner of a former manufacturing enterprise in the area stated that the rents for manufacturing businesses in the

waterfront have increased dramatically since the current ownership at Industry City began the redevelopment of the complex. Some speakers commented on specific aspects of the proposed development that they believed were inconsistent with neighborhood character, including luxury hotels being located in a working-class neighborhood, academic facilities being located in an industrial area that is also a flood zone and brownfield site, and an increase in retail jobs, which typically have lower wages than existing manufacturing jobs.

Regarding consistency with local plans and policies, a number of speakers stated that the proposed development was not aligned with the CLCPA, CMA, Vision2020: the New York City Comprehensive Waterfront Plan, the New York City Waterfront Revitalization Program (WRP), and the Sunset Park Brownfield Opportunity Area Study and the area's designation as an IBZ and Significant Maritime and Industrial Area. Specific inconsistencies cited included the lack of active marketing of marine transport to reduce truck traffic; the lack of maritime and water-dependent uses at the site; the lack of guaranteed public access to the waterfront, including neighborhood amenities such as Bush Terminal Piers Park; and the introduction of a broader range of non-industrial uses such as retail, hotels, and academic facilities.

A number of speakers questioned the need for the proposed actions. Regarding hotels, several speakers stated that there were already a number of highly-rated hotels in the vicinity of Industry City. A number of speakers stated that it was unclear why the applicant could not achieve its vision under the existing zoning.

Regarding the environmental review, a number of speakers stated that a comprehensive analysis of the impacts of the proposed development was not provided and was needed in order to assess the proposed development. Specific deficiencies cited included: a public hearing schedule that prevents working-class families and people of color from providing in-person testimony; the absence of a racial impact study; the absence of a study on the direct and indirect displacement of residents and businesses throughout the community district, including women- and minority-owned businesses;

the absence of an examination of the disparity between prior predictions from the environmental review analyses of prior rezoning and actual outcomes; the absence of an analysis of the effects of traffic congestion on emergency vehicle response time and associated impacts on the health of residents; the lack of information regarding exposure to historic and current chemical uses on the site of the rezoning; the need for the creation of a database for tracking of rent restricted units; the absence of a study of housing preservation initiatives; the need for identification of potential new sites for new affordable housing or preservation initiatives; the absence of a study on the procurement of two- to five-family housing units to be placed into affordable housing stock; the need for a survey of commercial businesses that cater to the current population and how the loss of businesses would impact the population; the need for a study on the increase in harassment pressures for residential and businesses in the community district pre- and post-Industry City's recent ownership change; and the need for a study on the change in home sales prices pre- and post-Industry City's recent ownership change. Additionally, multiple speakers stated that the environmental review should have analyzed the GRID proposal as a feasible alternative to the proposed development.

A number of speakers, including representatives from environmental organizations, local residents, and members of the Community Board, called for an update to local plans and policies to guide development in the neighborhood. This included an update of the Sunset Park 197-a plan to account for climate change. A member of the Community Board called for a comprehensive plan for the Sunset Park waterfront to address some of the key concerns raised by community, arguing that the ULURP process provides a very constrained time frame for stakeholders with limited time and resources to fully assess the proposed development and engage with the relevant issues. Some of the broader planning issues that were stated as relevant to the proposed development but requiring a more comprehensive analysis than could be performed for one private application included truck traffic, the proliferation of last mile distribution facilities, environmental concerns, sustainability and resiliency.

The CEO of a non-profit organization focused on youth and adult workforce development in Sunset Park and a founding partner of the Innovation Lab stated that she is part of a group of stakeholders that believe that a disapproval of the proposed development is a missed opportunity and are seeking to create a Community Benefits Agreement (CBA) with Industry City. She stated her belief that a CBA would hold Industry City accountable to commitments made regarding the preservation of industrial uses and education and training for local residents.

There were no other speakers and the hearing was closed.

## **CONSIDERATION**

The CPC believes that this application for a zoning map amendment, in conjunction with the applications for the related actions, is appropriate.

Together, these actions will facilitate the rehabilitation and re-activation of a campus including sixteen buildings and the construction of three new buildings that will contain up to 6.6 million square feet of industrial, commercial, and community facility uses in total, and is estimated to increase the total number of jobs across the site from 8,000 to 15,000.

Industry City is part of the larger historic Bush Terminal along the Sunset Park waterfront, which once employed tens of thousands of workers in shipping, distribution, and manufacturing during the 20th century. Similar to industrial sites throughout New York City, Bush Terminal experienced significant declines in employment and investment from the 1960's to the early 2000's. Multi-story industrial loft buildings such as those along the Sunset Park waterfront were left abandoned as businesses moved out of the city to access inexpensive land for horizontal production facilities; connect with new truck, rail, and containerized shipping networks closer to the mainland; and recruit cheaper, often non-unionized labor. Disinvestment in these industrial areas was furthered by New York City's new zoning regulations, implemented in 1961, which sought to compete with and formalize the suburbanized Euclidean-model of industrial development in the boroughs outside of

Manhattan by restricting development to low densities and implementing high parking requirements. This zoning, still in place today, prevented new multi-story industrial loft buildings from being constructed and hindered industrial areas from modernizing as technology, businesses, and jobs changed over time.

In 2013, the current ownership began renovating the existing loft buildings in Industry City to accommodate a mix of modern manufacturing and commercial uses. This included capital investments in the historic structures and the streetscape, investments in resiliency and sustainability, and the commitment of resources to new job training programs for local residents. Since initiating these investments, the number of jobs across the campus has increased from 1,900 in 2013 to over 8,000 in 2019, an increase of over 300 percent. However, the applicant has stated that further investment and growth is limited by the outdated zoning designation, which is unchanged since it was first implemented and restricts allowable density and uses.

The applicant has set forth a vision for a campus with a thriving ecosystem of industrial, commercial, and community facility uses that will adaptively reuse the existing historic loft buildings for a contemporary mix of businesses and services, while responding to pressures from years of deferred maintenance and providing pathways for local residents to access the new jobs created. As such, the proposed development meets several citywide and neighborhood-specific policy objectives.

The CPC notes that a campus of this size requires a broad range of uses to facilitate a variety of jobs, support services, amenities, and workforce training opportunities. The addition of new uses such as colleges and universities, a broader range of retail and service establishments, and hotels will support and complement the existing uses on site and facilitate the continued renovation of the buildings and continued job growth.

Changes in the nature of businesses impact the potential for land use conflicts. The industrial businesses of the prior century required wide expanses of space and preferred separation from other

uses to limit potential impacts. Today, many modern manufacturing businesses have smaller spatial requirements, generate fewer noxious impacts, and desire or require close proximity to other uses in order to attract and support their businesses, workers, and visitors.

The CPC is pleased that the project proposes adaptive reuse for these iconic buildings, thereby preserving an important component of the history of the Sunset Park waterfront. Most of the buildings are located in the floodplain and as a result of decades of deferred maintenance, many are in need of significant capital investment in order to be attractive to a range of modern businesses. Upon full buildout, existing buildings will not only be renovated but will be more flood resilient. The three new buildings proposed will relate to the form of the existing buildings and provide additional capacity for businesses and institutions that may want to locate at Industry City but may not be well suited for adaptive reuse.

In addition to the growing mix of jobs on site, capital investments such as streetscape improvements and open space amenities have drawn more people towards the waterfront, helping to reconnect the waterfront to the upland portions of the neighborhood and address the physical barrier that has divided the neighborhood since the Gowanus Expressway was built. The proposed development would help to preserve the private driveways between the Finger Buildings that extend between 2nd Avenue to 3rd Avenue by preventing new buildings from expanding into these areas. Maintaining these areas as functioning “streets” that allow for through traffic by pedestrians, bicycles, vehicles and trucks will help to maintain east-west connections across the neighborhood.

While the existing buildings contain most of the floor area permitted within the proposed development and would not normally trigger parking requirements upon occupation or changes of use, the CPC believes that the parking requirement proposed, which will be triggered by new retail use (both conversions of existing floor area and new floor area), is needed to meet the demands of the increased utilization of the existing buildings as well as the proposed new buildings. The shared parking scheme proposed, whereby all parking spaces will be shared among the various uses, will

help to reduce the total amount of parking spaces provided, thereby reserving space for active and job-generating uses.

The CPC commends the applicant and the non-profit and educational partners that launched the Innovation Lab in 2016, which provides a unique opportunity to connect local residents with the jobs, businesses, and employment networks created within Industry City and elsewhere along the Sunset Park waterfront. The recruitment, job placement assistance, and workforce training provided by the Innovation Lab not only provides a critical support for local residents seeking new skills and job opportunities, but also for the smaller businesses that may lack the capacity to perform human resource functions themselves, but are seeking to staff, train, and expand their own operations.

The proposed development supports and aligns with several goals articulated in citywide economic development policies, including New York Works and the 10-point Industrial Action Plan. Key strategies of New York Works include modernization and expansion of facilities for manufacturing businesses, supporting jobs closer to where New Yorkers live, and connecting New Yorkers to good jobs. The 10-Point Industrial Action Plan, released by the Mayor and City Council Speaker, calls for the growth of 21<sup>st</sup> century industrial and manufacturing jobs in NYC. The Industrial Action Plan calls for the creation of “new models for flexible workspace and Innovation Districts” that encourage a mix of uses in response to the evolving needs of the industrial and manufacturing economy. Just as the industrial and manufacturing businesses of the last century have dramatically different needs compared with industrial and manufacturing businesses of today, business needs and technologies will continue to change over time. It is therefore important that land use regulations provide sufficient flexibility to allow a mix of permitted uses within buildings to evolve and to allow individual businesses to change their use of space to adapt to changing industry and business models in order to support job growth today and into the future.

The proposed development is also aligned with key economic development goals articulated in the Sunset Park 197-a Plan, including “Identify vacant or underutilized privately- and publicly-owned buildings and lots throughout the waterfront study area....that may provide opportunities for (a) the

development of new industrial businesses and services in Sunset Park; (b) the expansion of existing businesses; (c) relocation of businesses displaced from other parts of the city or by future port development or transportation improvements; and (d) supportive services such as a vocational training center, day care facilities, local retail facilities, and parking.” The CPC notes that over 50 percent of the floor area at Industry City (approximately 2.7 million square feet of space) is currently vacant or occupied by storage and warehousing uses. The reactivation of this space to accommodate active uses represents a tremendous opportunity to strengthen a significant employment center.

Further aligned with citywide and local policies, the CPC notes that the City is investing heavily in Sunset Park’s waterfront industrial and manufacturing assets at the Brooklyn Army Terminal, SBMT, and the City-owned portion of Bush Terminal, as well as adjacent open space and transportation infrastructure. Hundreds of millions of public dollars are being leveraged to create and support a variety of industrial and manufacturing jobs in the neighborhood. The Made in NY initiative at Bush Terminal will provide affordable, flood-resilient, modern industrial space for businesses in the garment manufacturing and film and media production sectors. As part of this initiative, Steiner Studios will establish a 500,000-square-foot film and television production hub at Bush Terminal. Investments at SBMT will transform the underutilized piers into a modern port facility that is equipped to support the assembly and staging of wind turbines that will be used in off-shore wind facilities. Industry City is an important development whose proposed uses, program, and services align with the citywide and neighborhood goals for this portion of Brooklyn’s waterfront.

*Zoning Map Amendment (C 190296 ZMK)*

The CPC believes that the proposed zoning map amendment to establish the IC and change an M3-1 zoning district to an M2-4 zoning district is appropriate.

The CPC recognizes that the zoning in the project area has remained unchanged since 1961 and is

reflective of land use patterns established over 50 years ago. The current M3-1 zoning district permits commercial and industrial uses up to a maximum FAR of 2.0. Retail uses that exceed 10,000 square foot of floor area per establishment, hotels, and most community facilities are not allowed. An M2-4 district would better reflect the built form and uses existing in the area today. The majority of buildings that make up Industry City are overbuilt, having floor area ratios between 3.0 and 5.0, with the entirety of the complex having a floor area ratio of 3.9. The proposed zoning map amendment would therefore bring the existing buildings into compliance with regards to density. The project area is situated in close proximity to the D, N, and R subway lines at 36th Street and 4th Avenue, which is one express stop away from Atlantic Terminal in Downtown Brooklyn, a local and regional rail transportation hub. First, Second, and Third Avenues, as well as 39th Street are all wide avenues that are major vehicular roadways, in addition to the elevated Gowanus Expressway above 3rd Avenue. The existing uses at Industry City are not the heaviest industrial uses that require the provisions of an M3 district, including the least stringent set of performance standards. The existing mix of light industrial uses and commercial uses is consistent with the more stringent set of performance standards that an M2-4 district will impose. With respect to parking, conversions of existing floor area generally do not trigger parking requirements, and an M2-4 district is reflective of the existing built form as the majority of the permitted floor area within the IC already exists today in the form of buildings that the applicant seeks to rehabilitate.

While an M2-4 zoning district better reflects the current conditions of the project area, it will not provide the flexibility to support a modern industrial, commercial, and institutional campus with regards to uses, density, and parking that the establishment of the IC will provide.

*Zoning Text Amendment (N 190298 ZRK)*

The CPC believes that the proposed zoning text amendment to establish the IC is appropriate. The existing manufacturing districts do not provide the flexibility that modern manufacturing and commercial businesses need in order to grow. The unique conditions of Industry City, such as the

scale of the proposed development, the existing buildings which are overbuilt, and the need for substantial capital improvements and parking facilities to support and facilitate adaptive reuse, call for a more tailored and flexible approach to zoning than what the underlying zoning regulations allow. The IC will complement the proposed zoning map change through the creation of a new special permit that allows for flexibility with respect to use, bulk, and parking regulations.

The CPC supports the flexibility for new uses to be introduced within the IC, subject to restrictions. These uses include schools, with no living or sleeping accommodations; colleges and universities; libraries, museums, and non-commercial art galleries; hotels; physical culture establishments; a broader range of retail and service uses; and distilleries. With regards to schools, the CPC notes that there is still a tremendous need for school sites in Sunset Park. With regards to colleges and universities, the CPC notes that new academic and educational uses such as colleges and universities, as well as libraries, museums, and non-commercial art galleries, would complement the existing trade school uses and educational partnerships that exist today. Close proximity between educational resources and employment opportunities will help to facilitate job growth and provide opportunities for local residents to access new jobs on the Sunset Park waterfront. The CPC notes that significant employment centers require access to conference facilities, as well as hotels for visitors and business partners. A significant employment center requires that workers and visitors have access to amenities such as a broad range of retail options and PCEs. Distilleries are one example of a growing niche manufacturing use in New York City and the CPC believes that site-specific review and approval by the FDNY to evaluate the safety and appropriateness of each of these facilities is appropriate and adequate. The restrictions that are applicable to the newly-permitted uses will ensure that they do not become the predominant use and that the proposed development will continue to be comprised of a mix of uses. The bulk regulations of the underlying zoning would not support the adaptive reuse and expansion of the existing complex of historic buildings therefore it is appropriate to modify those regulations. Flexibility with regards to parking is warranted. While the majority of the area within the IC would not trigger a parking requirement because the floor area permitted already exists, the CPC believes that a parking requirement is

appropriate in order to ensure that the demands of an increased on-site workforce can be met. While it is appropriate for the retail and service uses to trigger the parking requirement as those uses would generate the most vehicle trips, the required parking spaces should be permitted the flexibility to serve the entire complex given the varying peak times of the anticipated mix of uses. The flexibility to construct an accessory group parking facility of up to 500 permitted parking spaces is appropriate, as it is needed to allow for the construction of a parking garage before the parking requirement for all of the parking spaces within such a structure is triggered, due to the impracticality of building a structured parking facility slowly over time.

The M1 performance standards that will apply to the IC are appropriate given the mix of uses that currently exists within the project area, as well as the new uses that will be introduced through the special permit. Waiving applicability of the waterfront regulations of Article VI, Chapter II of the ZR is appropriate, as the proposed development does not meet the requirements for the provision of waterfront public access areas and the waiver does not affect the proposed contextual envelopes.

#### *Special Permit (C 190297 ZSK)*

The CPC believes that the proposed special permit, pursuant to the newly-established IC, is appropriate. The modifications will aid in achieving the general purposes and intent of the IC. The additional uses proposed by the special permit will facilitate an active mixed-use employment district comprised of a range of industrial, commercial, and community facility uses. The proposed mix of uses will support a local and regional employment, institutional, and retail center within a well-considered site plan that supports and reinforces the existing historic loft buildings. The creation of jobs and amenities will draw residents of the residential neighborhood to the waterfront, strengthening the east-west connections across the neighborhood. These connections will be further supported by limiting retail to the first and second floors. Constructing new elevated sidewalks along 33rd and 39th streets will mitigate land use conflicts between pedestrians and vehicular traffic and loading activities, creating an active and inviting public realm. The modifications will support the rehabilitation of the existing buildings, which will protect the built form and character

of the existing industrial and manufacturing district while allowing some flexibility for expansion, and the three new buildings are proposed at a scale and form that relates to the existing buildings. By increasing the utilization of the existing buildings, over half of which are vacant or occupied by low-job density storage and warehousing uses, the value of land and buildings will be conserved, thereby protecting the City's tax revenues.

The restrictions on the newly-permitted uses, including total square footage caps, locational restrictions for retail and hotel uses, restrictions on the co-location of the community facility and hotel uses with heavier commercial and manufacturing uses, as well as FDNY approval for any distilleries, will ensure that those uses are compatible with existing uses and appropriate for the location. Industry City is situated in close proximity to major vehicular routes and is served by three subway lines and three bus routes, reducing the need for vehicular traffic to flow through local streets. Third Avenue is adjacent to the project area and is a major vehicular artery and a truck route. The Gowanus Expressway that is elevated above 3rd Avenue has a southbound exit at 39th Street and 2nd Avenue.

Pedestrian safety is maximized by the designation of 39th Street as a pedestrian-oriented corridor with loading and service functions concentrated on 41st Street and 1st Avenue within the 39th Street Buildings. Within the Finger Buildings, Innovation Alley allows for pedestrians to traverse the Finger Buildings in between the avenues where vehicular activity is concentrated, and the elevated sidewalks will facilitate the separation of pedestrian activity from vehicular traffic and loading activities.

The proposed uses will not impair the essential character or future use of the surrounding area. The community facility and retail uses are similar in nature to other educational facilities and other retail uses to the north, south, and east of the project area. Colleges and universities as well as libraries, museums, and non-commercial art galleries will complement the existing workforce development initiatives on-site and provide opportunities to strengthen partnerships with nearby

public schools. Given the lack of hotels in the surrounding area that offer robust business amenities such as conference facilities and meeting space, the proposed hotels are appropriate to the needs of businesses within the IC and necessary to support a major employment center. The regulations that prevent the hotels from co-locating with heavier commercial and manufacturing uses will ensure an adequate separation from air, noise, traffic and other adverse effects, thereby minimizing potential conflicts from surrounding industrial uses. The existing distilleries at Industry City would remain conforming and new distilleries would be supported as a component of the manufacturing landscape.

The proposed bulk modifications facilitate a good site plan and enhance the streetscape. These modifications reflect the current conditions, in which the majority of floor area permitted already exists in the form of buildings to be adaptively reused. The portions of existing buildings that do not comply with the required setbacks, sky exposure planes, and required rear yards would be brought into compliance. The proposed bulk modifications that allow for limited vertical expansions above existing buildings and permit the construction of three new buildings will accommodate businesses whose needs may not be suited by adaptive reuse of the existing buildings, while keeping with the existing built form. The transfer of floor area across zoning lot boundaries facilitates a good site plan by allowing for development in more appropriate areas such as the proposed Building 21, which will fill in the streetwall along 39th Street and will resemble the adjacent buildings, despite resulting in a zoning lot that will exceed the maximum FAR permitted. Given the existing built form, which is being memorialized, and the proposed new buildings, which will enhance the consistency of the streetscape and built form, the proposed bulk modifications will not unduly obstruct the access of light and air to adjoining properties as SBMT is located to the north and west, the elevated Gowanus Expressway is located to the east, and Costco is located to the south.

*City Map Change (C 160146 MMK)*

The CPC believes that the proposed city map change for the elimination, discontinuance, and

closing of 40th Street between 1st and 2nd avenues, is appropriate. This portion of 40th Street has never been in use as a street, is privately-owned, and is partially occupied by buildings. This action would facilitate the development of the proposed new Building 21, which will be located in a portion of the bed of this street.

The CPC commends the Community Board and the Borough President for issuing detailed and thoughtful recommendations on the proposed actions. It values the diverse perspectives shared by stakeholders who submitted public testimony, which highlighted many of the concerns held by local residents as well as potential opportunities that the proposed development offers. There were a number of common themes from the recommendations issued by the Community Board and the Borough President, and from public testimony submitted at the CPC public hearing.

One of the common themes expressed was the desire to prohibit and restrict specific uses. The as-of-right uses sought to be prohibited included warehouses, trucking terminals, motor freight stations, and eating and drinking establishments with over 200 persons or with dancing. The CPC believes that prohibiting as-of-right uses runs counter to the larger economic development goals of the City. Loft buildings in manufacturing districts throughout the city have been able to successfully accommodate a wide variety of as-of-right industrial and commercial uses as the economy has diversified and technology changes how businesses operate, in large part due to the flexibility that zoning permits with regards to as-of-right uses. The nature of existing businesses of all types will change over time in ways that cannot be anticipated and maintaining use flexibility is a critical way to support economic resiliency and adaptability. In addition, the CPC believes that manufacturing districts are the most appropriate location for these uses given their land use characteristics, which would be more disruptive in commercial and residential districts. Prohibiting these uses outright not only reduces the potential for buildings to adapt over time, but may result in unintended consequences, as they are a source of jobs and provide services to support a wide variety of individuals and businesses.

Regarding the Community Board's request that self-storage facilities be prohibited, the CPC notes that new self-storage facilities within the project area are not permitted as-of-right and would be subject to the citywide special permit for self-storage facilities in Designated Areas in M districts, which was adopted in 2017 (N 170425A ZRY). Regarding the Community Board's and the Borough President's request to eliminate hotels from the proposed development, the CPC believes that hotels are an important use that is compatible with and supportive of a significant employment center. In addition to providing on-site accommodations for visitors, the conference facilities that the proposed hotels would offer provide an important amenity that is severely lacking, not just at Industry City or in Sunset Park, but in Brooklyn as a whole. The special permit for new hotels within M1 districts adopted in 2018 (N 180349 ZRY) aimed to promote the availability of space for industrial businesses while maintaining suitable siting opportunities for hotels, and safeguarding the movement of workers, guests, and freight. The proposed development includes two hotels that would occupy approximately four percent of the total floor area at Industry City and would be limited to specific locations within two of the new construction buildings, reserving more affordable industrial and commercial job spaces with fewer use conflicts for the vast majority of the site. Many large employment campuses contain hotel and conference facility uses on-site or within close proximity, as they are a necessity for attracting and accommodating firms, clients, and employees. The CPC notes that a member of Community Board 7 clarified the Community Board's recommendation regarding hotels, stating that the concern did not apply to a "well-run" hotel, but was a result of other hotels in the area that have been converted to homeless shelters or were involved in illegal activities. Compelling testimony was submitted by a number of owners and representatives of industrial and manufacturing businesses at Industry City and in the surrounding area regarding the need for on-site hotels to facilitate the continued operation and growth of their businesses, especially those that have domestic and international business partners. The CPC agrees.

There were a number of uses that the Community Board and the Borough President requested be subject to restrictions in order to prioritize the manufacturing uses within the proposed

development. These uses include office uses, amusement uses, retail, and schools. Office and amusement uses are currently as-of-right in the existing zoning and the proposed zoning district and the CPC does not support restrictions on as-of-right uses.

With regard to retail, the CPC notes that a wide variety of retail establishments are permitted as-of-right today. The most notable category of retail that would be newly permitted through the special permit is retail and service uses in excess of 10,000 square feet per establishment. The addition of large-scale retail is not out of context with the surrounding area, as large-scale retail establishments are located directly adjacent to the project area, to the north and south at Liberty View Industrial Plaza and the Costco store. These retail establishments have proven to be extremely successful at serving the needs of both residents from Sunset Park and elsewhere in Brooklyn, and these uses exist in close proximity to or within the same building as industrial and manufacturing uses. Additionally, when a number of small-scale retail establishments are co-located with one another, the distinction between establishments that are less than or greater than 10,000 square feet in size becomes less relevant. Pursuant to the underlying zoning regulations, Industry City could be fully occupied with retail and service establishments that are generally limited to 10,000 square feet today. Collectively, these establishments would have the ability to draw visitors from a larger catchment area in a similar way that large-scale retail establishments do on a standalone basis given the scale of the proposed development. Instead of limiting per establishment size as a way to prioritize non-retail uses, the CPC believes that by limiting most retail uses to the first and second floors throughout the proposed development, upper floor uses will be better suited for industrial, manufacturing, and office uses. In addition, local streets will be better-activated, and people will be drawn towards the waterfront more effectively than if the ground floor uses were occupied primarily by other uses such as office, manufacturing, or community facilities. The proposed development's approach towards the siting of retail uses is consistent with the goals articulated in the Sunset Park 197-a plan such as "Encourage other destinations besides the park at Bush Terminal Piers, such as a maritime/industrial museum, historic ships, an environmental center, cultural/educational facilities, and a café or restaurant that will draw people down from the upland

neighborhoods and help establish a sense of place and identity on the waterfront.”

The CPC also believes that in order to support the significant job growth that is envisioned, additional retail uses will be needed throughout the proposed development to serve the increased number of workers and visiting clients. Regarding the Borough President’s recommendation to cap the total amount of retail uses to 750,000 square feet and to prohibit retail uses beyond 100 feet west of 1st Avenue, the CPC believes that the locational restrictions themselves, in addition to the proposed 900,000 square foot total cap, are sufficient to ensure that retail uses are a supportive use within the proposed development. Some of the buildings located west of 1st Avenue are currently uninhabitable and have the most significant capital investment needs among the entire campus, and the provision of retail will facilitate adaptive reuse. In response to the Borough President’s request to limit accessory retail uses, use distinctions in the zoning resolution rely on the primary rather than the accessory uses. In addition, accessory retail is an important component of many successful industrial businesses across the city, allowing them to showcase their products and manufacturing processes to a broader audience and providing an additional revenue stream to support the primary functions of the business. Regarding the restrictions proposed by the Community Board and the Borough President that the primary frontages of retail uses not be located on the streets between 2nd Avenue and 3rd Avenue in order to prevent conflicts with loading activities of manufacturing businesses in the Finger Buildings, the CPC notes that the elevated sidewalks that have been built along some of the streets between the Finger Buildings have shown that pedestrian traffic, including traffic related to ground floor retail uses, can be compatible with loading activities. Regarding the Community Board’s request that a grocery store be permitted only if it is located in the ground floor of Building 11 and meets the FRESH program requirements, the CPC believes that the flexibility for a grocer to select a location and implement its own programmatic and operational practices is needed to ensure the possibility of attracting this type of use to Industry City.

In response to the Community Board’s recommendation to restrict schools that serve youth younger than high school age and the Borough President’s recommendation to restrict any school use to

within 200 feet of 3rd Avenue, the CPC notes that there is no school use permitted in the proposed development. In addition, all new school sitings consider site-specific conditions and area needs and are managed by the School Construction Authority in consultation with local stakeholders, including the Community Board.

The Community Board recommended that a minimum of 1.5 million square feet of space within the proposed development be managed by a non-profit entity and be restricted to “manufacturing arts and arts production” uses. The Borough President recommended that a set of “required and beneficial uses,” comprised of community facility uses, custom manufacturing, industrial and select commercial uses, be designated and that amusement, warehouse, and retail and service uses be permitted only in relation to the amount of required industrial and beneficial uses that are preserved. Similarly, the Community Board recommended that new office uses must only be permitted in relation to the amount of studio, manufacturing or industrial uses provided. In response to a minimum requirement for specific types of uses, the CPC believes that zoning must be sufficiently flexible to permit appropriate uses, and industrial space requirements pose a risk that future development may be infeasible, limiting growth of a broad range of appropriate, job-generating activities over time. With regards to management of a set-aside by a non-profit entity, requiring through the zoning regulations that private property be transferred to another party would likely be a taking.

