



OFFICE OF THE BROOKLYN BOROUGH PRESIDENT

E-mail/Fax transmittal

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| TO Community District 7 Distribution | FROM Borough President Marty Markowitz |
| DATE March 29, 2007 | CONTACT Kevin Parris, Land Use & Community Coordinator Phone: (718) 802-3856 E-Mail: kparris@brooklynbp.nyc.org |
| RE: ULURP Recommendation: 070262 HAK | NO. PAGES, INCLUDING COVER 6 |

Attached is the recommendation report for 575 Fifth Avenue, ULURP application 070262 HAK

If you have any questions, please contact Kevin Parris at (718) 802-3856.

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Brooklyn Borough President Recommendation

CITY PLANNING COMMISSION
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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 # 070262 HAK
575 Fifth Avenue

In the matter of an application submitted by the Department of Housing Preservation and Development pursuant to Article 16 of the General Municipal Law of New York State for the designation of property located at 575 5th Avenue as an Urban Development Action Area; and an Urban Development Action Area Project for such area; and pursuant to Section 197-c of the New York City Charter for the disposition of such property to a developer selected by HPD; to facilitate development of a five-story building, tentatively known as 575 Fifth Avenue, with approximately 49 residential units and commercial use, to be developed under the Department of Housing Preservation and Development's Supportive Housing Loan Program.

COMMUNITY DISTRICT NO. 7 BOROUGH OF BROOKLYN

RECOMMENDATION

- APPROVE
- APPROVE WITH MODIFICATIONS/CONDITIONS
- DISAPPROVE WITH MODIFICATIONS/CONDITIONS
- DISAPPROVE

EXPLANATION OF RECOMMENDATION – MODIFICATIONS/CONDITIONS

- RECOMMENDATION ATTACHED
- RECOMMENDATION TO FOLLOW

SEE ATTACHED



BOROUGH PRESIDENT

March 29, 2007

DATE

**RECOMMENDATION FOR THE DISPOSITION
OF CITY-OWNED PROPERTY AT 575 FIFTH AVENUE
TO FACILITATE THE DEVELOPMENT OF SUPPORTIVE HOUSING**

PUBLIC HEARING

On February 20, 2007 Brooklyn Borough President Marty Markowitz held a public hearing in regard to the disposition of city-owned property at 575 Fifth Avenue to facilitate the development of a five-story supportive housing building. At the hearing, a representative from the Fifth Avenue Committee (FAC) explained that the development will be constructed under the Department of Housing Preservation and Development's (HPD) Supportive Housing Loan program. Of the 49 proposed units, 29 apartments will be targeted to mentally disabled individuals deemed ready to relocate out of transitional housing. The remaining 20 are for low income individuals earning not more than 60 percent of area median income (AMI) in order to qualify for any of the project's units.

A representative of Council Member Bill de Blasio testified in support for this project. The council member was seeking to secure the input of the community throughout the tenant selection process of this project. Additional testimony was provided by the proprietor of the Grand Prospect Hall, expressing concern regarding the increasing difficulty of finding on-street parking in the neighborhood and noted that the parking facility serves to supplement his valet parking operations.

During the hearing, the borough president expressed his concern to the representatives of FAC about whether this municipal parking lot is the appropriate site for the development as proposed. Although he acknowledged that there is a need for affordable, supportive housing with services for those individuals that this project is targeting, he questioned if the needs of the present population was being ignored. The borough president inquired as to why the applicant could not facilitate a development entirely for the senior citizen population. The applicant's representative replied that due to the parameters of the Supportive Housing Loan program, these units had to target specific individuals.

Subsequent to the hearing, the borough president had received the recommendation of Community Board 7 (CB 7) in favor of the application subject to the following conditions: 1) that community board representation on the advisory board include at least three residents on the block of the proposed development, one community board member and two business representatives near the site; 2) that FAC formally briefs CB 7 bi-annually during construction and operation; and, 3) that FAC gives preference to seniors and out-of-foster care individuals.