Requirements for the preservation of industrial space in order to permit new commercial uses have been previously included in the Zoning Resolution, notably within the Special Garment Center District. In that case, the preservation requirements proved difficult to enforce and ultimately led to significant amounts of non-conforming uses, limiting critical upgrades and investments in buildings. These requirements were removed from the Special Garment Center District in 2018, recognizing the need for more flexible zoning to meet the needs of an evolving economy. Because industrial set-aside requirements that condition new commercial development upon the inclusion of industrial space have the potential to hinder investment and growth of new jobs across a range of

sectors, they must be used with heightened caution.

In 2016, the CPC approved a special permit pursuant to Zoning Resolution Section 74-962 allowing additional commercial floor area (“incentive uses”) in relation to required industrial uses within Industrial Business Incentive Areas (IBIAs) in the Greenpoint-Williamsburg IBZ (IBIA special permit). The CPC notes that the creation of the IBIAs and the IBIA special permit was experimental in nature. The space reserved for required industrial uses pursuant to the IBIA special permit has not yet been tenanted and the related requirements regarding compliance, recordation, notification, and third-party reporting have not yet been implemented. The CPC anticipates that future outcomes from the IBIA special permit will help to inform discussions on the potential for broader applicability of aspects of that special permit, such as the feasibility of an industrial set-aside, the ratio of incentive uses to required industrial uses, and the effectiveness of the related reporting requirements. In the interim, the CPC notes some key differences between the IBIA special permit and Industry City. The proposal facilitated by the IBIA special permit was a new construction development located in an area that has experienced rapid residential growth in the surrounding neighborhoods over the last decade, supporting robust growth in the demand for commercial uses. In addition, the scale of that development was a fraction of what is being proposed at Industry City, allowing for a designated space for the required industrial uses to be identified within a single building. In the case of Industry City, the substantial amount of space across the complex, combined with the adaptive reuse nature of the project involving varying conditions of existing buildings, and the markedly different market conditions require a higher degree of flexibility with respect to permitted uses and future tenants in order for the proposed development to continue to meet the needs of employers as the economy evolves over time. In response to the Borough President’s recommendation to require compliance, recordation, notification, and third-party reporting pursuant to ZR Section 74-962 at Industry City in relation to the “required and beneficial uses,” the CPC believes that learnings from the developments facilitated by the IBIA special permit must inform potential applicability in other areas. The CPC believes it is appropriate to impose square footage caps on the newly-permitted uses such as retail,

community facilities, and hotels at Industry City in order to ensure that these uses complement the primary job-generating uses rather than become the dominant uses. However, it does not support a mechanism that will restrict flexibility with regard to as-of-right uses and thereby reduce the ability for businesses to adapt over time.

The CPC notes a common theme in the recommendations by the Community Board and the Borough President related to parking requirements. In order to reduce the amount of parking spaces within the proposed development, the Community Board requested that retail uses be capped at a total of 300,000 square feet and that the parking requirement be triggered when there is over 40,000 square feet of retail uses within the proposed development. The CPC notes that this recommendation would result in approximately 500 parking spaces being required for the full buildout of 6.6 million square feet of space. In contrast, there are currently 600 parking spaces that serve the existing 5.3 million square foot complex today, over half of which are vacant or occupied by storage and warehousing uses. Requiring fewer parking spaces than what is currently provided for a development that is anticipated to experience a significant increase in workers would be imprudent. The Community Board and the Borough President also issued recommendations calling for a percentage of parking spaces to provide access to electric car charging adaptors. The CPC notes that the Building Code contains requirements, which have been amended and expanded over time, for the provision of electric charging infrastructure in off-street parking facilities. The Borough President also recommended that additional parking spaces for car-share vehicles be provided. The CPC notes that car sharing is addressed by broadly applicable zoning regulations that enable car share vehicles to be provided at locations throughout neighborhoods in response to market conditions that change seasonally and over time. The CPC does not believe that static requirements imposed through land use approvals on individual sites would affect supply of car share vehicles or be adaptable to evolving demand.

Another common theme in the recommendations and public testimony related to the perceived change in neighborhood character. Regarding the waterfront, concerns were raised that the

introduction of non-industrial uses would harm the industrial and manufacturing character of the area. The CPC notes that there is already a wide mix of commercial, industrial, and some residential uses in the surrounding area, and that the waterfront blocks have seen significant abandonment and disinvestment as industry has left the city since the latter half of the twentieth century. Warehousing, distribution, auto-related uses, and retail have been the primary uses to replace these formerly industrial spaces. With the stabilization of some manufacturing sectors, including in food production, metal and woodworking, and some high-value niche manufacturing, along with growing commercial and office-based job sectors, job growth has come back to many industrial areas, including the Sunset Park waterfront. These uses are primarily related to regional consumption patterns and tend to produce high-value goods, have limited or small-scale freight activity for local deliveries, can occupy smaller floorplate buildings, and oftentimes have operations that blend manufacturing, design, and office functions. In addition, they may need or desire proximity to other manufacturers as well as amenities such as retail uses, hotels for visitors and business partners, and recruitment and training opportunities to support their growth. This mix of existing and new businesses match the proposed development. The investments proposed at Industry City, coupled with investments in nearby City-owned assets, will help to bring back some of the historic job densities that used to symbolize Sunset Park's working waterfront.

The Community Board and the Borough President requested modifications to the proposed density or the contextual envelopes proposed by the special permit. Regarding the Community Board's request to limit the overall floor area ratio to 4.5, the CPC believes that the proposed zoning map amendment to change an M3-1 district to an M2-4 district, which has a maximum FAR of 5.0, as well as the proposed contextual envelopes are appropriate with respect to density and built form. The CPC strongly supports the adaptive reuse component of the proposed development and notes that the envelopes would bring these buildings into compliance while permitting flexibility for future expansion. Regarding the Community Board's recommendations to impose a mandatory streetwall along the avenues, require minimum streetwall heights, and limit the height of new buildings to 110 feet, the CPC believes that the proposed contextual envelopes strike a balance

between relating to the existing buildings and providing some additional flexibility for expansion and new construction. The CPC believes that the proposed envelopes provide a coherent and consistent design framework for the rehabilitation of existing buildings and the development of new buildings. It is appropriate for the Gateway Building and Building 11 to be permitted a maximum height of 170 feet given the height of existing Building 10, in addition to their direct adjacencies to the Gowanus Expressway and SBMT, respectively. The recommended 110-foot height limit could result in a haphazard building form as Building 21 would be restricted to a lower height than the other 39th Street buildings directly adjacent to it to the east and west. Regarding the suggested modification that the courtyards between the Finger Buildings remain open up to a height of 30 feet above grade, the CPC believes that it is unlikely that the courtyards would be substantially infilled as that would significantly affect the light and air for tenants within the Finger Buildings. However, flexibility is warranted to allow for modifications to some portions of the buildings or permit some structures within the courtyards at grade.

In response to the Community Board's and Borough President's recommendations that the applicant implement a pedestrian streetscape plan at private and public streets adjacent to its property or at specific intersections in the project area, the CPC notes that the applicant has already made significant progress in addressing pedestrian safety and accessibility, particularly along the 39th Street frontage and on 34th, 35th, and 36th streets between the Finger Buildings. The CPC is pleased that the applicant plans to continue these efforts, including the construction of additional elevated sidewalks along 33rd Street. While not related to the proposed development, the CPC notes that there are a number of City-led initiatives that will improve streetscape conditions in and around the project area. These include construction of the Brooklyn Waterfront Greenway, and streetscape improvements and roadway reconstructions at a number of intersections including 36th Street and 3rd Avenue, 39th Street and 2nd Avenue, and 39th Street and 2nd Avenue.

Regarding the Community Board's and Borough President's recommendations and similar comments submitted during the CPC public hearing on the methodology of the environmental

review and requests for additional analyses to be included in that review, the CPC notes that the EIS was conducted according to the CEQR Technical Manual.

A number of comments were received by the CPC regarding alleged deficiencies with respect to the Waterfront Revitalization Program (WRP), specifically the lack of water-dependent uses and public access to the waterfront. A WRP consistency review is required as part of the environmental review when discretionary land use actions are proposed for a site that is located in the Coastal Zone Boundary. The majority of the proposed development is not located on the waterfront, as mapped streets or non-applicant owned property separates the Finger Buildings and the 39th Street Buildings that are east of 1st Avenue from the waterfront. The portion of the proposed development that is adjacent to a waterbody is limited to a section of the southwestern edge of Buildings 24 and 25 that face a basin located in between two piers that is not accessible by any public right of way. Water-dependent uses typically require significant waterfront frontage that is easily accessible to facilitate direct in-water access. Because the proposed development has constrained, minimal water adjacency, the creation of water-dependent uses may not be feasible. With respect to public access to the waterfront, the proposed actions do not affect existing access to Bush Terminal Piers Park or any other surrounding waterfront, nor would they preclude potential future waterfront public access within the project area or surrounding sites. DCP staff determined that the proposed actions will not substantially hinder the achievement of any WRP policy and is consistent with the WRP.

In addition to these shared recommendations, the Community Board issued a recommendation that the applicant implement waterfront access along its perimeter. As noted above, the proposed development has limited direct water adjacency. The portion of Buildings 24 and 25 that are adjacent to the water abut a basin that is approximately 50 feet wide in between two piers. The property does not abut the New York Harbor itself. In response to the Community Board's recommendation to have waterfront regulations apply within the special district, the CPC notes that this recommendation would have no impact on the proposed development. The regulations of Article VI, Chapter II (Special Regulations Applying in the Waterfront Area) require zoning lots

that meet specific criteria to provide a waterfront public access area (WPAA). One of the criteria is having at least 100 feet of shoreline. Because the proposed development does not abut the New York Harbor, it does not meet the shoreline requirement and therefore would not be required to provide a WPAA. The regulations of Article VI, Chapter II would however require that the applicant obtain a ministerial Chairperson Certification pursuant to ZR 62-811 prior to issuance of a building permit confirming that no waterfront public access area is required. While the special district text that makes the Special Regulations Applying in the Waterfront Area inapplicable does not result in any reduction to open space or access to the waterfront, it would allow the applicant to pull building permits without obtaining the Chairperson Certification. The Chairperson Certification was deemed unnecessary and duplicative as DCP reviewed the site's geometry and determined that a WPAA would not be required during the application process for the proposed action and related actions that are the subject of this report.

There were a number of common themes in the Community Board's recommendation, the Borough President's recommendation, and public hearing testimony relating to matters that not within scope of the CPC's purview with respect to the proposed actions. These include operational requirements of the Industry City buildings; calling for manufacturing businesses to have access to service corridors, freight elevators, and loading docks 24 hours a day, seven days a week; post-occupancy traffic studies; applicant-provided funding for studies to be undertaken by the City; and the memorialization of a number of commitments to the City Council.

The Community Board and the Borough President requested that DCP study a transit or subway stair bonus along the west side of 4th Avenue in the vicinity of the 36th Street subway station. The CPC notes that while this condition is out of the scope of its purview with respect to the proposed actions under consideration, it would welcome the opportunity for DCP to meet with the Community Board and Borough President to better understand the goals of such a study.

Regarding the concern expressed by the Community Board and persons who testified during the

CPC public hearing that the proposed development would result in changes to neighborhood character in the upland areas of Sunset Park due to gentrification and the displacement of local residents and businesses, the CPC recognizes how citywide and local trends have affected the neighborhood. In particular, it recognizes that the affordable housing crisis is one of the most critical issues affecting many neighborhoods across the city, including Sunset Park. The Community Board has been a leader in supporting and initiating neighborhood planning efforts. The 2009 Sunset Park rezoning was conducted in response to requests by the Community Board and elected officials to preserve neighborhood character and scale in keeping with the existing context, while allowing for a modest increase in density along major avenues that would include an incentive for affordable housing. While the contextual rezoning that was adopted has successfully preserved neighborhood scale in many parts of the upland neighborhood, it did not permit increases in density that would facilitate meaningful amounts of any new housing to be constructed, affordable or otherwise. While the City has a number of initiatives to protect tenants and preserve affordability of the existing housing stock, the CPC notes that the lack of potential for new development is a contributing factor to the affordable housing crisis in the area. The Community Board sponsored the 2011 Sunset Park 197-a plan which “...builds upon a vision of the Sunset Park waterfront as a sustainable mixed use neighborhood that promotes regional and local economic development, fosters a healthy living and working environment, and reconnects upland residential communities to the water’s edge.” The CPC believes that while no single development can meet all of the goals articulated by the 197-a plan, individual developments can contribute to the achievement of the broad vision by addressing some of the challenges on the waterfront. The 197-a plan highlights a number of challenges that the proposed development seeks to address, including the issue of “multi-story industrial loft buildings requiring a substantial level of investment in order to accommodate modern manufacturing needs,” the desire for “well paid entry level jobs and the need for job training and job readiness programs”, “...the proliferation of adult entertainment establishments along Third Avenue and criminal activity in the industrial area”, and the risk of historic industrial loft buildings “being lost through economic revitalization efforts on the waterfront.” The CPC believes that the proposed development does address some of the key issues

articulated by the 197-a plan. The CPC is pleased that the Community Board has recently reached out to DCP to re-establish an ongoing dialogue about broader planning issues including affordable housing and economic development. The CPC takes seriously the concern regarding neighborhood character and notes that DCP is eager to re-engage in discussions regarding broader planning issues and needs in Sunset Park.

The Community Board and the Borough President also issued modifications to the proposed special permit findings as well as the addition of new findings. Because the application for the proposed special permit did not address the modified and new findings, those recommendations are beyond the scope of the proposed actions.

Other modifications and conditions issued by the Community Board that fall outside of the CPC's purview with respect to the proposed actions include: within Issue #1 (Immigration and Identity), requests related to marketing, reporting, and outreach activities regarding operational aspects of the proposed development and a request that the applicant provide donations and other assistance to local community organizations; within Issue #2 (Housing and Displacement), requests that the applicant fund initiatives related to affordable housing and displacement; within Issue #3 (Traffic and Transit), requests regarding a series of post-rezoning traffic studies and partnering with the City to improve and build waterfront access; within Issue #4 (Environment/Health), requests regarding the tenants' lease structures, sustainability initiatives, applicant funding of studies for the Community Board and the creation of a new Industrial Business Zone; within Issue #5 (Jobs/Economic Development), requests related to lease mediation procedures, the creation of new financing mechanisms, marketing and leasing practices, and increased employment services for local residents and underserved populations; within Issue #6 (Youth and Education), requests related to educational partnerships with public schools, hiring policies, support for training initiatives, living wage provisions, advance notification to the Community Board prior to lease signing of new tenants, corporate social responsibility; and within Issue #7 (Land Use/Process), requests that relate to the creation of a Community Board Community Advisory Committee and

advance notification and communications with the Community Board for any future land use actions related to the proposed development.

Regarding the Borough President's request that the CPC and City Council modify the regulations of the Mandatory Inclusionary Housing program to allow for some rent-burdened households to qualify for affordable housing units when they may not otherwise meet the program requirements, this request would require separate discretionary actions to be effectuated and is therefore out of scope.

The Community Board's and the Borough President's recommendations included a number of modifications and conditions that are beyond the CPC's purview with respect to the proposed actions as they fall under the purview of other entities, including: Landmarks Preservation Commission, Department of Housing Preservation and Development (HPD), Human Resources Administration, the Department of Transportation, the Department of Education, the Department of Parks and Recreation, the Police Department, SBS, DEP, EDC, the Mayor's Office of Resiliency, the Metropolitan Transit Authority, the NYS Historic Preservation Office, the NYS Energy Research and Development Authority, NYS Department of Environmental Conservation, the State of New York Mortgage Agency, City University of New York, State University of New York, Con Edison, National Grid, and the City Council.

## **RESOLUTION**

**RESOLVED**, that having considered the Final Environmental Impact Statement (FEIS), for which a Notice of Completion was issued on August 7, 2020, with respect to this application (CEQR No. 18DCP034K, the City Planning Commission finds that the requirements of the New York State Environmental Quality Review Act and regulation, have been met and that:

1. Consistent with social, economic and other essential considerations, from among the reasonable alternatives thereto, adopted herein is one which minimizes or avoids adverse environmental impacts to the maximum extent practicable;
2. The adverse environmental impacts disclosed in the FEIS will be minimized or avoided to the maximum extent practicable by incorporating, as conditions to the approval, pursuant to the restrictive declaration attached to the report for related application C 190297 ZSM as Exhibit A, those project components related to the environment and mitigation measures that were identified as practicable; and
3. Development pursuant to this resolution shall be allowed only after the restrictive declaration attached to the report for related application C 190297 ZSM as Exhibit A, with such administrative changes as are acceptable to Counsel to the Department of City Planning, has been executed and recorded in the Office of the Register, Kings County. Such restrictive declaration shall be deemed incorporated herein as a condition of this resolution.

The report of the City Planning Commission, together with the FEIS, constitutes the written statement of facts, and of social, economic and other factors and standards, that form the basis of the decision, pursuant to Section 617.11(d) of the SEQRA regulations; and be it further

**RESOLVED**, that City Planning Commission, in its capacity as the City Coastal Commission finds that the action will not substantially hinder the achievement of any WRP policy and hereby determines that this action is consistent with WRP policies; and be it further

**RESOLVED**, by the City Planning Commission, pursuant to Sections 197-c and 200 of the New York City Charter that based on the environmental determination and consideration and findings 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 No.16b:

1. changing from an M3-1 District to an M2-4 District property bounded by:
  - a. 32nd Street and its northwesterly centerline prolongation, 3rd Avenue, 36th Street, a line 100 feet northwesterly of 3rd Avenue, 37th Street, and 2nd Avenue; and
  - b. 39th Street, 2nd Avenue, 41st Street and its northwesterly centerline prolongation, a line 245 feet northwesterly of 1st Avenue, the northwesterly centerline prolongation of former 40th Street, and a line 560 feet northwesterly of 1st Avenue; and
2. establishing a Special Industry City District (IC) bounded by:
  - a. 32nd Street and its northwesterly centerline prolongation, 3rd Avenue, a line 45 feet northeasterly of 37th Street, a line 100 feet northwesterly of 3rd Avenue, 37th Street, and 2nd Avenue; and
  - b. 39th Street, 2nd Avenue, 41st Street and its northwesterly centerline prolongation, a line 245 feet northwesterly of 1st Avenue, the northwesterly centerline prolongation of former 40th Street, and a line 560 feet northwesterly of 1st Avenue;

Borough of Brooklyn, Community District 7, as shown on a diagram (for illustrative purposes only) dated October 28, 2019, and subject to the conditions of CEQR Declaration E-527.

The above resolution (C 190296 ZMK), duly adopted by the City Planning Commission on August 19, 2020 (Calendar No. 13), is filed with the Office of the Speaker, City Council, and the Borough President, in accordance with the requirements of Section 197-d of the New York City Charter.

**MARISA LAGO**, *Chair*

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

**ALLEN P. CAPPELLI, ESQ., ALFRED C. CERULLO, III, JOSEPH DOUEK, RICHARD W. EADDY, HOPE KNIGHT, ANNA HAYES LEVIN, ORLANDO MARIN, LARISA ORTIZ, RAJ RAMPERSHAD**, *Commissioners*

**DAVID J. BURNEY**, *Commissioner, VOTING NO*

**MICHELLE R. DE LA UZ**, *Commissioner, RECUSED*

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



16b

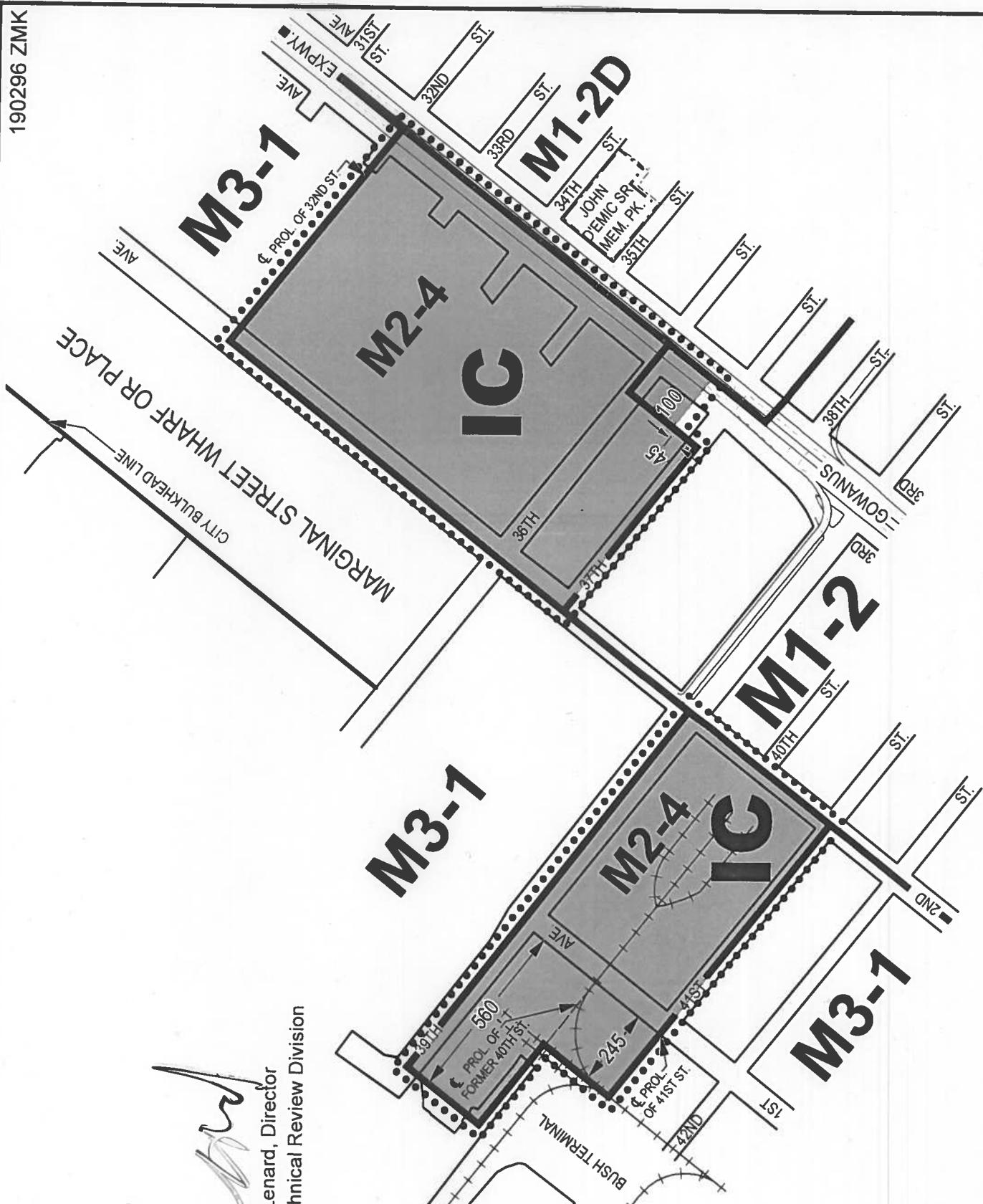
New York, Certification Date:  
 October 28, 2019

BOROUGH OF  
 BROOKLYN

S. Lenard, Director  
 Technical Review Division



- NOTE:**
- Indicates Zoning District Boundary.
  - The areas enclosed by the dotted line is proposed to be rezoned by changing an existing M3-1 District to M2-4 Districts, and by establishing Special Industry City Districts (IC).
  - IC** Indicates a Special Industry City District (IC).



NOTE: THIS DIAGRAM IS FOR ILLUSTRATIVE PURPOSES ONLY.  
 THIS DIAGRAM REFLECTS PROPOSED CHANGES IN THE  
 CITY MAP PURSUANT TO RELATED MAPPING APPLICATION 160146 MMK.



Cesar Zuniga  
Chairperson

Jeremy Laufer  
District Manager

THE CITY OF NEW YORK  
BOROUGH OF BROOKLYN  
COMMUNITY BOARD #7

Eric Adams  
Borough President

**January 29, 2020**

**BROOKLYN COMMUNITY BOARD 7  
FINAL Response and Recommendations Statement (Amended)  
Industry City Rezoning Application**

To Whom it May Concern:

Brooklyn Community Board 7 (The Board, CB7) received a rezoning application for the project area known as Industry City on November 6, 2019. The Applicant (1-10 Bush Terminal Owner LP and 19-20 Bush Terminal Owner LP) is requesting the following discretionary actions to facilitate the project (collectively, the "Proposed Actions"):

Zoning Map Amendment – ULURP Number: APPLICATION #C-190296 ZMK  
Zoning Text Amendment – ULURP Number: APPLICATION #N-190298 ZRK  
Zoning Special Permit – ULURP Number: APPLICATION #C-190297 ZSK  
Related Change in City Map – ULURP Number: APPLICATION #C-160146 MMK

Pursuant to Section 4.060 of the City Charter, CB7 voted on this Response and Recommendations Statement during its Board Meeting of January 15, 2020, which took place in its Hearing Room with a valid quorum present. A Public Hearing on this matter was conducted on December 9, 2019 at Grand Prospect Hall and continued over at the CB7 Hearing Room on December 11, 2019.

CB7 recognized early on that the Industry City Rezoning was very complex and needed a comprehensive public review process. The Board organized an extensive outreach process prior to certification, with public hearings, committee meetings, speakouts, and multiple planning workshops scheduled over the past two years. From the outset, the Board had several concerns:

- Why is the zoning change needed and is the change limited in impact to the neighborhood?
- Why is an increase of floor area needed when the Industry City complex is already overbuilt?
- The huge and unprecedented scale of this development requires intensive community review of impacts.

In September 2019, Council Member Carlos Menchaca asked for several conditions to be revised in the Application, such as no hotels, reflecting a major concern of the Board. Industry City promised to do so (in writing) however, the application was not revised to reflect these conditions by the time the Application was submitted to the Board. The Board hopes this will change prior to Council review.

4201 Fourth Avenue, Brooklyn, NY 11232 (718) 854-0003 FAX (718) 436-1142  
E-mail: [bk07@cb.nyc.gov](mailto:bk07@cb.nyc.gov)  
Twitter: @BKCB7 Facebook Page: Board Seven Brooklyn  
*Serving Sunset Park, Greenwood and Windsor Terrace*

During the public process, Industry City and its tenant businesses were vocal participants advocating for job creation. Community groups opposed to the rezoning were concerned about displacement, gentrification and the loss of essential neighborhood character. The Board listened carefully to this testimony, as well as the testimony of community residents, families, workers, stakeholders, visitors, and elected officials. Attached to this response is a Primer which contains summaries of the Town Halls, Public Speakouts, Committee Meetings, as well as community testimony.

As part of the Board's review, seven standing committees of the Board did their own analysis of the Application to provide context and background for the next levels of ULURP review. These Issue Sections are included in this Response to make clear why these issues are important to Sunset Park and how the rezoning application will affect the district.

Issue Section 7 lists the Board's votes on the land use actions that comprise the Application. The Land Use Committee's recommendations for approval with conditions of the Zoning Map Amendment and Zoning Text Amendment were not affirmed by the Board. However, the Board's vote of disapproval with conditions of the Zoning Special Permit included several text items that were approved by the Board and are as follows:

**Waterfront District Regulations should apply to site**

- C1 Special Regulations applying in the Waterfront Area, Article VI, Chapter 2 shall apply and the SICD shall not be exempted (A46a).

**Bulk modifications to ensure more predictable development:**

- C2 Zoning text of the special district must include a FAR limitation of 4.5 to limit adverse environmental impacts (A47a).
- C3 Zoning text of the special district must include mandatory front building walls along First, Second and Third Avenues (A47b).

**Use modifications to protect manufacturing space and to reduce conflicts:**

- C4 Zoning text of the special district must prohibit all self-service storage facilities and other warehousing not ancillary to manufacturing and industrial uses. Warehousing ancillary to wholesale trade is limited to no more than 10,000 sf per establishment except this limit for the specific establishment may be increased upon review and approval by the Board (A48a).
- C5 Zoning text of the special district shall prohibit trucking terminals and motor freight stations over 10,000 sf to limit traffic impacts and reserve space for higher value manufacturing uses (A48b).
- C6 The Board supports the location of a grocery store meeting FRESH requirements as an approved use pursuant to special permit, with the stipulation that it can only be located in Building 11 on the ground floor (A48c).

**Findings**

- C7 The Discussion of Findings must be amended to incorporate findings that were added by the zoning text amendments recommended by the Board, including the following (A68):
- C8 Under (2)(i) for use modifications, revise to "such proposed uses are compatible with manufacturing and industrial uses and are appropriate for the location." (A68a)
- C9 Add (3)(iv) for bulk modifications to read "The proposed modifications do not unduly change the dimensions of, or access to, existing private streets" to ensure access to loading areas for manufacturing uses. (A68b)

The Board voted to disapprove with conditions the Demapping of 40th Street.

In addition, the Board voted to include all recommendations listed in the Issue Sections as conditions to the actions. Type A recommendations are listed for the Applicant and Type B recommendations are listed for the City and other stakeholders.

Submitted to the Board:

A handwritten signature in black ink, appearing to read "John Fontillas", followed by a long horizontal line extending to the right.

John Fontillas

Brooklyn Community Board 7  
Land Use and Landmarks Committee Chair







**Community/Borough Board Recommendation**  
Pursuant to the Uniform Land Use Review Procedure

Application #: <b>C 190296 ZMK</b>	Project Name: <b>Industry City</b>
CEQR Number: <b>18DCP034K</b>	Borough(s): <b>Brooklyn</b> Community District Number(s): <b>07</b>

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

**SUBMISSION INSTRUCTIONS**

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

*Docket Description:*  
IN THE MATTER OF an application submitted by 1-10 Bush Terminal Owner L.P. and 19-20 Bush Terminal Owner L.P. pursuant to Sections 197-c and 201 of the New York City Charter for an amendment of the Zoning Map, Section No. 16b:

(see attached Response)

Applicant(s): 1-10 Bush Terminal Owner L.P. 220 36th Street, 2nd Floor, Brooklyn, NY 11232  19-20 Bush Terminal Owner L.P. 220 36th Street, 2nd Floor, Brooklyn, NY 11232	Applicant's Representative: Jesse Masyr, Esq. Fox Rothschild, LLP 101 Park Avenue, 17th Floor New York, NY 10178
Recommendation submitted by: Brooklyn <input type="checkbox"/> Community Board 7 <input checked="" type="checkbox"/>	
Date of public hearing: December 9, 2019      Location: Grand Prospect Hall, 263 Prospect Ave, BK 11215	
Was a quorum present? YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> <i>A public hearing requires a quorum of 20% of the appointed members of the board, but in no event fewer than seven such members.</i>	
Date of Vote: January 15, 2020      Location: CB7 Hearing Room, 4201 4th Ave, Brooklyn 11232	
<b>RECOMMENDATION</b> <input type="checkbox"/> Approve <input type="checkbox"/> Approve With Modifications/Conditions <input type="checkbox"/> Disapprove <input type="checkbox"/> Disapprove With Modifications/Conditions <b>Please attach any further explanation of the recommendation on additional sheets, as necessary.</b>	
Voting <i>Board did not affirm a position on this action</i> # In Favor:      # Against:      # Abstaining:      Total members appointed to the board:	
Name of CB/BB officer completing this form  <i>Jeremy Lauffer</i>	Title <i>District Manager</i>
Date <i>1/16/20</i>	



## **INTRODUCTION TO SUNSET PARK**

Sunset Park is a Brooklyn community with a unique physical context and socio-cultural history. Residential uplands crown the ancient Terminal Moraine and occupy some of the highest points in the city. Overlooking a broad plain at the bay's edge, this waterfront drew factories, warehouses and businesses dependent on access to shipping, the port and railroads. Several large warehouses were constructed by the Bush Terminal Company between 1892 and 1925. These are the buildings that are subject to the rezoning application.

After the 4<sup>th</sup> Avenue subway was completed in 1910, the blocks from 3<sup>rd</sup> Avenue to 7<sup>th</sup> Avenue were fully developed within 10 years, with brownstone and rowhouses occupying the rocky land. The development of Sunset Park occurred during a time of great migration into the city. Irish, Italian and Scandinavian immigrants moved into newly built homes, finding work on the wharves and shipping warehouses like those in their homelands. By the 1930s, the neighborhood was a vital walk-to-work residential district. The two-family rowhouses with a separate rental apartment on the top floor gave working-class families entry into the middle class.

Construction of the Gowanus Expressway and white flight to suburbs in the 1950s and 1960s led to significant changes in the neighborhood. As the original immigrant groups moved to the suburbs, Puerto Rican and Dominican arrivals began to grow their own communities. By the 1970s, lack of public investment in schools and community services, socioeconomic problems and the rise of gangs led to disinvestment, abandoned homes and made life difficult for the families that remained.

In the 1980s, the return to the city movement encouraged restoration of the venerable rowhouses, as longtime residents and families displaced from other parts of Brooklyn came to Sunset Park seeking affordable homes. In the 1990s, Mexican and Central American immigration increased, drawn to the existing Spanish-speaking community. Chinese immigrants from the Fujian province began to purchase homes along the 8<sup>th</sup> Avenue business corridor with their population increasing steadily by the 2000s. Today, Sunset Park is a diverse community with no one ethnic group in the majority.

## **ISSUE 1 – IMMIGRATION/IDENTITY**

### **Our Community**

Sunset Park historically has been a "gateway neighborhood" for many new arrivals to America. It performs a role other immigrant communities have played during the city's history, helping to land new immigrants, acclimate them to the United States, and to provide a social and cultural haven in which to build their own American dream. This is a neighborhood where small immigrant businesses begin, families start to build working capital and an ethnic community develops in a nurturing environment. The community takes very seriously its role to welcome all immigrants, documented and undocumented, recognizing this process defines the essential character of Sunset Park, the city and the nation.

The Sunset Park community finds value in a neighborhood that is not homogenous and insists on equity and fairness in community affairs and the dignity that comes with that. However, like all communities, we often fall short of these goals. Immigrants face staggering barriers to housing protection, access to health care, and work discrimination. Many newcomers are extremely vulnerable because they do not know services are available to them, especially those who are not fluent in English or live in small owner-managed properties.

### **Public Commitment to Immigrant Residents and Businesses**

The Board insists Industry City (IC) should publicly promote the neighborhood's immigrant character and history if it is seeking approval of its rezoning request from the community. IC is part of Sunset Park and vice versa. It is not an island detached from the neighborhood. Its fortunes are directly tied to the quality of life in Sunset Park. This community connection should be publicized in the project's marketing and leasing materials and these materials should be published in the four primary languages spoken in Sunset Park: English, Spanish, Cantonese and Arabic. The community must see evidence that Industry City is invested in the goals of the entire neighborhood and fully embraces the aspirations of its residents.

### **Impact on Existing Community Jobs**

The Board is concerned about manufacturing job loss and the closures of small businesses on 5<sup>th</sup> and 8<sup>th</sup> Avenues which employ many community residents. Neighborhood businesses are typically small storefronts or small industrial concerns, owned by a diverse group of immigrant and local residents focused on neighborhood or borough-based

customers. Many of these businesses reinvest in the community and provide affordable shopping and living wages for the community. Retaining these neighborhood businesses and the community character they represent are vital to maintaining the social fabric of Sunset Park.

Building ownership in Sunset Park is not dominated by large corporations; many buildings are owned by local families or individual owners. This business ecology has developed a unique blend of "Mom and Pop" and national retail brands, with few vacancies over the past decade. However, the Board has received reports of increased landlord harassment and a permit crackdown by the city, with many business-owners believing they are being forced out. The prospect of a large retail development that would draw customers away from local business districts is increasing speculation and the fear of rising rents, especially those businesses located in the waterfront district.

To support the community, the Board wants a commitment from IC to hire locally, to provide a living wage to its employees and to work with its tenants to do the same. The Board would like IC to commit to strengthening participatory employment goals to foster Minority/Women-owned Business Enterprises (MWBE), Living Wage and Work Safety Protections in its construction, marketing and leasing activities.

#### **BE IT RESOLVED**

- A1 Applicant to provide public commitment of support of Sunset Park's immigrant community and to feature the community's location and neighborhood as part of its marketing and leasing materials. Materials to be provided in Sunset Park's primary languages (English, Spanish, Cantonese and Arabic).
- A2 Applicant to partner with local community-based organizations to provide information on partnerships and services.
- A3 Applicant to provide transparency as to which businesses they are leasing to by providing a report of marketing and leasing activities biannually to the Board.
- A4 Applicant to do outreach to local Sunset Park businesses for construction, maintenance and leasing subcontracts in the project area.
- A5 Update EIS analysis to determine impact of rezoning on local businesses in an expanded trade area extending from 1<sup>st</sup> to 8<sup>th</sup> Avenues and from 15<sup>th</sup> Street to the LIRR Cut.
- A6 Applicant to provide donations, sponsorships and assistance as requested by local community organizations in CD7 to help support and enhance neighborhood cultural and social programs.
- A7 Applicant to meet MWBE, Living Wage and Safety Protection Local Laws during construction/fitout of spaces.

#### **BE IT FURTHER RESOLVED**

- B1 Landmarks Preservation Commission to review the Finger Buildings (former Bush Terminal warehouses) for New York City Landmark designation and for the State to designate State and National Historic Register status.

### **ISSUE 2 – HOUSING AND DISPLACEMENT**

#### **Housing Affordability**

The most critical issue in the district is affordable housing and displacement of long-time residents due to explosive rent increases. The Board commissioned NYU Wagner to do an in-depth study of its housing crisis last year. The report found that Sunset Park has a high rate of renters and 60% of these residents are paying rents that are more than 30% of their income. This is significantly higher than the rest of the borough. Further, 33.5% of households are severely rent-burdened, or paying more than 50% of their income toward rent.

Due to Sunset Park's physically built out urban context, few new buildings can be constructed in the district. Of the nearly 30,000 housing units in the district, 66% were built prior to 1939. Since 2010, only 305 units have been constructed. As a result, overcrowding of existing rental units is a major issue. 9.1% of Sunset Park rental units are considered severely overcrowded, nearly double the rate of Brooklyn as a whole. With few locations to increase the supply of affordable housing, the Board recognizes that preservation of existing affordable units is the only way to stem this crisis.

The severe rent burden on residents is coupled with rising evictions, correlation of lower median incomes and higher levels of residential migration, leading to Sunset Park residents being extremely vulnerable to potential displacement. Much of the testimony provided by residents during the Board's public outreach described a palpable fear of being displaced, where longtime residents and families, who have lived much of their lives in the neighborhood, contributed to its well-being, and sustained it during times of limited city assistance, are facing the inability to stay in the neighborhood because of rising rents. The loss of family connections, the long distance to available housing affordable for a family, the interruption of children's lives at school, and the forced departure of long-time community members leads to significant destruction of the cultural characteristics of the community.

### **Speculation and Rising Rent Prices**

How will the rezoning affect residential housing stability? There are no agreed upon methods on how to interpret displacement data and this data is often incomplete. But many residents clearly believe that a large influx of high-paying jobs brought about by IC will influence housing prices and the influx of new people with higher incomes will displace current residents.

Sunset Park is especially vulnerable to speculation because of its predominant housing type – owner-occupied rowhouses. Tenants in this type of housing stock have none of the protections gained from the swath of rent regulations and laws adopted by the city and state. Furthermore, many of these landlords are long term residents who may have provided lower than market rate rents to tenants based on years of cohabitating within the same home and the owners of such buildings viewing their renters more like neighbors than as tenants. Naturally, when these buildings are sold to new owners, these types of arrangements end and the new owners raise rents significantly. In the worst cases, the seller takes on the task of evicting current tenants before closing so the house can be delivered to the new owner free and clear of renters.

### **Impact on Local Community**

The impact of speculation and rising rents on Sunset Park leads to gentrification of the neighborhood. There is increased risk of many current low-income units coming out of rent protection and families who have lived there for generations being replaced with wealthier families. Those vulnerable families are faced with stark choices of where to relocate to, often to neighborhoods at a distance that do not provide the same social and cultural support that Sunset Park does. Commutes to work become longer. Childcare expenses become a necessity because of the longer commute and family and trusted neighbors who could have helped out are now far away. Home stability is threatened when faced with the pressure to move into a smaller, often more expensive apartment.

Sunset Park's immigrant community has more vulnerabilities and fewer protections against being displaced. The barriers of language, culture, and knowledge of services works against those at risk of displacement. As many of these immigrant families also fall below the area median income, much of the affordable housing and preferential rents available are still priced beyond their reach. These conditions result in the disproportional displacement of working-class families in Sunset Park, further contributing to the segregation of the city along income and racial lines.

### **Lack of Comprehensive Planning**

The Board is extremely concerned about the precedents shown by recent rezonings of Williamsburg and Long Island City. These former waterfront manufacturing districts were also remade and their neighboring communities lost long-time residents, diversity and community culture. The destructive change in neighborhood character was tangible and profound. In contrast, the changes described in the introduction to Sunset Park were organic changes resulting from waves of immigration and succession. The rezoning stokes community fears of loss and displacement. Many believe change will come at them directly and will attack those most vulnerable.

IC proclaims the solution to the community's needs is through a single perspective, that of jobs, regardless of the type of job it is. This limited focus on jobs is to be accomplished through rezoning for use, bulk and area. The Board soundly rejects this narrow vision of planning. Zoning is a blunt land use tool. It does not comprehensively address underlying social and economic issues and furthers a type of top-down planning at odds with a well-rounded community plan built through consensus.

### **Flaws in Project Analysis**

The Application and DEIS do not analyze the project's impact on housing. In particular:

- No racial/ethnic impact study conducted examining impact of proposed rezoning on inequity, direct/indirect residential displacement, direct/indirect business displacement, etc. in CD7.
- No creation of a local restricted unit database to allow for research and data tracking of rent restricted units.

- No community specific study examining preservation of existing affordable housing units.
- No identification of possible, potential development sites for new affordable housing and or preservation purchases.
- No procurement of existing 2-5 family housing to be placed into affordable housing stock.
- No survey of community specific, commercial businesses that cater to the current population and how the loss of these businesses is going to impact the population. (Change in products sold to cater to the new, incoming population).
- No comprehensive analytical data or study results available examining increased harassment pressures (e.g. rent increases, lack of lease renewals or short-term renewals, unjust evictions, etc.) for residential and commercial businesses in CD7 pre/post Industry City ownership change in 2013 to present.
- No identification of accurate direct displacement, and no identification of mitigation efforts for directly displaced residential/commercial tenants in proposed site area along 3<sup>rd</sup> Avenue.
- No comprehensive study examining the impact/effects of other project developments currently in progress in CD7.
- No available studies examining home and property sale price changes for homeowners pre/post Industry City ownership change in 2013 to present.
- No comprehensive study examining the impact/effects of several other project developments currently in progress in CD7 as well as no study of neighboring current or potential rezonings (i.e. Gowanus rezoning) or past rezonings of Sunset Park and their impacts on direct/indirect displacement, housing affordability, etc.

To be able to consider and evaluate if the rezoning will fundamentally change the character, diversity and makeup of Sunset Park, there is a definite need for further information.

#### **BE IT RESOLVED**

- A8 Applicant to provide racial/ethnic impact study prior and post rezoning that includes a more diverse and comprehensive data set (school attendance, churches, etc.) for purposes of determining the true nature of primary and secondary displacement of residents and businesses. Study shall be modeled on Council legislation Intro 1572-2019.
- A9 Applicant shall provide significant contributions to a community led and controlled housing fund for preservation of existing affordable units and construction of new affordable units.
- A10 Applicant shall provide funding to support residential and business anti-harassment legal services, enforcement of tenant protections, legal services against unjust evictions.
- A11 Applicant shall provide funding for directly displaced residential tenants in future proposed site area along 3<sup>rd</sup> Avenue. Applicant shall further provide funding for storage of resident possessions, temporary housing at the same cost to tenants, and rent stabilized apartments at the same cost to the displaced tenants, or rental subsidies equal to the difference of the tenants current rent vs. market rate apartments which may be available at the time of displacement.
- A12 Applicant shall provide funding for directly displaced businesses in future site area along 3<sup>rd</sup> Avenue. This funding shall include costs of temporary storage for business materials, stipend for disruptions of business, space for rent at the same rent as the displaced business.
- A13 Applicant to provide report and analysis of Private Equity Fund/Opportunity Zone proposal to provide funding for preservation of affordable units in CD7.
- A14 Applicant to fund affordable housing analysis report if NYCHPD does not meet deadline – see B2 below.

#### **BE IT FURTHER RESOLVED**

- B2 NYCHPD shall fund analysis report prepared by a third-party community organization selected by the Board examining preservation of existing affordable housing units, home and property sale price changes for homeowners from 2013 to present, identification of possible potential development sites for new affordable housing and/or preservation purchases. If NYCHPD has not funded and completed study within 1-year post-rezoning, Applicant shall fund report.

- B3 Per NYC Department of City Planning Executive Director Anita Laremont's letter to Council Member Menchaca and CB7 Board Chair Cesar Zuniga, NYCHPD to provide a list of the 18 locations of Certificate of No Harassment program properties in CD7, and locations of 448 homes in CD7 where affordability has been preserved and to what extent.
- B4 NYCHPD to provide record of outreach in CD7 where information about relevant housing affordability and tenant protection programs or services have been provided to homeowners and renters (in English, Spanish and Cantonese and Arabic languages).
- B5 Per Anita Laremont's letter to Menchaca/Zuniga, NYCHRA Office of Civil Justice (OCJ) to provide a list of the 300 Council District 38 households served in FY2019, breaking down households by Community District. Provide a hard count of the number of evictions avoided among these households. OCJ to provide record of outreach in CD7 where information about these programs have been provided to homeowners and renters (in English, Spanish, Cantonese and Arabic languages).
- B6 City shall provide additional anti-harassment legal services, enforcement of tenant protections, legal services against unjust evictions and funding for such initiatives to affected residents in CD7.
- B7 City to develop a community-specific strategy to mitigate displacement pressures with input from the Board and to provide funding to implement the results of the study.
- B8 Expand city pilot program by NYCHPD to fund basement conversions into legal dwellings in CD7.
- B9 City to ensure stricter review and community notice of DOB applications as it applies to changes in FAR usage and/or deductions and variances.
- B10 Ensure Community Board notice and review of any City Planning Commission decisions relating to the neighborhood, including special permits, special districts, variances, etc.
- B11 NYCHPD and NYCHDC shall create a public-private partnership for purposes of affordable housing development and preservation, as well as procurement of existing 2-3 family houses to be placed into affordable housing stock in CD7 (HPD Pillars, NYC Acquisition Fund).
- B12 City to fund targeted outreach for NYCHPD homeowner repair and retrofitting programs and to make a concerted effort to make these programs known to residents in CD7.
- B13 State of New York Mortgage Authority (SONYMA) and NYCHPD to fund and provide outreach for their down-payment assistance programs for purchasing of co-operative and or condominium type units and rental assistance programs within CD7.
- B14 City shall modify CEQR standards to include review of direct/indirect housing and business displacement for all applications. EIS should expand review area to encompass the full neighborhood represented by CD7; expand study to include other developments currently in process and their effects on CD7.

### **ISSUE 3 - TRAFFIC/TRANSIT**

#### **Truck Congestion**

The Board is concerned about current truck congestion and increased congestion due to the rise of e-commerce/last-mile distribution warehousing. Three proposals for last-mile warehouse facilities have been publicized in the past year within or adjacent to the district. Many of these delivery trucks will add to the street network directly. The Board is actively seeking to deter these last-mile facilities due to the lack of street capacity necessary to accommodate them in the neighborhood.

Another contributor to truck congestion is the lack of ramps onto the Gowanus Expressway at 39<sup>th</sup> Street. Although this has been studied since the late 1980s, access improvements to this stretch of the expressway have not occurred since it was expanded in the late 1950s. With no onramps between 65<sup>th</sup> Street and Hicks Street, large numbers of trucks are stuck navigating the narrow streets of Sunset Park to get to the highway. This is another project that requires the involvement of city, state and federal agencies. These ramps are 50 years overdue and the streetscape of our neighborhood suffers greatly from the inability to get trucks out of the neighborhood.

Traffic impact analysis should include review of the South Brooklyn Marine Terminal (SBMT) and Made in NY Campus developments and how many additional trucks will serve these sites. Activation of SBMT as an intermodal

logistics yard will result in increased connections between the waterside port and ship traffic with landside truck and rail traffic. The confluence of these activities will have a huge effect on neighborhood streets such as 39<sup>th</sup> Street and 2<sup>nd</sup> Avenue. Pedestrian and retail activities will need to be designed carefully so they can coexist with manufacturing traffic across this 40-acre site.

#### **Pedestrian Safety**

The Board's most important concern is the impact of increased traffic resulting from this rezoning application on pedestrian safety. The Vision Zero program tracks the impacts of traffic on 3<sup>rd</sup> Avenue. Unfortunately, it has recorded five pedestrian deaths in past year, the 4<sup>th</sup> highest in districts measured. CB7 has already tested potential traffic mitigation changes in the district. Changes to 4<sup>th</sup> Avenue reduced traffic lanes but improved flow. Based on this experience, the Board wants to increase safety by reviewing and modifying 3<sup>rd</sup> Avenue's road design as well.

#### **Parking**

The Board believes parking demand is driven primarily by retail uses, therefore it seeks to limit the amount of retail generating uses and restrict other uses in order to reduce the number of cars stored near the site. The Board also believes that the amount of parking at IC should be limited as much as possible and the tenants at the complex should encourage their workers and patrons to use public transit. The Board is concerned about induced demand – more parking will encourage more trips by car to IC.

#### **Accessibility Concerns**

Access for people with disabilities is missing at key IC intersections, with a lack of safety measures, such as crosswalk ramps and bumpouts at street corners. NYCDOT was ordered to improve intersections, but we do not know what the schedule for improvements is in the project area.

One growing concern is the safety of children crossing 3<sup>rd</sup> Avenue to schools located near or west of the Avenue. As these facilities add students, the Board demands that the city and state review the conditions of 3<sup>rd</sup> Avenue and the Gowanus Expressway structure to create safe, secure and accessible paths to school.

The Brooklyn Waterfront Greenway transits across the waterfront. The Board would like IC to work closely with the Greenway and the city to create continuous access across the district and to the waterfront.

#### **Transit and Bicycles**

The Board understands that the MTA has announced an ADA station upgrade for the 36<sup>th</sup> St. Subway station. This capital program project is very important for users of this station. The Board would also like the MTA to review the size and capacity of station stairs up to street level. With only two narrow stairways from the station towards IC, these stairways cannot accommodate the potential future worker flow projected by IC.

MTA should also review bus service capacity and schedules to increase intermodal connections.

The Board would like NYCDOT to review the location of a Ferry Terminal adjacent to the project area to provide transit connections to the NYC Ferry network.

Market the IC Shuttle as free to the public.

Bike safety is a major concern because of a recent spate of injuries and deaths. There is also a lack of CitiBike facilities in district. The only two stations are located at IC which are often full, forcing riders to return their bikes to the nearest open stations in Gowanus to complete their rides.

Related to the Board's request for traffic calming, the Board would like the city to review a dedicated bike route along 3<sup>rd</sup> Avenue.

#### **Analysis Deficiencies**

DEIS must include new schools, potential bike lanes, ferry stops, and impacts related to recent 4<sup>th</sup> Avenue improvements. The Board would like to call attention to the DEIS's report of 14 un-mitigatable intersections made worse by the project. This will lead to significant impacts beyond the study area.

**BE IT RESOLVED**

- A15 Applicant to develop and implement pedestrian streetscape plan focused on improving pedestrian amenities, safety, accessibility, and security at private and public streets adjacent to IC sites.
- A16 Applicant to pay for traffic studies prior to and at 1-year, 3-year, 5-year, 10-year and 15-year time periods post-rezoning showing impacts to street network and traffic conditions, including further mitigation, including but not limited to adjustments to signal phasing and timing, traffic management strategies and parking regulation changes.
- A17 Applicant to plan and implement improvements to waterfront access along its waterfront perimeter and to partner with city agencies to improve and build public waterfront access.

**BE IT FURTHER RESOLVED**

- B15 NYCDOT to provide comprehensive truck route study of CD7.
- B16 NYCDOT to conduct future traffic studies including truck distribution hub traffic planned or under construction in CD7 and CD6, EDC-managed developments and properties such as Made in NY campus, Brooklyn Army Terminal and SBMT, commercial waste hauling, congestion pricing, and new schools opening along the 3<sup>rd</sup> Avenue corridor.
- B17 NYCDOT to complete a Safe Routes to School study for schools along the 3<sup>rd</sup> Avenue corridor.
- B18 MTA to review additional exits from the 36<sup>th</sup> Street subway station, as well as reopening existing secondary entrances at all stations in CD7. MTA to provide study of capacity improvements to existing bus lines serving the project area.
- B19 NYS DOT to provide study for additional vehicular ramp entrances onto southbound and northbound BQE at 39<sup>th</sup> Street.
- B20 NYCDOT to provide schedule of installation of pedestrian crossing improvements throughout CD7.
- B21 NYCDOT to provide study for pedestrian safety measures within waterfront IBZ area, including - curb bumpouts, traffic calming devices, painted curbs vs. steel, wider, higher visibility crosswalks, American with Disabilities Act (ADA) accessibility at all crosswalks in the area, accessible markers, sound and visibility aids, cane detection, widening sidewalks on key pedestrian routes, planters, and protected bike lanes.
- B22 NYCDOT/MTA to provide study for ferry transit hub (bus to ferry) at the foot of 39<sup>th</sup> Street or other locations on the Sunset Park waterfront.
- B23 NYCDOT to provide study for elimination of parking along right side of southbound 3<sup>rd</sup> Avenue and improved access to and circulation in the parking fields under the Gowanus Expressway.
- B24 NYCDOT to review transit entrance improvement FAR bonus for development sites along 4<sup>th</sup> Avenue from 37<sup>th</sup> Street to 32<sup>nd</sup> Street.
- B25 NYPD to step up enforcement of local traffic laws in project area – double parking, truck routes.
- B26 City to provide schedule of implementation of roadway improvements listed in CB7's Community Needs Assessment.

**ISSUE 4 - ENVIRONMENT/HEALTH**

**Air Pollution**

The quality of life of Sunset Park residents is fully tied to the quality of its environment. In the past few decades, residents have suffered from the effects of the 3<sup>rd</sup> Avenue and Gowanus Expressway corridors. A 2012 SUNY Downstate study showed elevated levels of asthma, emphysema, and advanced lung diseases in the Sunset Park population especially in children 0-5 years old.

Daily traffic counts along the Gowanus average 200,000 vehicles, with traffic often diverted to local streets below. High levels of truck and traffic emissions are leading to high levels of pollution in the district.

Deceptive environmental assessments have consistently underreported impacts on the community. Air quality analyses often focus on regional models rather than local health impacts. Environmental assessments show that lower-income neighborhoods experience larger exposure to emissions and higher health burdens.

#### **Socioeconomic Factors**

In addition to environmental concerns, socioeconomic factors also lead to negative health outcomes. Socioeconomic factors contributing to negative health outcomes in Sunset Park include the high number of residents living without health insurance or are underinsured and the variety of barriers to health services faced by immigrants due to language and communication barriers. Widespread overcrowding and housing instability are contributing to serious mental health issues throughout the neighborhood.

Of the City's 59 Community Districts, Community District 7 had the 2<sup>nd</sup> highest rate of housing code violations in 2018. Poor housing conditions have serious health consequences, particularly for children in Sunset Park. Negligent landlords in the neighborhood fail to maintain apartments, leading to a variety of health risks.

#### **Climate Change and Resiliency**

Industry City's project area was inundated by Superstorm Sandy in 2012. Floodwaters were contaminated by the legacy of brownfield wastes from adjacent sites. What is IC doing to prepare their building complex, and what is the City planning to do to protect the entire waterfront IBZ district? The Board would like IC to contribute to greater sustainability and resilience for the waterfront and the neighborhood generally.

The Board believes it is necessary to do a comprehensive study to remediate and develop mitigation strategies for brownfield sites within and adjacent to the project area.

#### **Energy, Infrastructure and Sustainability**

Sunset Park's waterfront should be at the forefront of climate change resiliency innovation and resource recovery and management. The Sunset Park IBZ is the last truly industrial waterfront in the City. Significant public properties in the area mean that public interest projects and investments can help build a significant hub for these activities, for manufacturing industries and workforce training as well.

The Bush Terminal buildings were constructed in the early part of the 20<sup>th</sup> century, with limited infrastructure systems. Fitout of this building area to meet contemporary space needs will increase energy use and flows to sewer and water infrastructure. To manage resource needs, the Board recommends all new construction at IC shall conform with Local Law 97's 2030 requirements for energy and emission performance immediately.

The impact of IC's development on the local power grid and its plan for significant new construction within the complex requires a comprehensive resource plan. To limit impact on constricted stormwater facilities, IC shall manage all stormwater on site. The Board would also like IC to explore use of a co-generation plant to provide campus energy needs. The Board would like IC to provide details of site-wide recycling and resource recovery programs.

#### **BE IT RESOLVED**

- A18 Applicant to review lease structure to attract triple bottom line businesses and encourage green leases to improve levels of corporate social responsibility.
- A19 Applicant to study and report on alternative and renewable energy sources to serve new and renovated spaces in the complex, in order to reduce reliance on existing energy infrastructure, such as construction of a co-generation plant to serve entire campus' summer peak heating demand for process and domestic hot water production or use of Upper New York Bay water for heat exchange for heating/cooling for compressorized systems.
- A20 Applicant to develop design guidelines for tenants to encourage sustainable building practice for energy efficiency in all new construction and interior renovations.
- A21 Applicant to develop and implement site-wide recycling plan, including sustainable waste and composting.
- A22 Applicant to fund third-party neighborhood-wide climate impact analysis and brownfield site remediation and mitigation strategies study for Board.
- A23 Applicant to comply with Energy Efficiency Local Laws, in particular Local Law 97 in its entirety adhering to the 2030 requirements starting in 2024, mandating biannual reporting of progress to Board.

- A24 Applicant to manage all site stormwater within project area utilizing storm tanks to keep roof area available for Local Law 92/94 compliance.
- A25 Applicant shall comply with Local Laws 92 and 94 whereas solar coverage shall be the predominant means of compliance.
- A26 Applicant to participate in and provide funding for a new waterfront IBZ BID to manage security and sanitation on adjacent public and private streets.
- A27 Applicant to provide funding to improve and maintain Sunset Park, Bush Terminal Park, D'Emic Playground, Gonzalo Plascencia Playground and Pena Herrera Park.

**BE IT FURTHER RESOLVED**

- B27 Per Anita Laremont's letter to Menchaca/Zuniga, DCP to provide a schedule of implementation and completion regarding environmental infrastructure as listed in CB7's Community Districts Needs.
- B28 City to assist in the organization of a Business Improvement District to provide safety and sanitation services within the waterfront IBZ district.
- B29 NYCDEP to provide a list of improvements to project area sewer system and combined sewer outflows at the waterfront and the schedule for their completion.
- B30 NYSDEC to conduct study proposed by Assemblymember Felix Ortiz to measure air pollution changes around CD7 school locations.
- B31 Con Ed, National Grid and NYCDEP to study existing electric, gas, water and sewer distribution systems inclusive of percentage maximum capacity throughout the district, develop recommendations for improvement, and provide report to CB7.
- B32 NYSERDA to provide technical assistance to companies in the waterfront IBZ to implement clean energy as part of their business plans and services.

**ISSUE 5 - JOBS/ECONOMIC DEVELOPMENT**

Sunset Park's 197-a plan advocated for the support and development of the industrial job base along its waterfront. It listed the following goals for the waterfront:

- Increase activation of vacant space without discouraging industrial uses
- Strengthen the Southwest Brooklyn Industrial Business Zone
- Preserve affordable manufacturing and industrial space
- Promote the retrofitting of privately owned multi-story industrial loft buildings to accommodate new manufacturing and industrial uses

The following specific uses were encouraged:

- Manufacturing and industrial uses
- Job intensive, high performance, state of the art maritime, industrial and related transportation uses

The following specific uses were discouraged:

- Discourage retail and office development between 3<sup>rd</sup> and 1<sup>st</sup> Avenues unless it directly supports or services industrial uses or reinforces waterfront access corridors.

The Board is concerned that the rezoning application will not prioritize or encourage the preservation or expansion of manufacturing uses as stated in our 197-a plan. This prioritization is also reflected in recent city public policy statements, including NYCEDC's Sunset Park Waterfront Vision Plan, the Mayor's Industrial Action Plan, Waterfront Revitalization Program, Vision 2020 Comprehensive Waterfront Plan, New York Works, NYCDEP's Green Infrastructure Plan, and the Southwest Brooklyn Industrial Business Zone.

**Business Displacement**

The rezoning's impact on industrial businesses within the waterfront area was not studied due to the analysis limits mandated by CEQR. IC has not provided aggregate data on local hiring placements, skill and training level requirements, wage rates and benefits for jobs within the project area. This information along with space buildout projections, potential business rents and their associated impact on neighborhood businesses is important

information for the Board to assess as part of its review. The Board is concerned the rezoning will cause substantial rent increases to existing local and small manufacturing businesses in the waterfront IBZ and will lead to their displacement out of the district.

#### **Innovative Economy Uses**

IC emphasizes they want to transition to new uses at the complex that are part of the Innovation Economy. Innovation Economy uses (under IC's definition) allow for significant formula retail, big box retail and technology offices in the use group mix. These uses are not preferred in our 197-a plan. IC has also increased office uses at the complex whose employers offer jobs that are inaccessible to residents because of education and training requirements. The Board prefers IC to maintain a significant commitment towards manufacturing uses at the complex to ensure there are available jobs for members of the local community.

#### **Manufacturing Jobs**

The Sunset Park Industrial Business Zone is one of the few remaining viable and robust manufacturing districts in NYC. Industrial zones are at risk throughout the city – physical infrastructure is failing, non-industrial uses are invading, there is no protection for industrial businesses from rising rents and displacement. A recent Southwest Brooklyn Industrial Business Corporation (SBIDC) study shows its industrial workforce is closely aligned with Sunset Park's population. SBIDC is also doing well economically when compared to the city-at-large.

NYC manufacturing zones unfortunately require no manufacturing floor area and allow unlimited office space as-of-right. The Board would like to ensure some amount of floor area for manufacturing uses and not see it completely replaced with office uses. The Board prefers manufacturing uses because they provide better benefits, career advancement, a living wage, and would like to see significant area set aside to be managed by a nonprofit like the Greenpoint Manufacturing Design Center in order to stabilize/subsidize rents.

It is essential to develop strategies to assist industry in the Sunset Park waterfront IBZ, such as providing funding to a non-profit with a mission to improve conditions in the IBZ (BID or LDC). Another important means to assist would be to fund STEAM education facilities in CD7 to ensure local employment by providing training programs, apprenticeship programs and continuing education for adults.

#### **Retail, Hotel and Warehousing**

As per the discussion in the Issue Sections, the Board believes several use groups IC is proposing in the project do not comply with neighborhood planning principles. Expanding retail jobs is not preferred because these jobs pay wages that are lower than manufacturing jobs with similar education requirements. In particular, the Board believes formula retail uses are not in keeping with neighborhood character. The Board will not accept hotel uses in district and the low wage jobs these uses attract. The Board has been on record against the expansion of hotel uses in industrial districts which lead to incompatible conflicts with manufacturing uses nearby. Lastly, the Board is strongly against e-commerce / last-mile warehousing at the site because of the increased truck traffic that results from its siting. Similarly, the Board would like to restrict retail self-storage warehousing in the project site due to the same traffic issues.

#### **Clean Energy Jobs Alternative**

Clean energy jobs are preferred compared to retail employment. Analysis shows jobs in these industries provide better pay for residents with lower educational levels. The Board wants a broad public commitment from IC to grow and expand these industries at the complex.

#### **Employment Support for Adults with Disabilities**

The Board would like to see a commitment from IC and its tenants to support work and training for persons with disabilities. This underserved population is a large and stable population and efforts to expand their participation would advance the community's goal of employment for all.

#### **BE IT RESOLVED**

- A28 Applicant to provide a non-profit managed manufacturing set aside of floor area in perpetuity, to be not less than 1.5M sf in total, to include lease protections for existing businesses and preferential rents, to promote manufacturing, arts and arts production (except for UG6C Commercial Galleries), job development, strengthen business development activities and address affordability and manufacturing business challenges.

- A29 As part of the non-profit managed manufacturing set aside, Applicant shall ensure business incubator space for start-up businesses and workspaces for artists will be provided.
- A30 Applicant to provide mandatory mediation procedure when IC renegotiates leases with existing businesses and tenants within the project area.
- A31 Applicant commits to creating a finance mechanism such as a property tax assessment that would enhance industrial business creation – an industrial BID – similar to efforts at West Shore Staten Island, Brownsville, and JFK Airport.
- A32 Applicant to market and provide leasing preference to businesses that comply with CLCPA (Climate Leadership and Community Protection Act). Applicant to provide public commitment to expand Clean Energy Job uses/employment on site.
- A33 Applicant's construction, maintenance, and purchasing activities to comply with City wage rules, MWBE preference, safety protections and collective bargaining rules.
- A34 Applicant to provide plan to maintain and increase local resident population served by the Innovation Lab over next 20 years.
- A35 Applicant to commit to partnership with non-profit organization to provide supportive employment services for underserved people, including older adults and adults with disabilities.

#### **BE IT FURTHER RESOLVED**

- B33 NYCSBS to target deployment of programs and incentives, such as the Commercial Lease Assistance Program, to local Sunset Park businesses, both within and beyond the project area. Provide record of outreach (in Sunset Park's four primary languages: English, Spanish, Cantonese and Arabic).
- B34 NYCEDC to provide information on use of HireNYC and NYCIDA benefits by IC or tenants in the complex.
- B35 City Council to pass Small Business Jobs Survival Act to protect and strengthen negotiation positions of small businesses in lease renewals and protect against displacement due to demolition and new construction – Council Intro 737-2018.

#### **ISSUE 6 - YOUTH/EDUCATION**

##### **Our Youth, Our Future**

The Industry City proposal offers an opportunity to address community needs regarding youth employment and education indicators. The skills gap for the community's young people needs to be closed in order for them to access careers in advancing manufacturing on the waterfront. The Board would like IC to favor local youth for training, although it understands the lack of current training in the population makes this goal difficult. However, for the sake of the community, it is important to try and provide resident youth with opportunities for advancement.

##### **Local Hiring**

Sunset Park is one of the city's largest walk to work communities and this relationship is the foundation of the community. It is essential that Sunset Park's young people find means to participate in local waterfront businesses. We must provide ways for young people to connect with mentors, make social and business connections, and develop marketable employment skills.

##### **Funding for Training and Educational Skills**

Existing educational opportunities are limited because of the lack of wealth in the community. Afterschool programs, technology in schools, and other supportive resources that are common in higher income neighborhoods are in short supply in Sunset Park. Parents do not have the time and monetary resources to contribute to these programs.

To prepare children for future jobs, assistance is needed from the city and business sector. The Board would like IC to commit funds to assisting local educational programs. The Innovation Lab is doing great work, but it needs to increase its capacity to support young people from across the neighborhood. The city must expand vocational training, certificate programs, internships and other skill enhancement programs. The city must expand afterschool programs and 18-24 age job training.

### **Lack of Support for Children and Adults with Disabilities**

Children and adults with disabilities are bussed out of the neighborhood to find opportunities in employment/education. There is a lack of services for children with disabilities, at schools and other programs. There is a lack of services for adults with disabilities, even though one third have college degrees and two thirds have high school degrees. The Board would like IC to partner with organizations that support children and adults with disabilities for long term success.

### **Educational Support**

Sunset Park's lack of school seats and facilities has led to a crisis in accommodating its increasing school age population. The Board would like IC and local agencies to help fund and support new educational and early childhood facilities in the district and to expand after-school programming at existing school sites.

Although the Board is not averse to educational facilities at IC, community facility uses should be defined and partners identified to the Board prior to lease. The Board prefers a local Community College to expand at IC to provide workforce program connections. A vocational/technical high school is desired in CD7 modeled on the STEAM program at Brooklyn Navy Yard, with programs for children and adults.

### **BE IT RESOLVED**

- A36 Applicant to commit to continuing collaborative partnerships with public schools within CD7.
- A37 Applicant to commit to and implement local and first source hiring policies focusing on local zip codes to target specific community needs and strengths and agree to penalties if these benchmarks are not met.
- A38 Applicant to provide public commitment and funding support for vocational training, adult education, ESL and literacy programs.
- A39 Applicant to provide tech training programs, with focus on encouraging women, persons of color, persons with disabilities and other underrepresented group participation.
- A40 Applicant to prioritize explicit living wage provisions for all businesses within and including landlord management and operations personnel.
- A41 Applicant to identify potential Community Facility partners and educational tenants to Board prior to lease signing. Applicant shall not lease to for-profit education providers.
- A42 Applicant to include Corporate Social Responsibility Pledge with leases. Companies leasing space shall commit to pro-diversity measures, corporate social responsibility measures and community engagement.
- A43 Applicant to lease classroom space in project area to CUNY and SUNY to provide programs in green jobs and specialized skills training.
- A44 Applicant to hire locally and provide a living wage and benefits, health care, paid time off, retirement savings, and professional career development for contracted and internal employees, and to work with its tenants to do the same. (Amendment)

### **BE IT FURTHER RESOLVED**

- B36 DOE to explore founding of a vocational/technical high school in CD7 modeled on STEAM program at Brooklyn Navy Yard, with programs for children and adults.
- B37 CUNY, SUNY and local community colleges to explore location of programs and services at IC.
- B38 City to provide fiber optic broadband STEM education funding in local schools.
- B39 City to fund new local public parks, additional playground and recreational space.

## **ISSUE 7 - LAND USE/PROCESS**

### **Mapping the Special District**

We understand the Applicant would like to map and define an area of the Sunset Park waterfront as a special district, and to change the zoning district from M3-1 to M2-4. The Board did not affirm a position on this action.

### **The Special District**

We understand the Applicant seeks to create a Zoning Text amendment to establish the Special Industry City District ("SICD"), and also modify sections of the Zoning Resolution. The Board did not affirm a position on this action.

### **The Special Permit**

The Board does not agree with the use regulations and locations and height, bulk and setback requirements listed in the Special Permit application. See proposed conditions listed below. Bulk and building envelopes shall be revised per all required dimensions and building heights as noted below.

The Board requests that the following uses are prioritized: manufacturing, small retail, educational training, clean energy businesses, office only as ancillary to manufacturing uses, showrooms, arts and culture, garment manufacturing and accessory retail, community facilities.

The Board requests that the following uses not be included in the special district: hotels, formula retail, chain and big box stores, e-commerce and last-mile distribution warehouse facilities, self-service storage facilities, warehousing other than ancillary to manufacturing, universities and education programs that are inaccessible to residents based on income or are for-profit entities and public schools for students younger than high school-aged youth.

### **Parking**

Parking capacity is driven by retail use. The Board prefers to reduce the overall area permitted to retail use to curtail the number of parking spaces. All zoning calculations shall show the number of spaces required and the calculation of square foot area for the number of spaces the area corresponds to. The Applicant shall provide the assumption of parking space area used in calculations.

Use groups that require parking should include those listed in the application: 6A, 6C, 7B, 8A, 8B, 9A, 12A, 12B, 14A.

## **BE IT RESOLVED**

### **Zoning Map Amendment – ULURP Number: 190296ZMK**

A45 THE BOARD DID NOT AFFIRM A POSITION ON THIS ACTION.

### **Zoning Text Amendment – ULURP Number: N190298ZRK**

A46 THE BOARD DID NOT AFFIRM A POSITION ON THIS ACTION.

### **Zoning Special Permit – ULURP Number: 190297ZSK**

A47 THE BOARD VOTED TO DISAPPROVE OF THE SPECIAL PERMIT, unless the conditions listed in Issue Sections 1-6 are met and the following changes are made (A63):

#### **Limit Retail Uses**

- C10 Prohibit additional retail uses on any floor in any of the 39<sup>th</sup> Street Buildings (Buildings 19, 20, 22-23, 24, 25, 26, and Building 21) (Amendment).
- C11 Retail uses shall be limited to 10,000 sf per establishment. Overall retail uses are limited to 300,000 sf total. Retail uses shall include Use Groups (UG) 6A, 6C, 7B, 8A, 8B, 9A, 12A, 12B and 14A (A50).
- C12 To prevent conflict with manufacturing uses and their loading requirements, primary access to retail use storefronts is not permitted on numbered street frontages in the Finger Building area (A51).
- C13 Retail storefronts shall be accessed from a common area, courtyard or corridor, which shall have a primary entrance on or within 100' from the streetline of 2<sup>nd</sup> or 3<sup>rd</sup> Avenues (A52).

- C14 The ground level of internal courtyards between Finger Buildings must be left unbuilt and open to the public within reasonable hours of operation. Overbuilt floor areas within and/or above courtyard areas must start at least 30' above the existing 1<sup>st</sup> Floor level and must be setback from 2<sup>nd</sup> Avenue by 30'.
- C15 Nightclubs uses with a capacity of over 200 persons (UG12D) shall not be permitted within the project area (A54).
- C16 Formula Retail Establishments are not permitted in the project area, as defined:  
"[a] retail sales establishment which, along with ten or more other retail sales establishments located in the United States, maintains two or more of the following features: a standardized array of merchandise, a standardized facade, a standardized decor and color scheme, a uniform apparel, standardized signage, a trademark or a servicemark."(A55)

#### **Parking**

- C17 Accessory parking shall be as provided in the application, except that it shall also include all newly permitted retail and service establishments, including retail, local service and eating and drinking establishments in UG 6A/6C and such parking shall be provided when such uses reach a 40,000 square feet threshold and beyond (A56).
- C18 30% of all parking spaces shall support electric car charging. Multiple contiguous parking spaces must each support charging even if they are all filled at once. Each charging adapter should be considered as supporting only one parking space (A57).

#### **Prioritizing Manufacturing and Industrial Uses**

- C19 Buildout and/or renovation of floor area must be governed in stages – for every square foot of office use (UG 6B) granted a new Temporary or Permanent Certificate of Occupancy (TCO), or an equivalent post-rezoning, there must be one square foot of studio, manufacturing or industrial use (UGs 11, 16, 17, 18) in operation per TCO (A58).
- C20 Manufacturing uses must have clear access 24 hours a day, 7 days a week to common service corridors, freight elevators, and loading docks on streets to ensure active industrial spaces (A59).
- C21 Hotel uses (UG 5) shall not be permitted within the project area (A60).

#### **Transparency and Oversight**

- C22 Findings must authorize a Community Advisory Committee organized by the Community Board to receive biannual updates on Industry City's goals, commitments and progress regarding Local Laws and Special Permit findings (A61).
- C23 Applicant shall notify the Board three months prior to submitting a change in the Large Scale Development Plan for CPC certification, attend a monthly meeting of the Board to present the change, and provide an updated report on leasing, job development, and progress on fulfilling recommendations listed in this Response prior to certification (A62).

#### **Special Permit Drawings**

- C24 The Special Permit drawings shall be amended to note a minimum street wall height of 85 feet (A64).
- C25 In order to maintain view corridors from Sunset Park to Lower Manhattan, the Special Permit drawings shall be amended to include a maximum building height of 110' for Buildings 11, 21 and the Gateway Building (A65).
- C26 Applicant must provide an up-to-date Master Leasing Plan showing ground floor public spaces, primary and secondary public entrance locations, loading and service dock areas, street and service access doors, mechanical equipment areas and areas dedicated for lease by use. Plan shall show square footage for all areas indicated (A67).

#### **Demap 40<sup>th</sup> Street - ULURP Number: 160146MMK**

- A48 THE BOARD VOTED TO DISAPPROVE THE DEMAPPING OF 40TH STREET unless the conditions listed in Issue Sections 1-6 and the Special Permit are met. The Board reiterates that no hotel uses shall be located at this site.

## 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

INDUSTRY CITY – 160146 MMK, 190296 ZMK, 190297 ZSK, 190298 ZRK

An application submitted by 1-10 Bush Terminal Owner L.P. and 19-20 Bush Terminal Owner L.P. pursuant to Sections 197-c and 201 of the New York City Charter for the following land use actions:

- 1) A change to the City Map to demap 40<sup>th</sup> Street between First and Second avenues
- 2) A zoning map amendment to replace an M3-1 district and establish an M2-4 district:
  - a. Between Second and Third avenues, generally between 32<sup>nd</sup> and 37<sup>th</sup> streets
  - b. Generally between 500 feet west of First Avenue and Second Avenue, between 39<sup>th</sup> and 41<sup>st</sup> streets
  - c. A Special Industry City (IC) District within the boundaries of each area
- 3) A zoning text amendment to establish the IC within the New York City Zoning Resolution (ZR) as Section 129-21 establishing a special permit to enable modification of specific sections stipulating uses permitted as-of-right, specifying performance standards, and regulations governing floor area, height and setback, and yards
- 4) The grant of a special permit pursuant to ZR Section 129-21 for a proposed commercial development planned as a unit and comprising an area of at least 1.5 acres, on the properties to be rezoned

The total affected area would include 12 lots comprising part of Industry City, together with seven lots that might be acquired by the applicant, and three lots that are expected to remain in separate ownership. Such actions would facilitate the envisioned redevelopment of nearly 6,600,000 square feet (sq. ft.) of Industry City as a mixed-use project with commercial, community facility, and manufacturing uses and tenants. The project is envisioned to further facilitate ongoing expansion, renovation, and re-tenanting of existing properties, as well as the construction of new buildings. These applications might result in the realization of 3.75 million gross sq. ft. (gsf) of innovation economy uses, including approximately 1,874,000 gsf of manufacturing use, 937,000 gsf of artisanal and art/design studios, and approximately 937,000 gsf of office space. In addition, the applications provide for approximately 628,000 gsf of academic uses; 287,000 gsf of hotel floor area; 900,000 gsf of retail and restaurant uses, including a supermarket; a 75,000 gsf training facility for the Brooklyn Nets, as well as 43,000 gsf of event space. Finally, the proposal stipulates approximately 478,000 gsf of structured and surface accessory parking, as well as 420,000 gsf of vertical circulation, mechanical space, and shared lobbies, with a total project floor area of approximately 6,556,000 gsf.

**RECOMMENDATION**

160146 MMK

- APPROVE
- APPROVE WITH MODIFICATIONS/CONDITIONS

- DISAPPROVE
- DISAPPROVE WITH MODIFICATIONS/CONDITIONS

190296 ZMK, 190298 ZRK

- APPROVE
- APPROVE WITH MODIFICATIONS/CONDITIONS

- DISAPPROVE
- DISAPPROVE WITH MODIFICATIONS/CONDITIONS

190297 ZSK

- APPROVE
- APPROVE WITH MODIFICATIONS/CONDITIONS

- DISAPPROVE
- DISAPPROVE WITH MODIFICATIONS/CONDITIONS

SEE ATTACHED



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

March 4, 2020

\_\_\_\_\_  
DATE

**RECOMMENDATION FOR:** INDUSTRY CITY – 160146 MMK, 190296 ZMK, 190297 ZSK, 190298 ZRK

1-10 Bush Terminal Owner L.P. and 19-20 Bush Terminal Owner L.P. (BTO) submitted an application pursuant to Sections 197-c and 201 of the New York City Charter for the following land use actions:

- 1) A change to the City Map to demap 40<sup>th</sup> Street between First and Second avenues.
- 2) A zoning map amendment to replace an M3-1 district and establish an M2-4 district:
  - a. Between Second and Third avenues, generally between 32<sup>nd</sup> and 37<sup>th</sup> streets
  - b. Generally between 500 feet west of First Avenue and Second Avenue, between 39<sup>th</sup> and 41<sup>st</sup> streets
  - c. A Special Industry City (IC) District within the boundaries of each area
- 3) A zoning text amendment to establish the Special IC District within the New York City Zoning Resolution (ZR) as Section 129-21 establishing a special permit to enable modification of specific sections stipulating uses permitted as-of-right, specifying performance standards, and regulations governing floor area, height and setback, and yards
- 4) The grant of a special permit pursuant to ZR Section 129-21 for a proposed commercial development planned as a unit and comprising an area of at least 1.5 acres, on the properties to be rezoned

The total affected area would include 12 lots comprising part of Industry City, together with seven lots that might be acquired by the applicant, and three lots that are expected to remain in separate ownership. Such actions would facilitate the envisioned redevelopment of nearly 6,600,000 square feet (sq. ft.) of Industry City as a mixed-use project with commercial, community facility, and manufacturing uses and tenants. The project is envisioned to further facilitate ongoing expansion, renovation, and re-tenanting of existing properties, as well as the construction of new buildings. These applications might result in the realization of 3.75 million gross sq. ft. (gsf) of innovation economy uses, including approximately 1,874,000 gsf of manufacturing use, 937,000 gsf of artisanal and art/design studios, and approximately 937,000 gsf of office space. In addition, the applications provide for approximately 628,000 gsf of academic uses; 287,000 gsf of hotel floor area; 900,000 gsf of retail and restaurant uses, including a supermarket; a 75,000 gsf training facility for the Brooklyn Nets, as well as 43,000 gsf of event space. Finally, the proposal stipulates approximately 478,000 gsf of structured and surface accessory parking, as well as 420,000 gsf of vertical circulation, mechanical space, and shared lobbies, with a total project floor area of approximately 6,556,000 gsf.

On January 8, 2020, Brooklyn Borough President Eric Adams held a public hearing on the requested zoning map and text amendments. District 38 Council Member Carlos Menchaca joined Borough President Adams to hear testimony on the application.

Eighty five individuals signed up to speak, and 23 were able to do so before the hearing was closed due to safety concerns. Of those speakers, seven testified in support, and 16 in opposition. Of those who were not able to testify, 33 intended to speak in opposition, 24 intended to speak in support, and six did not indicate a position. Borough President Adams heard testimony from the Office of the New York City Public Advocate as well as representatives of 32BJ Service Employees International Union (SEIU), the Brooklyn Chamber of Commerce, the Democratic Socialists of America, Downtown Brooklyn Partnership, Friends of Sunset Park, Neighbors Helping Neighbors, the New York City District Council of Carpenters, Partnership for NYC, and the United Brotherhood of Carpenters and Joiners.

Speakers in opposition to the application voiced concerns regarding:

- Industry City's lack of consideration for community needs and the absence of community engagement
- The proposal's incompatibility with community desires and inconsistency with more than two dozen community-based plans

- The environmental impacts of the rezoning, its ability to exacerbate climate change, and the lack of climate mitigation provisions in the Draft Environmental Impact Statement (DEIS)
- The need for immediate solutions to climate change issues rather than long-term and insufficient mitigation measures
- Other cities' experiences with the development of such uses, which tend to result in higher rents
- The DEIS' missing analysis of indirect displacement of residents and businesses
- The potential to accelerate gentrification, particularly along Third Avenue, where rent-stabilized tenants are facing rent pressures
- The potential to exacerbate an ongoing affordability crisis, and displacement of immigrants and people of color, based on the observed tendency of rezonings to displace low-income residents, including the 26 families living in the area that might be acquired by Industry City
- The low employment rate of Sunset Park residents in Industry City
- The perception that Industry City establishments serve its employees, rather than the community
- The need to preserve the industrial sector via alternatives such as the UPROSE Green Resilient Industrial District (GRID) plan
- The lack of consideration given to maritime jobs, and the thousands of green jobs projected to result from the New York State Climate Leadership and Community Protection Act (CLCPA)
- The exclusion of GRID from the alternatives evaluated in the DEIS
- The need for 900,000 sq. ft. of retail, and its relationship to Innovation Economy jobs, which are not clearly defined

Speakers in support of the application voiced comments regarding:

- Greater economic opportunity, jobs, and investment for residents of Brooklyn and Sunset Park
- Growth of Brooklyn's economy, including start-up businesses
- Industry City's growth and transformation in the last 10 years, and its positive effects on the neighborhood
- Industry City's role in incubating growing and start-up businesses
- The success of Industry City's Innovation Lab
- Andrew Kimball's agreement to implement conditions requested by City Council Member Carlos Menchaca
- Industry City's commitment to pay prevailing wages for building service jobs

Prior/subsequent to the hearing, Borough President Adams received written testimony in opposition from the following entities and individuals, including from those who had intended to testify at the hearing:

- UPROSE, seeking to advance the GRID plan as part of this application
- Sunset Park Organized Neighbors
- Multiple groups who cited the application's inconsistency with CLCPA and other climate change adaptation plans, including 350.org, the Brooklyn Anti-Gentrification Network, Churches United for Fair Housing (CUFFH), the Democratic Socialists of America, Demos, Earthstrike NYC, and the New York City Environmental Justice Alliance (NYC-EJA). These organizations echoed views expressed at the hearing, and called further attention to:
  - The elevation of short-term profit above community benefit
  - The missed opportunity to create green industrial jobs and a climate-resilient waterfront
  - The urgent need for climate adaptation and mitigation across New York City
  - Sunset Park's high overcrowding rate and broader housing stability issues
  - Real estate speculation in Sunset Park leading to residential displacement and loss of manufacturing jobs
  - The high potential for displacement of Sunset Park's Latinx and Chinese residents and the DEIS' failure to account for such impacts
  - The replacement of industrial jobs by lower-paying retail/service jobs
  - Sunset Park residents' lack of access to well-paying jobs

- The City and developer's disregard for community opposition
- The risk of siting a high school within a storm surge zone
- Several individuals/organizations affiliated with the Protect Our Working Waterfront Alliance (POWWA) who concurred with the above organizations and also drew connections between residential displacement and pervasive homelessness in Brooklyn.
- Two professors from the Pratt Institute Graduate Center for Planning and the Environment (GCPE), and a professor in the Urban Studies program at Queens College who emphasized:
  - The need to reassess the City's land use policies in the face of climate change
  - The reduction of manufacturing-zoned land in the last 20 years and its vulnerability to sea level rise
  - The resurgence of the City's industrial sector and growing demand for manufacturing space
  - That simply labeling uses as innovative does not result in an Innovation Economy
  - Industry City's need for tenants in high-tech, destination retail, and private institutions
- A warehousing business owner who was displaced from Bush Terminal
- An artist formerly based at Industry City who was displaced by a sharp rent increase
- 10 local residents who raised concerns about:
  - The displacement of businesses and families of color
  - The influx of white-collar workers in Sunset Park
  - The kinds of jobs that would result from the proposed rezoning
  - Manufacturing businesses' inability to compete with corporations and tech firms
  - The neighborhood's already strained water infrastructure

These individuals also noted that half of Sunset Park residents are rent-burdened and that well-paying jobs at Industry City likely won't be accessible to local residents.

Prior and subsequent to the hearing, Borough President Adams received written testimony, in support, from the following entities and individuals:

- Industry City CEO Andrew Kimball
- The Brooklyn Chamber of Commerce, which cited 20,000 future jobs and opportunities for local youth at Industry City, as well as the property owner's concessions to Council Member Menchaca
- St. Francis College, which has a program at Industry City that connects students to jobs and internships
- Several businesses based at Industry City, including AbelCine; Diaz Electric of New York, Inc.; Fodera Guitars; Mason Woodworks; M Factory, and SASKIA, which have been able to grow their operations with Industry City's support
- A representative of AECOM based at Industry City, which works with students at Sunset Park High School through a citywide mentorship program
- Two representatives of Terra CRG, a real estate brokerage firm active in Southwest Brooklyn, who noted the Innovation Lab's success, and quality-of-life improvements at Industry City
- The United Brotherhood of Carpenters and Joiners, which expressed support for responsible development and a Community Benefits Agreement (CBA)
- Local residents, including Industry City employees, who cited positive effects such as improved safety, services, and amenities in the area, the revitalization of the Industry City campus, and the creation of high-quality jobs. These individuals expressed that Industry City is an asset to the neighborhood and has been willing to engage with the community. Some also posited that hotel development would not displace housing units, and that gentrification and displacement will continue even if the rezoning is disapproved.

Between September 2019 and February 2020, Borough President Adams received 1,610 digital form letters titled "I Support Opportunity in the Neighborhood," collected by Industry City from individuals in favor of the application.

## **Consideration**

Brooklyn Community Board 7 (CB 7) voted on this application on January 16, 2020. Its votes on the four requested land use actions, and resolutions are as follows:

160146 MMK: The board disapproved with conditions the proposal to demap 40<sup>th</sup> Street between First and Second avenues.

190296 ZMK: The board did not affirm a position on the proposal to rezone portions of the M3-1 district to M2-4 and establish the IC within the rezoning boundary.

190298 ZRK: The board did not affirm a position on the proposal to establish the IC within the ZR as Section 129-21, and special permit to modify ZR use, performance standards, floor area, height and setback, and yard regulations.

190297 ZSK: The board disapproved with conditions the proposal to grant a special permit pursuant to ZR Section 129-21 for a large-scale commercial development.

The board voted to support the following Land Use Committee conditions:

- That Special Regulations applying in the Waterfront Area, Article VI, Chapter 2 of the ZR shall apply and the IC shall not be exempted
- That the IC zoning text must:
  - Stipulate a maximum Floor Area Ratio (FAR) of 4.5 to limit adverse environmental impacts
  - Provide for mandatory front building walls along First, Second, and Third avenues
  - Prohibit all self-storage facilities and other warehouses not ancillary to manufacturing industrial uses
  - Limit warehousing ancillary to wholesale trade to 10,000 sq. ft. per establishment, though such limit for specific establishments may be increased based on review and approval by the board
  - Prohibit trucking terminals and motor freight stations more than 10,000 sq. ft. to limit traffic impacts and reserve space for higher-value manufacturing uses
- Support the location of a grocery store meeting Food Retail Expansion to Support Health (FRESH) requirements as an approved special permit use, with the stipulation that it can only be located in the Build 11 ground floor
- That the proposed ZR section regarding the City Planning Commission (CPC) discussion of findings be amended to as follows:
  - For use modifications under (2)(i), revise to state "such proposed uses are compatible with manufacturing and industrial uses and are appropriate for the location."
  - For bulk modifications under (3)(iv), add to state "The proposed modifications do not unduly change the dimensions of, or access to, existing private streets" to ensure access to loading areas for manufacturing uses.

The board also voted to include the following Land Use Committee recommendations as conditions:

- That the applicant:
  - Provide public commitment to support Sunset Park's immigrant community and feature its location and neighborhood in its marketing and leasing materials to be provided in Sunset Park's primary languages (English, Spanish, Chinese and Arabic)
  - Partner with local community-based organizations to provide information on partnerships and services
  - Submit a biannual report detailing marketing and leasing activities to provide transparency about businesses at Industry City
  - Conduct outreach to local Sunset Park businesses for construction, maintenance, and leasing subcontracts in the project area

- Update EIS analysis to determine impact of rezoning on local businesses in trade areas extending from First to Eighth avenues, and from 15<sup>th</sup> Street to the Long Island Rail Road (LIRR) cut
  - Provide assistance, donations, and sponsorships as requested by local community organizations in CD 7 to enhance and support neighborhood cultural and social programs
  - Meet minority and women-owned enterprise (MWBE), living wage, and safety protection local laws during construction and fit-out of spaces
- That the New York City Landmarks Preservation Commission (LPC) review the Finger Buildings for landmarks designation and that the New York State Historic Preservation Office (SHPO) work to place the properties on the State and National Register of Historic Places (NR)
  - In addition, there were multiple requests for City agency commitments not linked directly to the applicant's proposal

The proposed actions would affect two clusters of Industry City, which together comprise the Project Area: the 39<sup>th</sup> Street buildings, extending from 39<sup>th</sup> Street to 41<sup>st</sup> Street, between Second Avenue and the waterfront, and the Finger Buildings, spanning 32<sup>nd</sup> Street to 37<sup>th</sup> Street between Second and Third avenues. Each cluster is a distinct rezoning area, though the requested M2-4 and IC districts would be mapped within both areas.

The 39<sup>th</sup> Street Buildings' rezoning area is approximately 508,500 sq. ft., including applicant-owned lots, lots that might be acquired, and City-owned property. The Finger Buildings' rezoning area totals approximately 822,060 sq. ft. including Industry City properties, non-applicant-owned lots, and lots that might be acquired. Three additional lots not owned by the applicant, considered outparcels, would be included in the IC and rezoning boundary, but omitted from the Special Permit.

The 39<sup>th</sup> Street Buildings consist of several eight-story structures, 115 feet in height; the 139-foot tall Building 19, which houses the Brooklyn Nets training facility, and the 30-foot tall Building 25. The block contains a waterfront apron at the western edge of 39<sup>th</sup> Street, located partly on Industry City property, and partly on City-owned property that is part of the Sustainable South Brooklyn Marine Terminal (SSBMT). The Finger Buildings is a complex of six-story buildings, 85 feet in height, bookended by the 12-story Building 10, rising to 170 feet, and a vacant powerhouse structure.

Combined, the 39<sup>th</sup> Street Buildings and the Finger Buildings contain approximately 5.3 million gsf of floor area, half of which is occupied by storage/warehousing uses, or vacant. The other half consists primarily of manufacturing uses, light manufacturing and creative uses, and office/tech space. Existing manufacturing tenants at Industry City include producers of food, garments, and specialty goods. Light manufacturing tenants include artists, home decor designers, and fashion workshops. Office and tech tenants include private firms and non-profits. Industry City is reportedly home to approximately 450 firms, with an aggregate 7,000 employees.

Both building clusters are located in M3-1 zones, though a small portion of the Finger Buildings' rezoning area falls within an M1-2 district. The ZR specifies performance standards for manufacturing districts, which are most stringent for M1 zones. Though the applicant is seeking to map an M2-4 district, the IC zoning text would require all uses to conform to M1 performance standards, with the exception of distilleries subject to a special permit.

M3-1 districts have a maximum FAR of 2.0. As Industry City buildings predate the 1961 Zoning Resolution, they are vastly overbuilt, but considered legal non-complying. The requested M2-4 district FAR of 5.0, in tandem with modified height and setback regulations facilitated by the special permit, would legalize

Industry City's as-built bulk of approximately 3.9 FAR. It is expected that with new construction, the IC would have a blended, fully compliant FAR of 4.96 if all properties were acquired.

The applicant believed that Industry City is underutilized because the existing underlying zoning does not support the development of academic or hotel uses, and restricts the range of permitted retail uses, which comprise less than half the Industry City portfolio. According to the DEIS, BTO's investments since 2013 have reduced Industry City's underutilization by 12 percent, which the applicant deems insufficient.

BTO's stated goal is to foster an "Innovation Economy District" for businesses engaged in the "making" process, from research and development to design and engineering, and product manufacturing. To attract Innovation Economy firms, Industry City would provide access to workforce training opportunities and high-quality amenities onsite. The applicant believes that in order to promote accelerated growth, it is necessary to broaden the permitted use and bulk at Industry City.

The proposed scenario for DEIS for the requested special permit application represented an increment of 1.33 million gsf of manufacturing and office uses, 7,700,000 gsf of retail, 387,000 gsf of new academic use, 287,000 gsf of new hotel use, and 33,000 gsf of event space, which are projected to generate more than 15,000 jobs at Industry City. Such aggregate floor area was represented as being generated through the construction of three new buildings: a 12-story, 182,400 gsf "Gateway Building" developed on four parcels, assumed to-be-acquired on Third Avenue between 36<sup>th</sup> and 37<sup>th</sup> streets, represented as containing 11 floors of hotel use above ground-floor retail; a 13-story, 495,160-gsf "Building 11" assumed to be developed on the site of the former powerhouse on 33<sup>rd</sup> Street between Second and Third avenues, represented as containing eight floors of academic uses above three levels of parking and two retail floors, and a 10-story, 781,370-gsf "Building 21," assumed to be developed on First Avenue between 39<sup>th</sup> and 41<sup>st</sup> streets, on land partially owned by the applicant and land assumed to be acquired. Building 21 was represented as containing large-format retail on the first and second floors, parking on floors three through five, and Innovation Economy and hotel uses on portions of the sixth through tenth floors.

In September 2019, Council Member Menchaca issued a letter to Andrew Kimball, requesting the following modifications to the IC: the removal of hotels, commitment to an irreducible amount of industrial space, and restrictions on the amount, location, and size of retail uses. The letter made clear the Council Member Menchaca's position that the application would not move forward in its original form.

In his response, Kimball agreed to these conditions and stated his commitment to establish a managed manufacturing hub at Industry City. He further expressed readiness to execute a binding CBA with a community-based organization. It should be noted, however, that the ULURP application was not modified to reflect such commitments, and still includes floor area for hotel uses.

The application was certified into ULURP, after a six-month deferral that allowed community groups to convene a series of meetings to strategize their response. However, CB 7 has spent more than two years studying Industry City's plan, since the initial DEIS public scoping meeting in October 2017.

In reviewing this application, Borough President Adams had the opportunity to consider multiple analyses, alternatives, and viewpoints, which informed his recommendations. Because of the complexity of the project, the requested land use actions were evaluated both individually and as part of a cohesive plan with wide-ranging impacts.

Regarding the request to remove 40<sup>th</sup> Street between First and Second avenues from the official City Map, Borough President Adams believes that this action would be appropriate. It cannot be ignored that a portion of 40<sup>th</sup> Street currently mapped to a depth of approximately 125 feet along the west side of

Second Avenue is occupied by a significant building extending from 39<sup>th</sup> to 41<sup>st</sup> streets, which has long been in place. Opening the street would require the demolition of a 60-foot section of this building, at an excessive cost by the City. Moreover, while the remainder of the mapped street is unimproved, the building and property are already owned by BTO, and opening the street would not provide improved waterfront public access, as the street would not extend beyond the west side of First Avenue, where an existing Industry City building occupies two blocks between 39<sup>th</sup> and 41<sup>st</sup> streets. There may be those who believe that leaving the street mapped would reduce the overall floor area permitted by zoning. However, as previously mentioned, the property is already held in BTO ownership. Map street status merely precludes construction of a new building on the eastern frontage of First Avenue for the width of 40<sup>th</sup> Street. Borough President Adams believes that, given the existing building spanning 39<sup>th</sup> to 41<sup>st</sup> streets on the west side of First Avenue, there is no public need for a 460-foot break in the building line. Moreover, given the high water table at First Avenue, allowing construction for the full length of 460 feet would help realize the development of one of two accessory parking facilities. Therefore, he recommends approval of the proposed change to the City Map to demap 40<sup>th</sup> Street between First and Second avenues, to both the City Planning Commission (CPC) and City Council.

Regarding the request for a zoning map amendment to replace the existing M3-1 district with an M2-4 district between Second and Third avenues, generally between 32<sup>nd</sup> and 37<sup>th</sup> streets, generally between 500 feet west of First Avenue and Second Avenue, and between 39<sup>th</sup> and 41<sup>st</sup> streets, establishing a Special IC District within the boundaries of each area, Borough President Adams believes that this land use action would be appropriate. He acknowledges that as part of the comprehensive rezoning of New York City, adopted in 1961, more than two million sq. ft. of Industry City floor area was made legal non-compliant — as allowable floor area was dropped to a ratio of two times the lot area. The change to M2-4 would not only bring such floor area back into compliance, and provide the opportunity to develop more than 1.3 million sq. ft. of floor area at a time when manufacturing land is more often rezoned to permit residential use. Adding this amount is equivalent to securing more than five additional blocks of land in the existing M3-1 district. Borough President Adams believes that such additional floor area is of significant benefit.

One quirk of manufacturing districts is that office and retail uses have been allowed to proliferate to such an extent that they are now primarily commercial in character. This phenomenon appears contrary to the expectations of the 1961 ZR. Because commercial uses tend to be higher-value than industrial ones, without regulation, the private market would not provide land or space for maker uses. Pairing the M2-4 zone with the proposed IC provides an opportunity to leverage more certainty for maker and other uses deemed beneficial to the community by adding restrictions to office and retail uses, while re-envisioning placement of newly established floor area. If effective regulations were incorporated into the proposed zoning text, there would be a real opportunity to achieve optimum development of BTO-controlled buildings over the next decades.

Therefore, Borough President Adams recommends approval of the proposed change to the Zoning Map including the IC, provided that his proposed modifications to the zoning text and the resulting special permit are incorporated by CPC and the City Council.

Borough President Adams acknowledges the wide-ranging comments put forth regarding the proposed zoning text as well as extensive efforts by UPROSE to advance an alternative vision for Sunset Park's entire industrial waterfront, including the Industry City complex, the industrial corridor south of Greenwood Cemetery, and the area along the Long Island Rail Road (LIRR) Bay Ridge Connecting Line. He also acknowledges the extensive consideration of the CB 7 Land Use Committee, which put forth multiple recommendations to modify the proposed zoning text that were generally supported by the full board as conditions, though were not adopted formally with regard to the requested zoning text amendment.

Borough President Adams believes that it is appropriate to establish regulations that would treat the Industry City complex as a large-scale development in recognition of its unique build-out in common ownership covering multiple blocks including the Finger Buildings section that has transformed from freight rail spurs into varied publicly accessible amenities. The proposed regulations would provide flexibility to distribute the permitted bulk, and allow the applicant to construct one-story additions to the existing buildings and/or to concentrate newly requested floor area at Buildings 11 and 21. It should be noted that the two new development sites lack dimensions, while the proposed zoning envelopes allow the complete filling in of the finger building courtyards.

While the proposed zoning would allow the applicant to attract destination retailers — including big box stores — the proposed extent of such retail and the specified amount of ZR-defined retail/service use group floor area, as a proportion of the overall development, is excessive. Borough President Adams believes that an appropriate blend of ZR retail/service use group uses would facilitate a diverse mix of technology, arts, media, and innovation (TAMI) tenants. Collectively, the revenues from such commercial office leases would enable the vast investment to upgrade century-old buildings to modern workplaces, and eventual construction of new buildings 11 and 21 with structured parking garages. However, without appropriate checks and balances, all of this can happen without the provision of community beneficial uses, such as dedicated floor area for maker uses (including those that are only permitted in manufacturing districts). There is also no guarantee that a beneficial use such as the Innovation Lab would remain beyond its current lease. In its resolution on the application, CB 7's Land Use Committee recommended that BTO maintain the Innovation Lab over the next 20 years and the proportion of local residents it serves. Borough President Adams believes that the allowance of ZR-defined schools, if restricted to high schools, provides an opportunity to connect students to the range of "innovation" careers BTO envisions at Industry City. However, allowing unlimited flexibility to locate a school negates consideration for proximity to residential areas and public transit, along with the risks of siting a facility in sections of the campus prone to storm surge.

In addition, as the proposed parking is tied to ZR retail use groups, key traffic-generating amusement uses would be exempt from parking requirements. Such amusements uses, which include arenas, auditoriums, stadiums, or trade expositions limited to 2,500 seated and/or rated capacity, billiard parlors or pool halls, bowling alleys or table tennis halls, skating rinks, and theaters are no different from destination retailers, and should not be permitted to waive required parking.

Considering all of these deficiencies, Borough President Adams believes that the zoning text as proposed is severely inadequate.

Therefore, Borough President Adams recommends approval of the proposed zoning text amendment to establish the IC within the ZR, including the establishment of a special permit to enable modification of specific sections stipulating uses permitted as-of-right, specifying performance standards, and regulations, though disapproval of the special permit itself, by the CPC and City Council provided that his proposed modifications to the zoning text and the resulting special permit are incorporated by CPC and the City Council.

### **Providing for Innovation and Maker Jobs and Advancing Beneficial Uses**

While the 10-year snapshot in the DEIS studied a reasonable worst case scenario (RWCS) that projected 3.75 million sq. ft. of innovation economy uses, including 1.874 million sq. ft. of manufacturing use, 937,000 sq. ft. for artisanal and art/design studio use, and 628,000 sq. ft. of academic use (assuming college or university occupancy), the proposed zoning text amendment contains no mechanism to ensure provision of such uses, merely restricting ZR-defined community facility uses to the amount studied in the DEIS.

Therefore, beneficial community facility uses such as the Innovation Lab, as well as the desired additional adult training facilities, and potential Science, Technology, Engineering, Arts, and Math (STEAM) high school, require incentives beyond zoning to be maintained or established at Industry City. Ultimately, the mix of uses and tenants within the complex will be determined by the ability to pay rent, which means that the inclusion of the represented innovation and maker uses (including green industrial development), which may be less lucrative than ZR-defined office space, is not guaranteed.

Borough President Adams believes that this issue can be partially addressed through the ZR, if the proposed text were modified to exclude certain uses. Removing hotels as a permitted use group would enable some portion of the more than 127,000 sq. ft. if BTO does not acquire the Third Avenue fronting parcels between 36<sup>th</sup> and 37<sup>th</sup> streets, and up to 287,000 sq. ft., if those lots are acquired by BTO, to be reserved for innovation and maker jobs, as well as community beneficial uses. The provision of such space would have to be codified through specified limits in the special permit application drawings.

According to the special permit drawings, retail and service uses would be permitted up to 900,000 sq. ft. and 0.7 FAR in relationship to the lot area. As noted above, retail uses include destination retail, which shares certain characteristics with amusement uses. The proposed zoning text excludes amusement uses from those that would require parking and does not place an FAR limit on the provision of such uses. Given these incentives, it's likely that the inclusion of amusement uses would restrict available space for maker or other beneficial uses.

Therefore, Floor Area Permitted and FAR Permitted, for all zoning lots, with the exception of commercial use should be expanded to include amusement establishments in UGs 8A and 12A, and such uses should be included with retail and service establishments in a defined limit on amusement/retail/service floor area. Borough President Adams shares the CB 7 Land Use Committee's position that such floor area should exclude eating and drinking establishments with entertainment and capacity of more than 200 persons, or establishments with any capacity where dancing is a permitted use. He also concurs that the overall retail/service use group floor area should be reduced. However, given that Industry City is an economic engine with the potential to leverage maker and other beneficial uses, and generate enough activity to justify the construction of buildings 11 and 21, Borough President Adams believes that such floor area should be reduced 750,000 sq. ft. or 0.58 FAR (with the inclusion of amusement use groups as outlined above).

The amount of allowable amusement and retail/service use floor area should be defined by the ZR in proportion to the provision of beneficial community and maker uses to ensure the inclusion of such use types at Industry City, going forward. The CB 7 Land Use Committee recommended 1.5 million sq. ft. of managed manufacturing space, though its definition for such floor area (to be set aside permanently, with lease protections) includes existing businesses. While calling for promoting manufacturing uses, the Land Use Committee specified arts and arts production (except for commercial galleries from use group 6C) as well as job development, and recommended that floor area set aside for manufacturing be managed by a non-profit that would ensure both business incubator space for start-up businesses and workspace for artists.

Borough President Adams believes that such managed manufacturing space should reflect any combination of agricultural, automotive service, restricted to renewable energy sources, community facilities, heavy service, manufacturing establishments, as well as studios for art, dancing, motion picture production, music, photographic, radio/television, or theatrical, semi-industrial facilities, and trade schools for adults. It should also include service use categories from Use Group 9A such as blueprinting or photostatting establishments, dental or medical laboratories, musical instrument

repair shops, studios, and trade schools for adults, which he deems consistent with maker uses. Studios are also included in Use Group 10A.

It should be noted that some of the above-referenced uses do not directly provide innovation and maker jobs, though STEAM-emphasis schools, colleges, and universities with technical degrees, libraries, training centers such as the Innovation Lab, and adult trade schools provide essential services to qualify individuals for these jobs. Borough President Adams believes that these facilities can serve as community beneficial uses, and function as an integral component of Industry's City Innovation Economy.

Borough President Adams believes that certain uses, such as depositories and automobile showrooms, as well as truck terminals, warehouses and, wholesale establishments (as noted by the CB 7 Land Use Committee) in excess of 10,000 sq. ft. should be excepted from the range of otherwise considered community beneficial uses. In addition, warehouses in excess of 10,000 sq. ft. should be limited to Industry City complex properties south and west of 39<sup>th</sup> Street, should not exceed 250,000 sq. ft. per establishment, and should total no more than 750,000 sq. ft. of such use, the same amount that he believes is an appropriate cap for amusement and retail/service uses. The inclusion of larger facilities should be at the discretion of the CPC. He recognizes that there are some existing depository and warehousing establishments that, while not employee intensive, are likely occupying significant floor area at below market-rate lease terms, under agreements with BTO. For ZR purposes, such establishments should be reclassified as existing non-conforming uses for as long as such floor area is occupied by the most recent tenant or successor entity. However, as any new warehouse facility would not contribute to the envisioned employment opportunities directly, such resulting floor area should play a role towards achieving community beneficial and/or maker floor area requirement.

For floor area in the current Industry City complex, such required maker use/community beneficial should be in a 1.6 to 1.0 amusement/retail/service use space. For newly constructed floor area, whether an enlargement to the existing buildings, or the to-be-constructed Building 11 and/or 21, such required floor area should be provided at a rate of one sq. ft. per every five sq. ft. in recognition of the higher cost of building new floor area, through with a premium of an additional 1.6 to 1.0 amusement/retail/service use space. In addition, should new warehouse space be established, the ratio of required maker use/community beneficial space in relationship to amusement/retail/service use space should subsequently by an additional 150 percent from 1.6 to 1.0 to 4.0 to 1.0, until such additional increment of required maker use/community beneficial space, eventually equals one-half of the floor area of such warehouse space.

There has been a trend for certain uses listed within UGs 11A, 16, 17, and 18 — specifically alcoholic beverages or breweries — in which a small accessory section of floor area is set-aside for retail and/or eating and drinking establishments. For example, such a development might have an interior retail street where one can purchase freshly-baked goods from a small accessory retail section off the main baking production area. There are also breweries that contain accessory beer halls and/or restaurants. With the ongoing trend of artisanal food and beverage production, an accessory sales component often provides important synergy and financial viability. Lilac Chocolates is one prominent example at Industry City. However, other manufacturing uses, such as metal fabrication and woodworking, do not lend themselves to accessory retail. This puts such uses at a disadvantage because permitted uses that profit from accessory retail or eating and drinking components would likely be able to pay more rent. Furthermore, if such accessory retail and/or eating and drinking floor space were of excessive size, it would undermine the purpose of establishing dedicated floor area for desired uses at Industry City. The ZR is silent regarding restricting accessory operations.

As Borough President Adams noted in his 2016 recommendations for 25 Kent Avenue, and his recent recommendations for 12 Franklin Street and 103 North 13<sup>th</sup> Street, public benefit would be

diminished if the accessory retail and/or eating and drinking establishment uses consumed more than a nominal amount of floor area.

As has been Borough President Adams' recommendation for those prior ULURP applications, he seeks to clearly define the extent of the floor area that would be allotted for supporting accessory retail as well as eating and drinking operations at Industry City. He believes that it is appropriate to limit accessory retail operations, specifically for UGs 6A, 6C, 7B, 7D, 8B, 8C, 10A, and 12 by permitting up to 100 sq. ft. without regard to the size of the industrial/maker establishment, though not more than 1,000 sq. ft. or not exceeding 10 percent of floor area per establishment.

Where a business plan supports an accessory use in excess of such size limitation, such floor area should be designated as Permitted Use floor area, incorporated in the development's Certificate of Occupancy (C of O), and be delineated as such on floor plans filed with New York City Department of Buildings (DOB).

Borough President Adams believes that in order to maintain the integrity of floor area for maker businesses, 100 sq. ft. without regard to the size of the establishment or not exceeding 10 percent of floor area per establishment, though not more than 1,000 sq. ft., would be an appropriate extent of classifying floor area as an accessory use.

Borough President Adams concurs with the CB 7 Land Use Committee's position that manufacturing uses should be provided with clear access 24 hours a day, seven days a week to common service corridors, freight elevators, and loading docks on streets to ensure active industrial spaces. He believes this should be a requirement of meeting maker floor area as defined above by certain UG 9, 10, 11, 16, 17, and 18 uses.

In order to ensure that the required maker use/community beneficial floor area is provided in the desired proportion, it is necessary to establish compliance standards. ZR Section 74-962 provides a template for required compliance and recordation, including periodic notification by the owner, and annual reporting by a qualified third party. Under the rules of that Special Permit (established as part of the 25 Kent Avenue application), the property owner must file a Notice of Restrictions in order to receive a building permit from the DOB. ZR Section 74-962 also states that "no temporary certificate of occupancy for any portion of the building to be occupied by incentive uses shall be issued until a temporary certificate of occupancy for the core and shell is issued for all portions of the building required to be occupied by required industrial uses." Such regulation was designed to ensure that the Required Industrial Use area is provided before any Incentive Use area contingent on the provision of such manufacturing floor area is occupied.

Furthermore, each new lease executed for any part of the Required Industrial Use space requires public notification, via electronic resource, of certain information about each new tenant and use, including the total floor area of Required Industrial Uses in the development, a digital copy of all approved Special Permit drawings pursuant to ZR Section 74-962 (a)(1) through (a)(4), and the names of all establishments occupying floor area reserved for Required Industrial Uses. Additionally, for each establishment, public notification must specify the amount of Required Industrial Use floor area, the UG, the subgroup, and the specific use as listed in the ZR.

The property owner is also required to retain a qualified third party, approved by the New York City Department of Small Business Services (SBS) to produce an annual report and conduct an inspection to ensure that the Required Industrial Use area is compliant with the provisions of ZR Section 74-962. Such report must include a description of each establishment with the North American Industry Classification System (NAICS) code and number of employees, the total amount of vacant Required Industrial Use floor area, as applicable; the average annual rent for the combined total of the

portions of the building reserved for occupancy by Required Industrial Uses, and the number of new leases executed during the calendar year, categorized by lease duration, in five-year increments. Such report must be submitted to the New York City Department of City Planning (DCP), as well as the Brooklyn borough president, the local City Council member, and the community board. Such report must be prepared by an organization under contract with the City to provide inspection services, an SBS-certified firm that provides such inspection services, or an entity that the commissioner of SBS determines to be qualified to produce such report, provided that any qualified third party selected by the owner to prepare such a report shall have a professional engineer or a registered architect licensed under the laws of the State of New York to certify the report.

Borough President Adams believes that in order to ensure compliance and the desired ratio of uses, the standards established in ZR 74-962 should be incorporated into the proposed zoning text amendment. In addition, one of the area's non-profit industrial business solutions providers, such as the Southwest Brooklyn Industrial Development Corporation (SBIDC), would warrant consideration as a potential administering agent for the Industry City complex.

Borough President Adams believes that any floor area sublet and/or managed by a not-for-profit agency should remain part of the zoning lot and be required to comply with periodic notification and annual reporting requirements.

Borough President Adams concurs with the CB 7 Land Use Committee that CPC should consider, as part of its findings for approval of the requested Special Permit, the compatibility of the proposed uses with industrial and maker uses, as opposed to merely existing uses. In addition, given the loading needs of maker uses, he agrees that the findings should consider the intended state of the existing private streets.

#### **Appropriate Location of Schools**

While Borough President Adams concurs that schools should remain a permitted use, as proposed, he is receptive to concerns that placing even high school students in a flood zone warrants consideration. After review of the flood maps, and consideration of reasonable proximity to subway service, as well as potential conflicts with industrial uses having active curb cuts, Borough President Adams believes that the allowance to site a school within the Industry City complex should be restricted to within 200 feet of Third Avenue.

#### **Appropriate Restrictions on Amusement and Retail/Service Use**

As proposed, retail and service uses would be allowed anywhere in Industry City, at up to 40,000 sq. ft. per establishment on the ground floor, in specific areas on both the first and/or second floor, and in certain locations, without restrictions on size. Many have expressed this provides too much latitude for BTO to accommodate mid- to large-retail/service uses. The CB 7 Land Use Committee had taken the position that all establishments should be limited to 10,000 sq. ft., though a subsequent application to bring a large supermarket consistent with the ZR's FRESH regulations would be appropriate. While Borough President Adams agrees that additional controls are warranted, he believes that the CB 7 Land Use Committee's recommendations are excessive, given the proximity of existing destination retail, and the fact that retail might enable much of the air rights, which would result from the zoning map change.

As noted above, ZR-defined amusement uses (but for use group 12A eating and drinking establishments, which would not be permitted) should be included in the zoning floor area limit for retail and service uses, and that limit should be reduced from the proposed 900,000 sq. ft. to 750,000 sq. ft. However, no retail should be permitted west of beyond 100 feet of First Avenue for Buildings 22, 23, and 26, and at all for Building 24 (fronting 39<sup>th</sup> Street, west of First Avenue). As expressed by the CB 7 Land Use Committee, consideration for truck loading should be prioritized for 33<sup>rd</sup>, 34<sup>th</sup>, 35<sup>th</sup>, and 36<sup>th</sup> streets, and primary access individual establishments should not be permitted on these frontages. Rather,

one common access point should be permitted per listed street, with direct access limited to Second and Third avenues and interior courtyards.

Retail establishments in excess of 10,000 sq. ft., up to 50,000 sq. ft. per store, located on the first and/or second floor make sense opposite Costco. However, stores above 10,000 sq. ft. should not exceed 80,000 sq. ft., collectively, of the 37<sup>th</sup> Street Finger Building frontage. However, if the additional Third Avenue frontage were acquired, it should also be permitted to have retail establishments in excess of 10,000 sq. ft.

There are three locations where Borough President Adams would support a store in excess of 50,000 sq. ft., though not larger than 80,000 sq. ft.: the building located diagonally across from Costco, at 39<sup>th</sup> Street and Second Avenue, extending to 41<sup>st</sup> Street, the retail/service floor area should be capped at 120,000 sq. ft., the Building 11 site, across from the Liberty View parking lot along 32<sup>nd</sup> Street at Second Avenue, and the Building 21 site, fronting the east side of First Avenue between 39<sup>th</sup> and 41<sup>st</sup> streets. However, he believes it would be appropriate to limit establishments in excess of 10,000 sq. ft. for the site diagonally from Costco to 150,000 sq. ft. and to 160,000 sq. ft. if BTO assembles the full site, and 120,000 sq. ft. without additional property acquisition, in order to minimize the extent of destination retail.

In addition to locational and size requirements, as more of the larger establishments are being accommodated, travel patterns would be more fully informed. It should be noted that traffic studies developed as part of the required DEIS are more theoretical than exact. An EIS serves as predictive tools, and too often do not reflect actual conditions or account for development impacts on a community. Borough President Adams is concerned that assumptions made in the DEIS detailing traffic patterns based on a projection 10 years into the future, would not be replicated after the requested land use actions are approved. Such traffic assessment is merely based on assumptions, and any disclosed mitigation is intended to address a theoretical outcome. Moreover, there is no mechanism to require assessment of the actual conditions as proposed. Borough President Adams concurs with the CB 7 Land Use Committee that post-opening analysis would be helpful in identifying traffic-related mitigation needs.

However, Borough President Adams believes that the stated year interval is arbitrary, and that a post-opening traffic analysis to determine traffic impacts at various intersections and what, if any, additional mitigation should be implemented by the New York City Department of Transportation (DOT) based on an analysis of actual travel patterns, is the way to be sure. The requested zoning text amendment for a Large-Scale Plan Special Permit provides a means to secure an obligation for a post-opening traffic analysis. Zoning text could tie such future study requirement to the C of O that would be issued by the DOB for establishments in excess of 10,000 sq. ft. Borough President Adams believes that the appropriate time for a post-occupancy study would be when the cumulative total of retail establishments exceeds 150,000 sq. ft. Such analysis should be initiated no earlier than six months and no later than one year after meeting or exceeding such a threshold. In addition, for Buildings 11 and 21, such requirement should be triggered by establishments in excess of 80,000 sq. ft. He also believes that the ZR should require that the study to be prepared in consultation with DOT.

### **Appropriate Bulk**

The application drawings do not provide complete dimensions on the site plan with regard to defining coverage limits for Building 11. Borough President Adams believes that such building representation should be consistent with the area shaded as proposed new construction to provide certainty regarding what would be allowed. Though not represented as being changed in the DEIS images, the courtyard sections of the Finger Buildings are indicated as part of the zoning development envelope. Where these courtyards have been activated by BTO, they have been well-regarded as

publicly-assessable amenities. Borough President Adams notes that the CB 7 Land Use Committee wished to ensure that these courtyard areas remain, at minimum, as arcades. It set forth a height of 30 feet to be removed from the buildable zoning envelope, essentially disallowing the infilling of the courtyards below the third floor. While he generally concurs with the CB 7 Land Use Committee, Borough President Adams believes that regulations are needed to determine the limits of obstructions. The existing ZR regulations for accessory structures consistent with design standards for pedestrian circulation spaces, and for kiosks and open-air cafes, would provide suitable protection for the courtyards.

### **Appropriate Parking Requirements**

As previously noted, the proposed parking requirements were not intended to be applicable to ZR- defined amusement uses. Borough President Adams believes that such amusement uses should be included in the total floor area to determine when parking would be required.

The proposed land use actions seek an unprecedented waiver from the provision of accessory parking for 120,000 sq. ft. of retail and service establishments. For reference, the largest standard waiver is less than 40,000 sq. ft. Moreover, once a waiver is exceeded, the full requirement typically needs to be met. In this application, the waiver provides a deferment, so that only the increment cumulative retail/service establishments beyond 120,000 sq. ft. would generate parking requirements. Despite the significant waiver and reduced rate of otherwise required parking, the proposed zoning text did not provide for additional bicycle parking. In order to receive approval for such a waiver of automobile parking, the applicant should be required to demonstrate additional public benefit stemming from zoning parking deferment and overall reduction.

Such public benefits include access to alternative fueling capacity, increased bicycle parking, and allotment of space for car share vehicles. Therefore, bicycle parking should be provided at no less than 20 percent of the standard requirement. For commercial uses, in lieu of one space per 10,000 sq. ft., it should be increased to one space per 8,000 sq. ft., and for community facility uses, in lieu of one space per 5,000 sq. ft., it should be increased to one space per 4,000 sq. ft.

Initially, it is expected that required parking would be provided via interim surface parking lots. For such a short-term investment, it is reasonable for the applicant to reserve a percentage of spaces for use of one or more car-share companies. One additional space should be dedicated to car sharing at a rate of one per 50 parking spaces required. Such requirement should also be incorporated into the eventually constructed public parking garages.

When the required parking is provided within an enclosed garage, the public benefits should advance capacity for alternative fueling. Access to high-capacity alternative fueling such as electric, hydrogen, natural gas, or other alternative sources, should be installed in proximity to the facility entrance. Enclosed garages should also be required to provide access to electric for no less than 10 percent of all parking spaces.

### **Requiring Locally-Based Jobs**

Borough President Adams is concerned that too many Brooklyn residents are currently unemployed or underemployed. 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 multiple Brooklyn neighborhoods, with more than half of the borough's community districts experiencing poverty rates of nearly 20 percent or greater. According to UPROSE's GRID report, Sunset Park had a 32 percent poverty rate in 2016. Prioritizing local hiring would assist in addressing this employment crisis.

It is Borough President Adams' policy that development should maximize employment opportunities for Brooklynites. Additionally, promoting Brooklyn-based businesses, including those that qualify as locally

based enterprises (LBEs) and MWBEs, is central to Borough President Adams' economic agenda. This site provides opportunities for the developer to retain a Brooklyn-based contractor and subcontractor, especially those that are designated LBEs consistent with Section 6-108.1 of the City's Administrative Code, and MWBEs who meet or exceed standards per Local Law 1 (no less than 20 percent participation).

Borough President Adams believes that the Special IC District should mandate a percentage of contracting participation by certified LBEs, consistent with Section 6-108.1 of the City's Administrative code and certified MWBEs in accordance with Local Law 1 standards. He believes this could be reflected in CPC's findings for the requested use modifications.

### **Advancing Sustainability and Resiliency**

The proposed development provides extensive opportunities to integrate resiliency and sustainability measures such as blue/green/white roof finishes, passive house construction principles, solar panels, and wind turbines. In the fall of 2019, the City Council passed Local Laws 92 and 94, which require that newly constructed roofs, as well as existing roofs undergoing renovation (with some exceptions), incorporate a green roof and/or a solar installation. The laws further stipulate 100 percent roof coverage for such systems, and expand the City's highly reflective (white) roof mandate. In addition, the CLCPA requires a statewide reduction of greenhouse gas emissions by 85 percent by 2050 and seeks to ensure that at least 35 percent of investments in clean energy and energy efficiency occur in disadvantaged communities such as Sunset Park.

The required Builders Pavement Plan for the proposed new developments would allow the developer to incorporate New York City Department of Environmental Protection (DEP) rain gardens along the frontages of Buildings 11 and 21, though the planting of street trees is not required in manufacturing zones. The implementation of rain gardens could help advance DEP green infrastructure strategies, and enhance the operation of the Owls Head Wastewater Treatment Plant during wet weather.

Borough President Adams believes that BTO should consult with DEP, DOT, and the New York City Department of Parks and Recreation (NYC Parks), as well as CB 7 and local elected officials regarding the integration of rain gardens with new street trees, as part of a Builders Pavement Plan.

With regard to building sustainability measures, BTO or its successors, should seek to minimize its production of Greenhouse Gas (GHG) emissions, and memorialize its commitment to pursuing resilient and sustainable energy sources, to the City Council. These include the incorporation of solar panels and/or wind turbines, passive house, blue and/or green roof, DEP rain gardens and/or geothermal generation cogeneration plant to serve entire campus' summer peak heating demand for process and domestic hot water production or use of Upper New York Bay water for heat exchange for heating/cooling for compressorized systems, and/or establish an interim urban agriculture to grow green roof sedums onsite for Industry City rooftops.

Additionally, BTO should develop strategies to provide targeted marketing and leasing preference to businesses that comply with CLCPA, with the aim of expanding clean energy employment and uses at Industry City.

### **Education**

In the CB 7 Land Use Committee's subject-specific recommendations, two motions of disapproval with conditions referenced community education needs. One called for the New York City Department of Education (DOE) to commit to funding the installation of fiber-optic broadband to fund STEM education in CD 7 schools. Borough President Adams supports such efforts, and believes such rollout should be done in consultation with CB 7 and local elected officials.

Though the CB 7 condition did not support locating a school at Industry City, Borough President Adams believes that one could be reasonably located in proximity to Third Avenue, as stated above. Such a school facility could serve a similar purpose to the STEAM Center at the Brooklyn Navy Yard (BNY). The Brooklyn STEAM Center is an innovative career and technical training hub for 11<sup>th</sup> and 12<sup>th</sup> grade students, situated within the ecosystem of Brooklyn Navy Yard — a 300-acre industrial park with over 400 businesses in cutting-edge industries that prepares a pipeline of young adults to enter the creative, manufacturing and technology fields. Students engage in quality professional work, develop robust industry networks, and explore tangible pathways to economic opportunity. At Industry City, such a STEAM Center could be integrated and with the Sunset Park working waterfront, given the anticipated activation of the SSBMT and geared toward GRID jobs.

As an alternative to the STEAM Center, DOE could establish a STEAM-focused high school. While there is no real need for additional high school capacity in Brooklyn, new school could actually help address unmet need for middle school seats in the district, through the conversion of an extremely underutilized high school to a middle school. This would enable the re-apportioned floor area to be shifted to the Industry City campus.

DOE, in consultation with the Citywide Council on High Schools, should identify an underutilized high school that might be repositioned as a middle school in a district projected to have unmet need for such seats. DOE should also commit to funding the installation of fiber-optic broadband to support STEAM education funding in CD 7 schools.

Additionally, DOE should commit to execute a legal instrument with BTO or its successors expressing intent to fund either a STEAM center or technical high school at Industry City of approximately 30,000 sq. ft., and proceed with the design for a STEAM center or STEAM-focused high school no more than three years after the effective date of the rezoning.

Finally, BTO or its successors should memorialize its commitment to the City Council to solicit DOE's interest in securing space for a publicly funded STEAM center or a STEAM-focused high school, and offer space to the agency prior to targeting retail users, providing DOE no fewer than 90 days for DOE to issue a response.

### **Advancing Green, Technology, and Maritime Jobs**

Borough President Adams agrees in principle with aspects of the GRID plan developed by UPROSE in conjunction with New York State's recently adopted CLCPA. He concurs that there is a need to transition the economy from an extractive one dependent on fossil fuels to a green industrial economy that trains local residents for renewable energy and climate jobs. According to GRID, these green jobs are found in traditional construction and manufacturing sectors, or in new, emerging green sectors. Borough President Adams seeks to secure such jobs in Sunset Park through innovative ideas, including those that utilize the waterfront. For example, a publicly-accessible urban agriculture barge could serve as a free or low-cost educational resource, and advance urban farming in the city. Additional barges could be added to promote workforce development for clean energy jobs or to support the working waterfront.

Other green jobs might be found in building and professional services occupations including boiler operators, commercial/industrial designers, construction managers, electric and mechanical technicians, engineers, insulation workers, plumbers, stationary engineers, as well as those in construction. New green jobs in the renewable energy and related sectors would be created over time. Borough President Adams agrees that workforce development efforts should focus on connecting local residents to the next generation of green jobs so that they can benefit from these opportunities.

While Borough President Adams believes that green jobs should be established at Industry City, he feels just as strongly that it should be a haven for TAMI firms. New York City's technology sector has grown

rapidly, with more than 191,000 direct jobs in tech companies and an additional 92,000 related jobs at non-tech firms. A November 2019 HR&A Advisors report commissioned by the City Administration entitled "NYC's Tech Opportunity Gap," found that from 2008 to 2018, high-tech employment in the city increased by 46,000 jobs in both tech and non-tech industries. It is likely the expansion of Industry City would result in a significant number of TAMI jobs and that a percentage of those would be classified as green jobs, according to GRID.

Borough President Adams believes that the green jobs agenda should be advanced through a concerted citywide effort. He concurs with UPROSE that such strategy should include preferential marketing for green industries in properties managed by the New York City Economic Development Corporation (EDC), such as Sunset Park's Brooklyn Army Terminal (BAT) – BAT Annex Building, which is home to a 55,000 sq. ft. food manufacturing hub (a green defined use), announced in 2016. Among other City-owned properties, the Brooklyn Wholesale Meat Market provides additional opportunities to support food distribution businesses. The Bush Terminal Industrial Site/Made in NY Campus would contain facilities for garment manufacturing, film and media production, and related industries. Other Sunset Park waterfront holdings, including the SSBMT, should be prioritized for green industrial economy uses. As existing leases approach expiration, EDC should encourage non-green entity uses in its Sunset Park facilities to relocate to Industry City in order to maximize leasing opportunities for green businesses.

In December 2019, the Center for an Urban Future (CUF) released "Expanding Tech Apprenticeships in New York City," a report that provides viable solutions to address the disconnect between underemployed Sunset Park residents and the demand for tech jobs. Borough President Adams believes that beyond hosting the Innovation Lab, BTO should play a major role in raising awareness about the value of tech apprenticeships, by convening the City's first Tech Apprenticeship Summit in line with CUF recommendations. BTO should look to reach out to appropriate TAMI tenants to formulate the annual summit as a daylong event bringing together leading local and global tech employers with educational institutions, intermediaries, and training organizations leading the charge for tech apprenticeships.

Another task that BTO should undertake is tenant outreach to promote utilization of the Empire State Apprenticeship Tax Credit (ESATC), which went into effect in 2018, and provides employers a tax credit starting at \$2,000 per individual for registered apprenticeships focused on in-demand occupations outside the building trades. In September 2019, Governor Andrew Cuomo announced a \$3 million investment in apprenticeship program development at the State University of New York (SUNY) targeted to emerging fields such as artificial intelligence, cloud infrastructure, and cybersecurity. However, according to CUF, very few tech occupations are currently eligible, and no tech companies have sponsored their own programs. BTO promotion might help stimulate participation among current and future tenants of Industry City.

CUF notes that as demand for tech talent grows, Black and Latinx New Yorkers and women remain significantly underrepresented in tech occupations. Tech apprenticeships are a proven model for launching underrepresented talent into successful careers in software development, network security administration, computer systems, IT, and data centers. According to CUF, tech apprenticeships present a significant, but largely untapped opportunity to expand pathways into well-paying technology careers, all while strengthening and diversifying the talent pipeline for the City's booming tech sector. Participants in tech apprenticeship programs often progress from minimum wage jobs to full-time salaries of \$40,000 or more while in training and \$70,000 to \$80,000 after receiving a job offer. In many cases, these opportunities are available to people without college degrees or with just a few college credits. In other cases, apprentices have completed a short course at a bootcamp but have no background in computer science or experience working in tech.

Borough President Adams concurs with CUF that apprenticeships can serve as a powerful tool for connecting youth to the workplace and bringing work-based learning experiences into the city's high schools. For many high school students, the opportunity to explore how skills and knowledge can lead to rewarding careers has a significant, motivating effect. His interest in seeing a STEAM center or STEAM-focused high school as part of the Industry City complex is consistent with this approach.

The City's ApprenticeNYC program was initiated in 2017 with the goal of creating 450 new apprentices in the health, industrial, and tech industries by 2020. However, according to CUF, the initiative's only active program to date is for computer numeric controlled (CNC) machinists in advanced manufacturing. BTO should help evolve ApprenticeshipNYC by launching tech apprenticeships as a part of Apprentices NYC, and devoting funds earmarked though a percentage of its amusement, retail, and service leases.

The City's Tech Talent Pipeline's associate engineering program is believed by CUF to be a promising model for connecting underrepresented talent with hands-on training and paid apprentice-like positions at growing tech companies. Borough President Adams acknowledges that expanding this program would take new resources to help support business development and employer cultivation, talent recruitment and vetting, and sustained support for associates and employers during the course of the program. As part of the Tech Talent Pipeline, the City University of New York (CUNY) has Tech Prep, a course created by the CUNY Institute for Software Design and Development with industry leaders for computer science majors in the CUNY senior college system. Prep provides students with an opportunity to learn applied skills at no cost through an intensive, full-stack web application sprint, followed by a semester of additional project-based coursework and connections to tech jobs post-graduation. In 2016, NYC Tech Talent Pipeline tripled its investment when it was increased to 1,700 participants. Borough President Adams concurs with CUF that the City should scale up its Tech Talent Pipeline's associate engineering program as it has proven to be successful in training and placing students in well-paying jobs with tech firms.

Borough President Adams also supports CUF's concept for Tech Apprenticeship Accelerator, modeled on a series of initiatives sponsored by the United States Department of Labor (DOL) in 2016. As envisioned by CUF, a Tech Apprenticeship Accelerator would facilitate intensive assistance for businesses to jumpstart the development of a customized tech apprenticeship program; bring together interested training partners, educational institutions, and sponsor organizations to connect with employers, and create a platform for ongoing employer engagement and program development. CUF envisions that by launching a Tech Apprenticeship Accelerator, the City would expand access to fast-growing, well-paying tech jobs while diversifying the tech sector. CUF believes that the City should set an ambitious, though achievable, goal of creating 1,000 new apprentice positions by 2025. By launching the Tech Apprenticeship Accelerator, New York City could become the leading hub for tech apprenticeships.

Recognizing the untapped potential and excess capacity of coastal waterways, the Port Authority of New York and New Jersey (PANYNJ) has made regional barge service one of its strategic initiatives. Along with EDC, PANYNJ continues to support the North Atlantic Marine Highway Alliance (NAMHA, initiated in 2018), which seeks to foster the use of barge services to offset reliance on trucks and supplement rail cargo to and from port facilities. The development of NAMHA complements Freight NYC, an EDC strategy to reduce dependence on trucking in and around New York City, by shifting freight distribution to rail and marine routes. As freight volumes increase and incoming vessels increase in size, barging presents one part of a sustainable solution.

In May 2018, the SSBMT was assigned to a joint partnership of Red Hook Container Terminal and Industry City Associates. SSBMT would allow goods to be transported by barge across the New York Harbor and carried elsewhere by rail, which would make it the only rail-connected port in Brooklyn, Queens, and Long Island capable of handling large, ocean-faring vessels. It might also become a component of the Marine Highway hub and spoke barging operation. Furthermore, a wind-turbine mobilization initiative to support nearby offshore wind production is expected to generate 500 green industrial jobs by 2023.

There is an ongoing need to address the City's over-reliance on trucking, particularly for cross-harbor and last-mile transport. PANYNJ plans to increase cross-harbor freight through multimodal transport initiatives such as the enhancement of its Cross Harbor Freight Program (CHFP) barge float and rail operation, which connects to the LIRR's Bay Ridge Connecting Line at 65<sup>th</sup> Street, with rail spurs at SSBMT and the Metropolitan Transit Authority (MTA) 38<sup>th</sup> Street Train Yard and Facility. The 65<sup>th</sup> Street float bridges make this section of Sunset Park an ideal multi-modal location for a transition away from trucked goods movement. Its full implementation is expected to replace 11,000 truck trips with barges and rail ships, which would significantly reduce truck traffic and pollution.

Brooklyn needs to be part of the solution by leveraging opportunities to advance rail and water-based goods movement. PANYNJ and its partners should continue to expand container operations along the

Brooklyn waterfront to provide additional capacity east of the Kill Van Kull. Sunset Park's waterfront has the conditions in place for a deepwater container port. It should be part of the growing east of Hudson River marine cargo operations, with the potential to be part of Marine Highway. Borough President Adams believes that this can be achieved by advancing EDC's vision to establish a second Sunset Park port facility by filling the off-shore section between the bulkhead and pierhead lines south of Bush Terminal Piers Park. Such port establishment would enable increased capacity and potentially link to envisioned Cross Harbor freight tunnel infrastructure.

This ideal location for Green Port development would be consistent with EDC's Freight NYC plan, as a critical portion of these plans focuses on the Sunset Park waterfront. It would also utilize rail power and would be expected to advance clean smart truck technology. Both Freight NYC and Green Ports have the potential to address resiliency and sustainability goals while reinvigorating industrial areas and creating new jobs. Such a port would be expected to advance PANYNJ's Port Master Plan 2050 with its objectives of ensuring resiliency and sustainability, promoting regional economic generation, establishing state-of-the-art facilities, providing a platform for partnership for local stakeholders, and shaping the region's future growth.

### **Preserving the Supply of Affordable Housing**

Borough President Adams has heard a great deal of concern regarding ongoing gentrification and displacement of longtime residents in Sunset Park. Without regard to whether future Industry City employees would drive up demand for market-rate housing, the influx of higher-income individuals to the area, together with increased land values, could result in the replacement of longtime, low-income tenants with new residents able to pay higher rents. For households in non-regulated housing stock there is little recourse beyond targeted downzoning, which may slow the pace of property turnover and redevelopment through the reduction of development rights. For rent-regulated housing, government has taken many steps to combat landlord harassment. However, additional measures can be taken to assist homeowners and landlords maintain properties, expand affordable housing lottery eligibility, reduce landlord opt-out based on expiring regulatory agreements, thwart legal demolition eviction, provide access to legal services, and increase capacity to for outreach and assistance.

### **Access to Legal Services for ZIP Codes 11220 and 11232**

Substantial testimony provided throughout the ULURP process for these land use actions focused on the risk of displacement, and lack of protections for vulnerable residents. Evictions, as a mechanism of direct displacement, are a major driver of housing instability and homelessness. Many low-income households are unable to secure the resources to avoid eviction. In the past, tenants facing eviction usually arrived to housing court without legal representation, at a major disadvantage to landlords who almost always have an attorney.

The New York City Human Resources Administration (HRA), through its Office of Civil Justice (OCJ), and pursuant to the Universal Access to Legal Services law, provides defense attorney representation for eviction cases in housing court, as well free legal assistance to buildings, tenants, and tenant associations seeking protection against landlord harassment. However, this initiative is limited to ZIP codes that do not contain Sunset Park. In Right to Counsel (RTC) ZIP codes, access to free legal representation is a right for any low-income tenant facing eviction. In non-RTC ZIP codes, access to legal services is contingent on household income and size. The agency website does not provide adequate direction for residents seeking such services outside the RTC ZIP codes.

Tenant representation in housing court has increased citywide. Statistics confirm a reduction in the number of evictions since the City implemented Right to Counsel for Housing Court in 2017. In Fiscal Year 2013 (FY13), only one percent of tenants had an attorney, while in the last quarter of

FY18, 30 percent of tenants did. OCJ analysis of RTC data shows even larger gains as during the last quarter of FY18, 56 percent of tenants facing an eviction in RTC ZIP codes had an attorney.

According to a letter submitted by the executive director of DCP to Council Member Menchaca, HRA has legal services available for CD 7 residents confronting eviction, harassment, and other displacement measures. Reportedly, in FY19, approximately 300 households benefited from free legal counsel based on 200 percent of the federal poverty level (approximately \$50,000 for household of four). This was more than double the number served in FY15, though the figures went beyond Sunset Park so it unclear to what extent non-RTC services benefited this community. The letter noted that full implementation is expected by June 30, 2022 (FY22), which means that Sunset Park residents could be left vulnerable for 34 months. Borough President Adams believes, for some households, a few months might mean the difference between keeping and losing their apartments.

Borough President Adams considers all strategies to help people remain in their homes as part of the Mayor's "Housing New York: A Five-Borough, Ten-Year Plan." Providing free legal assistance is more cost-effective than harboring evicted families in homeless shelters or providing new affordable housing units. To counteract the mounting housing pressures in Sunset Park, he urges the City to direct HRA, through OCJ, to immediately implement RTC services in ZIP codes 11220 and 11232.

#### Extending Regulatory Agreements

Privately owned, publicly subsidized rental stock is an important source of affordable housing in New York City for low- and moderate-income households. In exchange for a government subsidy, landlords agree to keep units affordable to such households for a limited term (typically 30 years). Once a regulatory agreement expires, however, owners can begin to rent their units at market rates.

The Sunset Park section of Brooklyn includes all such buildings in CD 7. In all, there might be 30 regulated buildings with regulatory agreements governing 333 units that were set to expire in 2019, according to the NYU Furman Center's CoreData. To the extent that these units remain rent-regulated, some tenants might be left without subsidies that allowed them to afford such rents without the benefit of regulatory agreements. Other tenants might still be subject to lawful demolition eviction, if regulatory agreements were not extended.

Borough President Adams acknowledges that the housing preservation resources of the Mayor's "Housing New York: A Five-Borough, Ten-Year Plan" provide a path to refinance such buildings as a way to extend their regulatory agreements. He acknowledges successes shared to date as indicated in the DCP letter, with HPD having preserved 448 CD 7 apartments, including 408 in 2017 at Sunset Park Apartments through the HUD Multifamily program. However, if the CoreData information is correct, all remaining preservation opportunities are in doubt as agreements may have already lapsed. Therefore, Borough

President Adams urges the City to commit resources for HPD to immediately engage the owners of the 30 properties to refinance the buildings, and extend their regulatory agreements.

#### Advancing Anti-Displacement Strategies

In 2018, the City implemented the Certification of No Harassment (CONH) Pilot Program, which requires landlords seeking construction permits for major alterations to meet certifications that ensure no harassment has taken place. The three-year pilot covers geographies as established in Local Law 1 2018, as well as areas considered vulnerable because of potential rezoning impacts. The City identified more than 1,000 buildings (containing more than 26,000 units) that had been subject to a full vacate order, active in the alternative enforcement program for more than four months (since February 1, 2016), or where there has been a finding of harassment by a court or New York State Homes & Community Renewal (HCR) in the last five years. Per Local Law 1 2018, any neighborhood subject to a City-sponsored districtwide rezoning after 2018 would be covered by the law.

Given the challenges faced by Sunset Park residents seeking to remain in their homes, Borough President Adams sees a need to maximize the number of buildings covered by the program. Extending the applicability of the CONH to all of CD 7 would ensure that buildings with high levels of physical distress or ownership changes would be properly vetted before landlords could obtain DOB permits for demolition work or changes in use/occupancy.

Sunset Park's housing stock has a significant number of small owner-occupied residential buildings. Some of these owners, while relatively property-rich in this housing market, have limited resources to maintain their homes. Where such homes have rental units, property sales often result in displacement. Borough President Adams believes that helping these homeowners retain their properties would also help combat tenant displacement. In late 2019, HPD, in partnership with the Center for NYC Neighborhoods (CNYCN), Restored Homes Housing Development Fund Corporation, AAFE Community Development Fund (CDF), Neighborhood Housing Services of New York City (NHSNYC), and the Parodneck Foundation launched the HomeFix program, which provides access to low- or no-interest loans (with potential forgiveness) for home repairs to eligible owners of one- to four-family homes in New York City. In addition, many small- to mid-size buildings are being squeezed by steadily rising energy and water costs and could benefit from weatherization and other efficiencies to reduce those expenses. HPD's Green Housing Preservation Program (GHPP) was created to help owners finance energy efficiency and water conservation upgrades, lead remediation, and moderate rehabilitation work, via low- and no-interest loans. Such improvements can lead to better building conditions and lower operating costs for owners of affordable apartment buildings. In this way, City initiatives can help ensure the long-term financial and physical health of small to mid-size properties, and preserve housing for low- and moderate-income New Yorkers. Borough President believes that HPD should take appropriate steps to promote these financial assistance programs to Sunset Park homeowners.

#### Assisting Landlords Seeking to Maintain Affordable Housing in CD 7

In addition to helping homeowners, Borough President Adams believes that sufficient resources should be allocated to landlords of small buildings, to maintain affordability and allowing such landlords to retain their investments. Without assistance, owners may fall victim to predatory lenders and be forced to sell their buildings to investors who have no interest in affordable housing.

HPD hosts monthly Property Owner Clinics at its 100 Gold Street headquarters to connect homeowners to resources they may need to stabilize their homes. The agency also hosts workshops in communities when requested by community boards and/or local elected officials. In addition, HPD's Landlord Ambassadors Program, a pilot created to help owners of small to medium multi-family buildings implement building management best practices and navigate the process of applying for HPD financing. With the support of HPD and Enterprise Community Partners, three community-based non-profits were chosen to provide technical assistance to owners in Eastern/Central Brooklyn, Northern Manhattan, and

South/Central Bronx. The pilot program, which proved successful, ended on June 28, 2019. HPD is reportedly continuing and expanding the program by partnering with the Mutual Housing Association of New York (MHANY) to provide technical assistance to property owners. The expansion of the program includes funding for repairs to vacant units to increase housing supply and improve housing quality, placement of formerly homeless households in these vacant units to reduce the homeless population, and funding for housing retention and stabilization services for formerly homeless households placed in those vacant units to smooth the transition into permanent housing, as well as training for building owners accepting these new tenants.

Borough President Adams believes that HPD should conduct outreach and engagement to promote its Property Owner Clinics to Sunset Park landlords. The agency should also take steps to bring the resources of its Landlord Ambassadors Program to CD 7.

Enhancing Coordination between HPD and Sunset Park's Legal Service Providers and Tenant Organizers  
With all of the aforementioned, awareness of preservation-based initiatives, even when already applicable to Sunset Park buildings, is critical. HPD's Partners in Preservation initiative has taken aggressive steps to improve coordination among government agencies, tenant organizers, and legal service providers, while strategically identifying the most at-risk buildings and developing targeted action plans for such properties. HPD launched the program, funded by the New York City Housing Development Corporation (HDC) and the Enterprise Foundation, in July 2019 for an 18-month pilot period. Recently, community-based organizations in East Harlem, the Jerome Avenue area, and Inwood/Washington Heights/Marble Hill jointly received approximately \$1.5 million through this pilot program to coordinate anti-displacement initiatives with HPD. This enabled the community partners to hire new tenant organizers and begin canvassing problem buildings.

Drawing from this model, increased funding to community partners would enable these organizations to implement high-impact initiatives to address the most at-risk buildings and tenants, while strengthening and expanding their strategic outreach efforts. With sufficient funding, such entities in CD 7 could establish and promote HPD programs such as Property Owner Clinics, HomeFix, and GHPP. They could also connect qualified homebuyers with HPD's Down Payment Assistance Program, which provides up to \$40,000 toward a down payment or closing costs on a one- to four-family home, a condominium, or a cooperative in one of the five boroughs, for potential purchasers earning up to 80 percent AMI. In addition, such funding could expand outreach regarding JustFix.nyc, an initiative that augments the support systems and resources that work to keep tenants in their homes and communities. Without reinventing the wheel, it leverages technology to break down the barriers of a bureaucratic and imbalanced housing system, and accelerate the goals of the tenant movement to end displacement and provide housing for all.

Borough President Adams also advocates for increased funding to locally-based homeowner and tenant advocacy/counseling/organizing organizations such as the BCA and NHN to broaden their capacity for outreach and engagement.

Accommodating Rent-Burdened Households in Lieu of Strict Area Median (AMI) Income Standards  
Data shows that more than 80 percent New York City households earning 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 whom are senior citizens.

Within CD 7, a significant number of households residing in unregulated housing and regulated apartments pay too much of their household income toward rent. According to the Association for

Neighborhood Housing and Development (ANHD), 56 percent of households in CD 7 are rent-burdened. ANHD also found that, among the City's community districts, CD 7 has the second highest number of serious housing code violations. Taken together, these facts point to a dual housing affordability and quality crisis in Sunset Park, whereby too many households are paying too much of their income for substandard and dangerous accommodations. According to an analysis by the Institute for Children, Poverty & Homelessness (ICPH), 31 percent of households in CD 7 spend 50 percent or more of their income on rent, making them severely rent-burdened. Also, per a 2019 New York University (NYU) Wagner study, the extent of rent-burdened Sunset Park households is 60 percent, with 33 percent classified as extremely rent-burdened. There is thus a pressing need to increase the supply of safe, affordable housing in Sunset Park and CD 7. Moreover, the City should take steps to help rent-burdened households qualify for as many affordable housing lotteries as possible.

A strict rent-to-income requirement of not exceeding 30 percent ends up disqualifying many rent-burdened households from affordable housing lotteries. Too often, these households do not meet the housing lottery's minimum annual income because too often they are already paying the same rent or higher than the established rent for an affordable housing unit. The requirement to pay no more than 30 percent of household income hurts people already living in substandard housing, who fall under the definition of rent-burdened, or extremely rent-burdened.

As first noted in his East New York Community Plan ULURP response, Borough President Adams believes that it is time to stop disqualifying families that are already paying too much rent for substandard housing from the City's affordable housing lotteries. He seeks to qualify rent-burdened households for 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 qualifying households for the City's affordable housing lotteries.

One way to address this issue is to adjust the Mandatory Inclusionary Housing (MIH) AMI qualifications to include households that would maintain or reduce their rent burden. For such lotteries resulting from MIH housing developments, 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 higher rent than the lottery unit rent, would be eligible to live in newly-produced, quality, affordable housing.

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 to stipulate that MIH-designated areas be adopted with a requirement that permits households with rent-burdened status (by accepting households paying equal or higher rent than what is set by a lottery from the 30 percent of income threshold) to qualify for affordable housing units pursuant to MIH.

### **Developing an Additional Supply of Affordable Housing in Sunset Park**

Sunset Park has a dearth of City-owned properties, which could be utilized to expand its limited supply of affordable housing. Several years ago, in an effort to secure a larger, state-of-the-art public library, HPD worked with the Brooklyn Public Library (BPL) and the Fifth Avenue Committee (FAC) to realize 51 units of affordable housing at 5108 Fourth Avenue. The South Slope and Sunset Park rezonings, adopted by the City Council in 2005 and 2009, respectively, provided voluntary zoning incentives for development sites along Fourth and Seventh avenues. Over time, redevelopment of properties where the voluntary inclusionary housing floor area bonus exists could result in the provision of several hundred affordable housing units. A recently adopted MIH rezoning at 57 Caton Place was estimated to achieve 27 affordable housing units in the East Windsor Terrace section of CD 7. A rezoning proposal next door, at 312 Coney Island Avenue, expects to generate 70 affordable housing units.

Even if all such affordable housing units were realized, it would not come close to meeting current need. Borough President Adams continues to believe that bold steps must be taken to achieve the addition of thousands of affordable apartments to the district. In his 2014 report, "Housing Brooklyn: A Roadmap to Real Affordability," he joined those before him calling for the pursuit of rail infrastructure decking in this area, which includes the MTA's 38<sup>th</sup> Street Train Yard and Facility as well as the shared commuter/freight rail corridor running generally between 61<sup>st</sup> and 62<sup>nd</sup> streets. The MTA has issued at least one Request for Proposals (RFP) along this corridor, the 61<sup>st</sup> Street Overbuild RFP, for its site between Fort Hamilton Parkway and Eighth Avenue, at the end of 2017, with responses due in April 2018. There have been no known discussions regarding the train yard facility.

One of the biggest challenges to achieving the City's ambitious housing plan is the limited availability of undeveloped and underdeveloped land. While not historically supported in CB 7's Sunset Park 197-a plan, in response to this challenge, Borough President Adams continues to advocate an innovative approach to capitalizing on existing space, and in some instances, thinking about land use vertically, rather than horizontally. The parking lot at BAT, which is utilized only for vehicle parking, presents one such possibility. The location benefits from existing ferry service to Manhattan, nearby connections to buses and subways, and a significant job center. This lot could accommodate future development along its Second Avenue frontage between 58<sup>th</sup> and 63<sup>rd</sup> streets without affecting the integrity of existing business uses of the Terminal Building. It can be part of a multi-use development, potentially resulting in 700 or more units of 100 percent affordable housing, based on consideration of appropriate height. It would require decking over the section of the BAT lot in proximity to its Second Avenue boundary.

To implement such a plan, the Mayor would need to convene his Industrial Business Zone (IBZ) Boundary Commission to remove from the IBZ a specified depth west of Second Avenue at the level of the Second Avenue sidewalk, while leaving the parking lot within the IBZ. In addition, the property would have to be rezoned to a mixed manufacturing-residential (MX) district. Borough President Adams believes that EDC, in concert with HPD, and in consultation with CB 7 and local elected officials, should initiate a feasibility study for a near-term overbuild of the BAT parking lot along its Second Avenue frontage. He believes that 50 percent of the units should be geared toward the Area Median Incomes (AMIs) of Sunset Park residents, to ensure affordable rents.

As for the MTA 38<sup>th</sup> Street Train Yard and Facility, Borough President Adams believes that EDC, in consultation with CB 7 and local elected officials, should initiate a feasibility study for a long-term overbuild of the facility, and the development of a new, fully planned transit-oriented neighborhood extension of Sunset Park, with significant share of affordable housing that would allow rail operations to continue below. Such an initiative should be consistent with the March 3, 2020 media reporting of the impending master plan for the Sunnyside Yards overbuild, which envisioned half of the targeted 12,000 housing units being rented to households earning not more than 50 percent of AMI.

#### **Implementation of Post-Opening Actual Traffic Assessments**

As noted above, according to Borough President Adams' zoning text recommendations, it is expected that post-opening traffic studies would be triggered on at least three occasions in the course of realizing a 5.0 FAR buildout. He has called on DOT to assume a consulting role in the process. Accordingly, DOT should establish the area of analysis and the analysis protocol, and review suggested mitigation based on identified impacted locations.

#### **Improve Transportation Options for Bicycles, Buses, Ferries, Pedestrians, and Subways**

Borough President Adams is a supporter of Vision Zero policies, which include extending sidewalks into the roadway to shorten the path where pedestrians cross in front of traffic lanes. These sidewalk

extensions, also known as bulbouts or neckdowns, make drivers more aware of pedestrian crossings and encourage them to slow down.

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

Borough President Adams believes there is an opportunity to implement a curb extension, either as a raised extension of the sidewalk or as a protected area as defined by the installation of temporary perimeter bollards bordering a section of roadbed where gravel and/or paint is applied, per his CROSS Brooklyn initiative, upon the completion of Buildings 11 and 21. For Building 11, he envisions such improvement at the southeast corner of Second Avenue and 31<sup>st</sup> Street, and the east side of First Avenue at 39<sup>th</sup> and 41<sup>st</sup> streets. Any design of such a curb extension would need to be reviewed and signed off by the DOT as part of the Builders Pavement Plan. The developer's consultant would need to work with the agency to finalize a curb alignment waiver. DOT would be expected to alert DOB to this request before the commissioner would issue any signoff.

Borough President Adams recognizes that the costs associated with construction of sidewalk extensions can be exacerbated by the need to modify infrastructure and/or utilities. Therefore, where such consideration might compromise feasibility, Borough President Adams urges DOT to explore the implementation of protected painted sidewalk extensions defined by a roadbed surface treatment or sidewalk extensions as part of the Builders Pavement Plan. If the implementation meets DOT's criteria, the agency should enable BTO or its successors to undertake such improvements after consultation with CB 7, as well as local elected officials, as part of its Builders Pavement Plan. The implementation of a sidewalk extension through roadbed treatment requires a maintenance agreement that indemnifies the City from liability, contains a requirement for insurance, and details the responsibilities of the maintenance partner. Where that is not feasible, Borough President Adams would expect BTO to commit to maintenance as an ongoing obligation. Borough President believes that such requirement should be set forth through the zoning text amendment to implement improvements subject to DOT.

Areas beyond the Industry City campus would also benefit from Vision Zero enhancements and merit consideration by DOT. Borough President Adams concurs with the CB 7 Land Use Committee's recommendation that DOT analyze Third Avenue for opportunities to implement traffic calming measures — particularly the streetscape on its western side, and specific east-west crossings. Taking into account the needs of pedestrians and other users, the width of Third Avenue southbound provides an opportunity to incorporate bulbouts/sidewalk extensions at multiple intersections through any combination of constructed and/or protected painted treated roadbed sidewalk extensions. The sidewalks of various block frontages could be widened through the installation of planters or designation of additional loading zones. Such roadway section also warrants consideration of protected bike lanes. DOT should also look to enhance Third Avenue pedestrian east-west crossings via high visibility, painted wide-width crosswalks, in combination with additional lighting under the Gowanus Expressway viaduct, and new street art at the following cross streets: 29<sup>th</sup>, 32<sup>nd</sup>, 34<sup>th</sup>, and 35<sup>th</sup> (D'Emic Playground); 36<sup>th</sup>, 37<sup>th</sup>, 39<sup>th</sup>, 40<sup>th</sup>, 41<sup>st</sup>, 43<sup>rd</sup>, 46<sup>th</sup>, and 47<sup>th</sup>; (Pena Herrera Park); 51<sup>st</sup>, 58<sup>th</sup>, and 59<sup>th</sup> (PS/IS 746K).

In addition to bike lanes, utilization should be supported via expanded access to bicycles as well as adequate bike parking facilities. DOT should establish more CitiBike docking stations in proximity to Industry City and throughout Sunset Park, and facilitate the provision of enclosed secure bicycle parking stations. In addition to the higher zoning requirement that Borough President Adams proposed in his recommendation regarding the requested zoning text change, he believes that BTO,

or its successors, should memorialize a commitment to the City Council to provide protected bike parking structure locations in coordination with DOT.

The MTA New York City Transit (NYCT) 2020-2024 Capital Program includes several upgrades to the 36<sup>th</sup> Street transit hub where riders can transfer to the Sixth Avenue Express D, Broadway Express N, and Queens Boulevard/Broadway/Fourth Avenue Local R train line services. The Industry City EIS projects 1,874 subway trips during the weekday AM peak hour, as well as 3,991 trips during the weekday PM hour at 36<sup>th</sup> Street station. The ongoing activation of the Industry City complex, and new residential construction throughout Sunset Park, as well as projected development from buildings with excess rights, are expected to increase ridership at CD 7 subway stations. Though NYCT recently installed an elevator at 59<sup>th</sup> Street as part of its ADA initiative, additional station access enhancements are needed to accommodate such projections.

Various stations in the district, where entrances have been closed for decades, have inadequate ingress and egress, which poses a crowding and safety concern. Riders tend to congregate on the platforms near the stairways, creating significant delays on subway lines as a result of uneven boarding access. During rush hour, Sunset Park stations experience bottlenecks and a "traffic jam" of people, leading to missed trains. In inclement weather, those who live closer to the shuttered staircases have to walk further, a potential issue for elderly riders. Finally, a single entrance combined with rush-hour crowding at a busy station is a significant fire hazard.

The CB 7 Land Use Committee raised this concern in its resolution, calling on the MTA to reopen all extant secondary entrances at all stations in CD 7. Borough President Adams shares this view, and seeks to reopen any inactive entrances/exits. In addition to stairwell reactivation, he believes that some stations would benefit from stairwell widening. Given the implantation of the Fourth Avenue bike lane road striping, there is room to consider extending staircases toward the street at multiple stations.

One station where secondary access is geometrically challenging is 36<sup>th</sup> Street. This is because of the lack of clearance at the station's northern end to establish a mezzanine level combined with the platforms being islands surrounded by tracks. In order to connect the platforms to the sidewalks, transit riders would first need to go down to a level beneath the tracks and cross via tunnel to either side of Fourth Avenue, though given the extended Fourth Avenue frontage of Greenwood Cemetery, street access might only be warranted on the west side. Such access though expensive, would be a boon to nearby residents and those with jobs on the waterfront north of 34<sup>th</sup> Street. The Industry City EIS found that the station's northern platform operates at an unacceptable Level of Service (LOS) during AM peak hours, and this analysis was conducted in 2016. Given the expected workforce of the two complete sections of Industry City, plus additional jobs that would be generated with the construction of Building 11, and depending on employee access points at SSBMT, an access point at the 36<sup>th</sup> Street station's northern platform may be needed to minimize rider congestion.

Borough President Adams believes that zoning density bonus provisions have served as a successful mechanism to activate subway infrastructure improvements. A recent project resulted in better access to the Jay Street-MetroTech and Queens Boulevard/Broadway/Fourth Avenue Local R service platform. Borough President Adams supports the CB 7 Land Use Committee's calls for enhanced access at CD 7 stations to mitigate congestion, and the flow of riders. He believes that DCP should undertake a study, in consultation with CB 7 and local elected officials, to establish a subway stairway bonus by upzoning the west side of Fourth Avenue between 33<sup>rd</sup> and 36<sup>th</sup> streets to fund transit improvements that widen stairwells and provide access to the northern side of 36<sup>th</sup> Street station's downtown and uptown platforms. Such a floor area increase in excess of R7A MIH should target the public benefit toward NYCT improvements.

In addition to station access initiatives, Borough President Adams concurs with United States Congress Member Max Rose, that Sunset Park would benefit from enhanced transportation options and transit connectivity. Bus Rapid Transit (BRT) stops could be integrated into roadbed upgrades for the southbound roadway (noted below). DOT's Bus Forward program now includes the Better Buses Action Plan to improve bus speeds by 25 percent and reverse the decline of bus ridership citywide. This program brings elements of Select Bus Service (SBS), New York City's version of BRT, to bus routes throughout the city. BRT is a cost-effective approach used by cities around the world to provide faster, more efficient bus service. In New York City, SBS incorporates BRT features such as dedicated bus lanes, off-board fare collection, and transit signal priority on high-ridership bus routes. As Sunset Park is no longer part of the planned Brooklyn-Queens Connector (BQX), Borough President Adams believes that DOT should initiate a feasibility study for a BRT route along Third Avenue.

Many waterfront neighborhoods are already part of the NYC Ferry, which offers service along various routes for the cost of a subway ride (\$2.75). Currently, the only NYC Ferry stop in Sunset Park is at Pier 4 (the 59<sup>th</sup> Street Pier). Borough President Adams believes that it is time to advance design, funding, and planning for a landing at 39<sup>th</sup> Street to better serve Sunset Park residents and improve transit options for waterfront employees. A ferry at this location has been supported by UPROSE and CD 7, and is referenced in the Sunset Park 197-a plan. Expanded ferry service would complement commercial and residential development in the area, and potentially catalyze additional investment while enabling waterborne evacuation in the event of an emergency.

Borough President Adams believes that EDC, in consultation with CB 7 and local elected officials, should advance the construction of a ferry berth at 39<sup>th</sup> Street and initiate regular service as part of NYC Ferry service. One disadvantage of NYC Ferry is the lack of fare integration with NYCT buses and subways. Without free transfers, either leg of a journey requires a separate fare for use of bus and/or subway service. Therefore, in order to minimize fare premiums, it is imperative that NYCT advance fare integration with NYC Ferry. For 39<sup>th</sup> Street service, this would enable free transfers to nearby buses that travel through Borough Park and along Eighth Avenue, which would make a bus-ferry route more cost effective for residents of those communities.

Borough President Adams has expressed his clear support for the creative thinking of the MTA to potentially redeploy the LIRR Bay Ridge Connecting Line, also known as the Triborough RX, for passenger service. The MTA should also consider bringing rapid transit to the waterfront via the 38<sup>th</sup> Street Train Yard and Facility. Unfortunately, the spur crosses too many active tracks to connect to the Sixth Avenue Express D line service at Ninth Avenue. Nevertheless, it might be possible to extend service within two blocks of the 36<sup>th</sup> Street Station at Fourth Avenue, which would require, at minimum, access from the street level, a short platform for shuttle service, and gated crossings Second and Third avenues. The service could be extended to First Avenue where the tracks merge with the rail spur to SSBMT. Such shuttle service could be provided via a free transfer to the 36<sup>th</sup> Street Station, which would involve walking the two blocks between the stations. It could also provide a subway connection to the recommended ferry at 39<sup>th</sup> Street. A rail spur could extend such service several hundred feet westward, adjacent to the ferry.

Given the influx of workers that would result from the ongoing development of Industry City and the extensive floor area adjacent to the intersection of 39<sup>th</sup> Street and First Avenue, Borough President Adams believes that BTO or its successors should enhance transit access to the Sunset Park waterfront. Borough President Adams believes that this process should begin with an investigation into the potential costs of constructing a street-level connection to a shuttle length platform, and that such action should be coordinated with the construction of Building 21. He believes that BTO should fund a feasibility study to establish a shuttle service station access location and station platform immediately west of Fourth Avenue at 38<sup>th</sup> Street. Such findings should be established through the proposed zoning text

amendment when new development is ready to proceed at the Building 21 site. Such funds should be placed in a City Comptroller Fiduciary Account and be drawn upon to pay for the study.

### **Invest in Community Parks**

The CB 7 Land Use Committee's recommendations identified Bush Terminal Park, D'Emic Playground, Gonzalo Plascencia Playground, Pena Herrera Park, and Sunset Park as open spaces that would benefit from funding to upgrade their facilities. Borough President Adams is in the process of allocating at least \$1 million of his Capital Budget to NYC Parks, which would be used to address a portion of needs to be identified. While additional City funding is likely required to achieve improvements envisioned by CB 7 for area residents, Borough President Adams calls on NYC Parks to initiate a visioning process in consultation with CB 7 and local elected officials. The agency should provide funding, in addition to Borough President Adams' allocation, to upgrade the following facilities: Bush Terminal Park, D'Emic Playground, Gonzalo Plascencia Playground, Pena Herrera Park, and Sunset Park.

### **Advance the Brooklyn Waterfront Greenway Initiative**

In order to address the City's vulnerability to flooding, which was made apparent by Hurricane Sandy in 2012, the New York Department of State (NYDOS) awarded the Brooklyn Greenway Initiative (BGI) funding in partnership with the Brooklyn Borough President and to produce schematic designs of the Brooklyn Waterfront Greenway as a flood barrier in Red Hook, and integrate it with flood resiliency measures in Sunset Park, as part of the Greenway's extension to Southwest Brooklyn. The BGI's 2017 feasibility study sought to reduce coastal storm surge effects through measures compatible with the Greenway's continued development, but also to identify how the Greenway could serve as a flood mitigation tool. The study considered various constructible components of the Greenway alignment as a flood protection measure. The size and availability of the corridor dictated the type of potential interventions that could be constructed, such as earthen berms, deployable flood systems, or floodwalls.

Three alternatives were developed for Sunset Park with various degrees of coastal storm surge protection ranging from an estimated \$40 million, \$90 million, or \$130 million alternatives.

Borough President Adams believes that the Mayor's Office of Resiliency (MOR) should advance the implementation of the Brooklyn Waterfront Greenway, a view also expressed in UPROSE's GRID plan, as a means to enhance bicycle safety along a section of Third Avenue, and achieve integrated storm surge protection in Sunset Park.

### **Recommendation**

Be it resolved that the Brooklyn borough president, pursuant to Section 201 of the New York City Charter, recommends the following:

That the City Planning Commission (CPC) and City Council approve the requested 160146 MMK change to the City Map to demap 40<sup>th</sup> Street between First and Second avenues.

That the CPC and City Council approve the requested 190296 ZMK zoning map amendment to replace an M3-1 district with an M2-4 district, generally between Second and Third avenues, 32<sup>nd</sup> and 37<sup>th</sup> streets, 500 feet west of First and Second avenues, and 39<sup>th</sup> and 41<sup>st</sup> streets, establishing a Special Industry City (IC) District within the boundaries of each area, on the condition that the CPC and City Council accept the zoning text modifications pursuant to 190298 ZRK (outlined below).

That the CPC and City Council approve the requested 190298 ZRK zoning text amendment to establish the IC within the New York City Zoning Resolution (ZR) as Section 129-21, creating a special permit to enable modification of specific sections stipulating uses permitted as-of-right, performance standards, and regulations governing floor area, height and setback, and yards, on the following conditions:

1. That ZR Section 129-21 Special Permit for Use and Bulk Modifications be modified to enable CPC to allow uses as per the following:

- a. **Restrict school locations:** ZR 129-21(a)(1)(i) ...from Use Group 3A: #schools# located to be within 200 feet of Third Avenue,...
- b. **Eliminate hotels:** ZR 129-21(a)(1)(ii) ~~#transient hotels#, as listed in Use Groups 5 and 7A~~
- c. **Regulate amusement uses:** ZR 129-21(a)(1)(iii) all #uses# listed in Use Groups 6A, 6C, 7B, 8A, 9A, 10A, 12A, except that eating or drinking establishments with entertainment and a capacity of more than 200 persons, or establishments with any capacity and dancing would not be permitted, 12B...
- d. Regulate amusement, and retail/service establishment uses based on the proportion of the following required uses

- i. **Agricultural establishments, Automotive Service establishments restricted to renewable energy sources, Certain Community Facility Uses, Heavy Service establishments, Manufacturing establishment, Studios for art, music, dancing, motion picture production, photographic, radio/television, or theatrical, Semi-industrial uses, Trade Schools for Adults, existing non-conforming Depositories Warehousing establishment floor area:** ZR 129-21 (a)(1)(ii) Office, as listed in Use Group 6B, and Amusement, Retail and Service Use Groups listed in Use

Groups 6A, 6C, 7B, 8A, 9A, except for blue printing or photostating establishments, dental or medical laboratories, musical instrument repair shops, studios, trade schools for adults, 10A, except for non-conforming depositories, and studios, 12A, 12B and 14A shall be permitted to the extent that the ratio of floor area for Required Industry City Use Groups 3A uses, as permitted according to ZR 129-21(a)(1)(i), 9A limited to blue printing or photostating establishments, dental or medical laboratories, musical instrument repair shops, studios, trade schools for adults, 10A limited to non-conforming depositories, and studios, 11A, 16A except for automobile showrooms, 16B, 16D except for truck terminals, warehouses and, wholesale establishments, 17B, 17C limited to agriculture, and 18A, are provided

- ii. Provide that:

- 1. For existing floor area, such aggregate zoning lot floor area for Required Industry City Use floor area be provided at a rate of 1.6 square foot for every one square feet of amusement, retail and/or service use floor area
- 2. For newly constructed floor area, such aggregate zoning lot floor area for Required Industry City Use floor area be provided at a rate of one square foot for every five square feet of floor area and at a rate of 1.6 square foot for every one square feet of amusement, retail and/or service use floor area
- 3. For when warehouse floor area is provided in excess of 10,000 square feet, Required Industry City Use floor area shall be provided at a rate of 4.0 square foot for every subsequent one square feet of amusement,

retail, and/or service use floor area provided, until such increment of amusement, retail, and/or service use floor area in excess of 1.6 square feet results in not less than one half of warehouse floor area dedicated as Required Industry City Use floor area

4. Accessory retail floor area that would otherwise meet the definition of Use Groups 6A, 6C, 7B, 7D, 8B, 8C, 10A, and 12, not exceed the greater of 100 square feet or 10 percent of an establishment's floor area, (limited to 1,000 square feet), in order to be deemed accessory
5. That such manufacturing uses be provided with clear access to common service corridors, freight elevators, and loading docks on streets 24 hours a day, seven days a week to ensure active industrial spaces
6. That compliance and recordation shall be according to ZR 74-962(d)
7. That periodic notification by owner shall be according to ZR 74-962(e)
8. That annual reporting by a qualified third party shall be according to ZR 74-962(f)
9. That floor area sublet to and/or managed by a not-for-profit agency shall remain part of the zoning lot and be required to comply with annual reporting and periodic notification requirements

e. **Reduce floor area permitted for retail and service uses by 150,000 square feet (sq. ft.), restrict extent and location of establishments in excess of 10,000 sq. ft., and require post-opening traffic study.** ZR 129-21(a)(1)(iii)(a) all amusement, retail and service establishments #uses# shall be limited to an aggregate #floor area" of 900,000 750,000 square feet; Additionally:

- i. Uses shall be limited to 10,000 square feet, except that no such establishments are permitted on Zoning Lot 4 unless within 100 feet of First Avenue for Buildings 22, 23 and 26 and all of Building 24
- ii. Primary access to individual establishments shall not be permitted on 33<sup>rd</sup>, 34<sup>th</sup>, 35<sup>th</sup>, and 36<sup>th</sup> street frontages, though one common access point is permitted per listed street. Direct access shall be permitted from Second and Third avenues and interior courtyards
- iii. The Certificate of Occupancy (C of O) for uses in excess of 10,000 sq. ft. shall note a requirement for a post-occupancy traffic study when such establishments exceed 150,000 sq. ft. to be initiated no earlier than six months, and no later than one year after the threshold is met, and prepared in consultation with the New York City Department of Transportation (DOT).
- iv. Retail uses in excess of 10,000 square feet shall be subject to the following location restrictions:
  1. Uses permitted up to 50,000 sq. ft. per establishment shall be located on the first and/or second floors between 37<sup>th</sup> Street to within 100 feet of 37<sup>th</sup>

Street and Third Avenue to within 100 feet of Third Avenue, and limited to an aggregate 80,000 sq. ft. of establishments in excess of 10,000 sq. ft.;

2. Uses permitted up to 80,000 square feet per establishment shall be located within the first and or second floor of the existing building at 39<sup>th</sup> Street between Second Avenue and 325 feet from Second Avenue to within 150 feet of 39<sup>th</sup> Street and between Second Avenue and 125 feet from Second Avenue to 41<sup>st</sup> Street, with such uses shall be limited to an aggregate 150,000 sq. ft. of establishments in excess of 10,000 sq. ft. Building 11 and Building 21, and limited to an aggregate of 160,000 sq. ft. of establishments in excess of 10,000 sq. ft.

- f. **Additional stipulations tied to proposed Parking Requirements, to achieve alternative fueling facilities, additional bicycle parking, and spaces for car share vehicles:** ZR 129-21(a)(1)(iii)(b): Provided that required parking is located in an enclosed parking garage, there shall be access to high-capacity alternative fuels, such as electric, hydrogen, natural gas, or other alternative source in proximity to the facility's entrance; electric charging adapters shall be accessible to no less than 10 percent of all parking spaces; required parking shall dedicate additional space to car-share vehicles at a rate of one per 50 parking spaces while accessory bicycle parking shall be provided at a rate of one per 4,000 sq. ft. for community facility uses and one per 8,000 sq. ft. for Use Groups
- g. (UGs) 6A, 6C, 7B, 8A, 8B, 9A (except for depositories for storage of office records, microfilm or computer tapes, or data processing), 12B and 14A, the amount of aggregate.....
- h. **Restrict Automotive Service Stations, limited to renewable energy sources, and Restrict Trucking Terminals and Warehouses** ZR 129-21(a)(1)(vi) Use Group 16B Automotive Service Establishments shall be limited to renewable energy sources, Use Group 16D warehouses, not ancillary to manufacturing and industrial uses, such as wholesale trade, shall be limited to no more than 10,000 sq. ft. per establishment north of 37<sup>th</sup> Street and to 250,000 sq. ft. per establishment, and no more than 750,000 sq. ft. of such establishments, though this establishment limit may be increased upon application for the grant of a special permit by CPC. ZR 74-64 Trucking Terminals or Motor Freight Stations shall made applicable to warehouses in the IC, and UG 17C shall exclude Trucking Terminals and Motor Freight Stations with no limitation of lot area per establishment
- i. **Ensure Finger Building Courtyards as a publicly-accessible amenity, analyze and mitigate actual traffic conditions, enhance pedestrian safety, and explore transit connectivity:** ZR 129-21(a)(2) The Commission may permit modifications to all underlying #bulk# regulations other than permitted #floor area ratio# except for the following:
  - i. All courtyards between 33<sup>rd</sup> and 37<sup>th</sup> streets must be left clear of any permanent building section below a height of 30 feet above the courtyard elevation, except for accessory structures consistent with ZR 37-53 Design Standards for Pedestrian Circulation Spaces ZR 37-53 Kiosks and Open Air Cafés
  - ii. For new development Buildings 11 and 21: Before the New York City Department of Buildings (DOB) Commissioner approves plans for retail establishments in excess of 10,000 sq. ft. that taken together, exceed 80,000 square feet within Building 11 or 80,000 square feet within Building 21, such bulk modifications shall mandate that the issued C of O require a post-occupancy traffic study to be initiated no earlier than six months, and no later than one year after the threshold

is met or exceeded. Such study shall be prepared in consultation with DOT. Moreover, any mitigation costs identified shall be the direct responsibility of the property owner

- iii. For new development Buildings 11 and 21, prior to the approval of any Builders Pavement Plan, sidewalk extensions (construction and/or protected painted treated roadbed sidewalk extensions) for the intersections of First Avenue and 39<sup>th</sup> Street and Second Avenue and 32<sup>nd</sup> Street shall be incorporated into such plan subject to approval by the DOT Commissioner
- iv. For new development Building 21, before the DOB Commissioner approves the issuance of a building permit, the property owner shall contribute monies to a City Comptroller Fiduciary Account for a feasibility study of a station entrance and platform immediately west of Fourth Avenue at 38<sup>th</sup> Street to accommodate potential New York City Transit (NYCT) shuttle service to First Avenue and 39<sup>th</sup> Street
- j. **Ensure consideration for industrial and manufacturing uses, remove consideration for hotels, include private street accommodation of loading areas, and advance locally-based hiring in construction trades** CPC findings for use modifications should be amended as follows:
  - i. ZR 129-21(b)(2)(i) such proposed #uses# are compatible with existing industrial and manufacturing #uses# and are appropriate for the location
  - ii. ZR 1229-21(b)(2)(vi) ~~for #transient hotels# in Use Group 5 or 7A...~~
  - iii. ZR 129-21(b)(3)(iv) "such modifications do not unduly change the dimensions of, or access to, existing private streets" to ensure access to loading areas for manufacturing uses
  - iv. ZR 129-21(b)(3)(v) require adequate representation that new development would result in achievement of Locally-Based Enterprise (LBE) participation consistent with Section 6-108.1 of the City's Administrative code and Minority and/or Woman-Owned Business Enterprise (MWBE) participation in accordance with Local Law 1 standards.

That for the CPC and City Council disapprove, the requested 190297 ZSK special permit pursuant to ZR Section 129-21 for a proposed commercial development planned as a unit and comprising an area of at least 1.5 acres, on the properties to be rezoned, subject to the following condition:

- 1. That the set of drawings associated with the IC Uniform Land Use Review Procedure (ULURP) — Assemblage A Waiver Plan be modified as follows:
  - a. Drawing Z2.0A Zoning Analysis, dated February 19, 2020:
    - i. Zoning Lots 2 and 3 shall eliminate UG 5A and 7A transient hotels, but include UG 3A schools and UG 8A and 12A amusements as uses subject to locational restrictions
    - ii. Regarding Floor Area Permitted and Floor Area Ratio (FAR) Permitted, for all Zoning Lots, the commercial use exception shall be expanded to include amusement

establishments in UGs 8A and 12A; in addition to retail/service establishments amusement establishments in UGs 8A and 12A, shall be included; floor area and FAR shall be reduced from 900,000 to 750,000 square feet (sq. ft.) 0.7 FAR to 0.58 FAR and eliminate UG 5 and 7A hotels

- iii. Regarding Parking Proposed, in addition to retail/service establishments, amusement uses in UGs 8A and 12A shall be included in the total floor area to determine when parking would be required
  - iv. Regarding Bicycle Parking Required, in addition to commercial uses, in lieu of one space per 10,000 sq. ft., the parking requirement shall be increased to one space per 8,000 sq. ft., and for community facility uses, in lieu of one space per 5,000 sq. ft., it shall be increased to one space per 4,000 sq. ft.
- b. Drawing Site Plan Enlarged — Zoning Lots 1 and 2 Z3.0A, dated February 19, 2019, shall be modified to establish coverage limiting dimensions for Building 11 consistent with the area shaded as proposed new construction
  - c. Drawing Site Plan Enlarged — Zoning Lots 3 and 4 Z4.0A, dated February 19, 2019, shall be modified to establish coverage limiting dimensions for Building 21 consistent with the area shaded as proposed new construction
  - d. Drawing Use Waivers Plan — Zoning Lots 1 and 2 Z7.0A, dated March 1, 2019, shall be modified to change the legend and drawing as follows:
    - i. For the notation to indicate such restrictions as applicable to Amusement Establishments listed in UGs 8A and 12A
    - ii. For establishments permitted on the first floor only, to change the size limit from 40,000 sq. ft. to 10,000 sq. ft., and that enlarge such area of applicability for Zoning Lot 1 to include Zoning Envelope A but for Building 11 and all of Zoning Envelopes B, C, and D, and for Zoning Lot 2, the northern half of Zoning Envelope E
    - iii. For establishments permitted on the first and second floor and limited to 50,000 sq. ft. per establishment, reduce such area of applicability for Zoning Lot 2 to only include the southern (37<sup>th</sup> Street-fronting) half of Zoning Envelope E, and limit such establishments to 80,000 sq. ft.
    - iv. For establishments permitted on the first and second floor with no size limit per establishment, limit such applicability for Zoning Lot 1 to Zoning Envelope A Building 11 and limit establishments to 80,000 sq. ft.
  - e. Drawing Use Waivers Plan — Zoning Lots 3 and 4 Z8.04, dated March 1, 2019, shall be modified to change the legend and drawing as follows:
    - i. For the notation to indicate such restrictions as applicable to Amusement Establishments listed in UGs 8A and 12A
    - ii. For establishments permitted on the first floor only, to change the size limit from 40,000 sq. ft. to 10,000 sq. ft., and reduce such area of applicability for Zoning Lot 4 to within 100 feet of First Avenue for Buildings 22, 23 and 26 and all of Building 24

- iii. For establishments permitted on the first and second floor with no size limit per establishment, limit such applicability for Zoning Lot 3 to Building 19 and new Building 21, and limited each establishment to 80,000 sq. ft., with a total limit of 150,000 sq. ft. of such establishments in Building 19, and 80,000 sq. ft. in new Building 21, with a total limit of 120,000 sq. ft. in Building 21
  - f. Drawing Enlarged Sections — Zoning Lots 1 and 2 Z9.0A dated February 19, 2019, shall be modified to establish in Zoning Lot Section – Lots 1 and 2 Numbers 2 and 3, the removal of volume from the Zoning Envelopes of B, C, D and E, between the existing buildings from below a plane of elevation 30 feet above the courtyard level to the courtyard level
2. That the set of drawings affiliated with the IC ULURP application — Assemblages B, C, and D Waiver Plan be modified consistent with modifications for Assemblage, and for Assemblages B, C, and D, as follows:
- i. For establishments permitted on the first floor only, to have the size limit changed from 40,000 sq. ft. to 10,000 sq. ft., and that such area of applicability for Zoning Lot 1 be enlarged to include Zoning Envelop A but for Building 11 and all of Zoning Envelopes B, C, and D, and for Zoning Lot 2, the northern half of Zoning Envelop E except for within 100 feet of Third Avenue

For establishments permitted on the first and second floor and limited to 50,000 sq. ft. per establishment, that such area of applicability for Zoning Lot 2 shall be reduced to only include the southern (37<sup>th</sup> Street fronting) half of Zoning Envelope E and Third Avenue frontage to a depth of 100 feet and be limited to 100,000 sq. ft. of such establishments

- ii. For establishments permitted on the first and second floor with no size limit per establishment, that such applicability for Zoning Lot 3 shall be limited to Building 19 and new Building 21 and be limited to 80,000 sq. ft. per establishment in Building 19, and be limited to 150,000 sq. ft. of such establishments, and 80,000 sq. ft. in new Building 21, and be limited to 160,000 sq. ft. of such establishments

Be it further resolved that 1-10 Bush Terminal Owner L.P. and 19-20 Bush Terminal Owner L.P (BTO) (or its successors) memorialize commitment to the City Council to the extent that it would:

1. Convene annual Tech Apprenticeship Summits of its appropriate Technology, Arts, Media, and Innovation (TAMI) tenants
2. Undertake tenant outreach to promote utilization of the Empire State Apprenticeship Tax Credit
3. Launch tech apprenticeships as part of Apprentices NYC, funded via BTO or its successors though a percentage of amusement and/or retail and service lease revenues, in order to expand access to such careers
4. Commit to sustainability measures such as solar panels and/or wind turbines, passive house, blue and/or green roofs, New York City Department of Environmental Protection (DEP) rain gardens, a geothermal cogeneration plant to serve Industry City's summer peak heating demand for process and domestic hot water, or use of Upper New York Bay water for heating/cooling for

compressorized systems, and/or an interim urban agriculture use to grow green roof sedums for Industry City

5. Develop strategies to provide targeted marketing and leasing preference to businesses that comply with the New York State Climate Leadership and Community Protection Act (CLCPA), with the aim of expanding clean energy employment and uses at Industry City
6. To solicit the New York City Department of Education (DOE)'s interest in securing space for a publicly funded Science, Technology, Engineering, Arts, and Math (STEAM) Center or a STEAM-focused high school, and offer space to the agency prior to targeting retail users, providing DOE no fewer than 90 days for DOE to issue a response
7. Provide protected bicycle parking stations, in coordination with DOT

That the DOE, in consultation with Brooklyn Community Board 7 (CB 7), and local elected officials should:

1. Commit to funding the installation of fiber-optic broadband to support Science, Technology, Engineering, Art, and Math (STEAM) education funding in Brooklyn Community District 7 (CD 7) schools

Commit to execute a legal instrument with BTO (or its successors) expressing intent to fund either a STEAM center of approximately 30,000 sq. ft., technical high school at Industry City, modeled on the STEAM Center at the Brooklyn Navy Yard (BNY), of no less than 30,000 sq. ft., or a STEAM-focused high school of sufficient floor area where the resulting seats are re-apportioned through the conversion of an extremely underutilized high school to a middle school in a district where there is a shortfall of such seats, and proceed with the design for a STEAM Center or STEAM-focused high school no more than three years after the effective date of the rezoning

That the DOE, in consultation with the Citywide Council on High Schools, shall identify underutilized high schools that might be re-positioned as a middle school in school districts projected to be in need of such seats

That the New York City Department of Small Business Services (SBS) should:

1. Scale up the NYC Tech Talent Pipeline's associate engineering program — a promising model for connecting underrepresented talent with hands-on training and paid apprentice-like positions at growing tech companies
2. Launch a Tech Apprenticeship Accelerator, per a Center for Urban Future (CUF) report, that would provide businesses intensive assistance to jump-start a customized apprenticeship program; bring together training partners, educational institutions, and sponsors to connect with employers, and create a platform for ongoing employer engagement and program development

That the New York City Economic Development Corporation (EDC), in consultation with Brooklyn Community Board 7 (CB 7), and local elected officials should:

1. Prioritize, in its leasing strategy for City-owned industrial properties, uses consistent with the UPROSE Green Resilient Industrial District (GRID), including Brooklyn Army Terminal

(BAT) Annex, Brooklyn Wholesale Meat Market, and Bush Terminal Industrial Site, as well as other holdings along the Sunset Park waterfront

2. Encourage non-green economy industrial businesses with expiring leases in Sunset Park to relocate to facilities such as Industry City, to create more leasing opportunities for green economy industrial tenants and uses
3. Advance the development of a second Sunset Park port facility by filling in the off-shore section between the bulkhead and pierhead lines south of Bush Terminal Piers Park
4. Advance the construction of a ferry berth at 39<sup>th</sup> Street and initiate regular service as part of the NYC Ferry network
5. Initiate a feasibility study for a long-term overbuild of the MTA New York Transit Authority (NYCT) 38<sup>th</sup> Street Train Yard and Facility to develop a new, planned, transit-oriented extension of Sunset Park, with a significant share of affordable housing, while allowing rail operations to continue below

That EDC, in consultation with the New York City Department of Housing Preservation and Development (HPD) should initiate a feasibility study for a near-term overbuild of the BAT parking lot along Second Avenue to realize a five-block, 100 percent affordable housing development with 50 percent of the units geared to Sunset Park Area Median Incomes (AMIs).

That the New York City Human Resources Administration (HRA), through its Office of Civil Justice, should immediately implement to ZIP codes 11220 and 11232, pursuant to the Universal Access to Legal Services law, with additional services from its Tenant Support Unit, including: Housing Court defense attorney representation for eviction case court representation, as well free eviction defense legal assistance, legal help to tenants, buildings and tenant associations to help preserve their housing and protect against harassment or misconduct, and provide representation and legal advice in a range of housing-related cases

That HPD should:

1. Set aside funding from the Mayor's "Housing New York: A Five-Borough, Ten-Year Plan" intended for preservation of affordable housing to refinance residential buildings with expiring regulatory agreements in CD 7, and conduct follow-up outreach and engagement to owners of such properties
2. Expand its Landlord Ambassadors Program to CD 7
3. Increase funding to locally-based homeowner and tenant advocacy/counseling/organizing entities, such as the Brooklyn-Chinese American Association (BCA) and Neighbors Helping Neighbors (NHN), to enhance capacity for the following efforts: identifying the most at-risk

buildings and developing a strategic action plan for preservation; providing legal assistance including tenants' rights and property owner clinics, and promoting the HomeFix Program (homeowner repair), Green Housing Preservation Program (GHPP) (small building retrofitting), and HomeFirst Down Payment Assistance Program to residents in CD 7

4. Extend the Certification of No Harassment requirement, established via a 2018 pilot program within geographies delineated in Local Law 1 of 2018, to all of CD 7, which would require

owners of buildings with significant physical distress or ownership changes to acquire permits from DOB for work involving demolition or change in use/occupancy.

That CPC and/or the City Council should call for the modification of the Mandatory Inclusionary Housing (MIH) section of the ZR to stipulate that MIH-designated areas be adopted with a requirement that permits households with rent-burdened status (by excepting households paying equal or higher rent than what is set by a lottery from the 30 percent of income threshold) to qualify for affordable housing units pursuant to MIH.

That DOT, in consultation with Brooklyn Community Board 7 (CB 7) and local elected officials, should:

1. Establish more CitiBike docking stations in proximity to Industry City and throughout Sunset Park and facilitate the provision of secure enclosed bicycle parking
2. Study the feasibility of implementing Bus Rapid Transit (BRT) along Third Avenue
3. Analyze Third Avenue southbound to implement traffic calming measures such as curb bulbouts/sidewalk extensions, the additional designated loading zones, sidewalk widening, protected bike lanes, and planters, as warranted
4. Enhance Third Avenue pedestrian crossings via high visibility, wide-width painted crosswalks, additional lighting under the Gowanus Expressway viaduct, and new street art at the following cross-streets: 29<sup>th</sup>, 32<sup>nd</sup>, 34<sup>th</sup>, and 35<sup>th</sup> (D'Emic Playground); 36<sup>th</sup>, 37<sup>th</sup>, 39<sup>th</sup>, 40<sup>th</sup>, 41<sup>st</sup>, 43<sup>rd</sup>, 46<sup>th</sup>, and 47<sup>th</sup> (Pena Herrera Park), and 51<sup>st</sup>, 58<sup>th</sup>, and 59<sup>th</sup> (PS/IS 746K)

That the New York City Department of City Planning (DCP) undertake a study, in consultation with CB 7 and local elected officials, to establish a subway stairway bonus by upzoning the west side of Fourth Avenue between 33<sup>rd</sup> and 36<sup>th</sup> streets to fund transit improvements that widen stairwells and provide access to the northern side of 36<sup>th</sup> Street station's downtown and uptown platforms.

That MTA NYCT should reopen existing secondary entrances at all subway stations in Brooklyn Community District 7 (CD 7), and advance fare integration with NYC Ferry.

That the New York City Department of Parks and Recreation (NYC Parks), in consultation with CB 7 and local elected officials, should provide funding to upgrade the following facilities: Bush Terminal Park, D'Emic Playground, Gonzalo Plascencia Playground, Pena Herrera Park, and Sunset Park.

That the Mayor's Office of Resiliency (MOR) should advance the implementation of the Brooklyn Waterfront Greenway as a means to enhance bicycle safety along Third Avenue, and achieve integrated storm surge protection.