Following the hearing, the borough president received a letter of support from Assembly Member James Brennan in regards to this project. In addition, hundreds of written letters and e-mails for and against the project as proposed, as well as a petition signed by over 400 individuals against the proposal were submitted. However, the majority of the letters received favored the project. These letters were typically submitted by citywide organizations advocating for such causes as affordable housing, the elimination of homelessness, and for supportive housing, including for those with mental health disabilities. Additional support letters came from those living within a few blocks of the site, including those who might be in need of affordable housing due to the risk of displacement. Opposition letters and the petition against the project generally noted concerns about the exclusion of families, security and public safety, and the loss of existing parking on the site. Additional

comments were heard by a representative of the borough president at a meeting held on March 22, 2007 sponsored by the community group 16th Street Action. Safety and security concerns expressed were based on the belief that future occupants might include persons convicted of crimes, including sex offenders, or from random acts by a tenant with a psychiatric disability. Many expressed a belief that there was insufficient outreach to inform the public of the proposal. The loss of parking was also expressed.

CONSIDERATION

The borough president supports projects that increase the supply of affordable housing for residents of the neighborhood where the project is to be located. There is a great demand for affordable housing in Brooklyn, especially for its senior citizen and low-income family populations. He believes that any type of affordable housing that is introduced into a community should strive to represent the current make-up of that area.

The borough president believes that there is a need for supportive housing options for individuals aging out of foster care and coming out of homelessness, for seniors, and for others, including those populations with psychiatric disabilities, HIV/AIDS, physical disabilities, and histories of addiction. It has been clearly demonstrated that the most effective means to address individuals with these issues is to provide permanent, supportive housing. This type of housing is a cost effective way to address the diverse needs of the formerly homeless. Supportive housing developments include on-site support services which assist to integrate people with disabilities and other special needs into the life of their community. Recent City policy changes have evolved to provide such supportive housing developments with a blend of 40 percent of the population as being for families earning up to 60 percent AMI.

This project was originally conceived by HPD when the property was zoned C4-3. Such zoning allowed supportive housing, considered a community facility, to be developed for 48,000 square feet (sf). Subsequently, the site was rezoned to C4-3A, a district that reduced the development rights to 30,000 sf. In order to have the development and ongoing operation be financially viable, representatives of HPD advised the staff of the borough president that this required the project to be conceived as single-room occupancy (SRO) for both the supportive and low-income populations.

The borough president is in favor of affordable housing for supportive populations but does not support the development as proposed. If the City, working with FAC, can address the borough president's concerns discussed in detail below, he would be in agreement towards having a development at this location.

Development with an absence of Family-Oriented Units

The borough president believes that an exclusively SRO population is not consistent with the character of this neighborhood, which has witnessed extensive new development for family oriented dwellings. In addition, the proposed project does not allow for couples or families to be eligible for the low-income units. This neighborhood has become attractive to developers and families of more substantial means, resulting in homes being bought as development sites or to remain as homes with significantly larger mortgages than was the case with prior owners. Both circumstances have led to displacement of families that were unable to find suitable housing opportunities in their neighborhood. The borough president believes that despite the recent contextual zoning of the neighborhood, developers may still find additional opportunities to replace existing homes with new developments and homes will continue to sell to those who will have substantial mortgage payments, therefore, the neighborhood may be subjected to additional displacement. It was because of such displacement concerns that FAC established a displacement-free zone in Park Slope

as a means to help tenants avoid becoming displaced. Too often such tenants, in the typical two- to three-family homes being sold, are elderly that have lived much of their lives in the community.

The project as proposed conforms to programming and financing parameters established by HPD. It does not provide an opportunity for couples, including senior couples, and families, to take advantage of a potential site for creating housing affordable to those with low incomes. The borough president believes that there is a scarcity of opportunities to provide for seniors and other low-income families in the neighborhood. He believes that any project developed at this location should include family-oriented apartments, especially for the elderly, who are most at-risk. This project as proposed excludes families of any kind from obtaining its affordable housing. If the project can incorporate some family-oriented units, including those that provide for supportive households, the development would better blend with the surrounding neighborhood while providing opportunities where the displacement-free zone would prevent the loss of affordable apartments.

The borough president believes that if the east side of Fifth Avenue between 15th Street and 16th Street were proposed to be rezoned to allow 40,000 sf of development on the proposed site, it might be possible to provide a financially viable project while meeting the borough president's objectives of incorporating family-oriented units. This can be achieved by the applicant requesting a change to the zoning to allow for an increase in building height. If the project were to be approved concurrent with a contextual zoning map change application, development would allow ten feet more in height than what is permitted under the existing zoning. The 10,000 sf increase provided by such rezoning could enable the developer to incorporate more family-centric units, including those for seniors, into the property. The borough president believes that this is a reasonable modification to meet his objectives of providing affordable housing opportunities to more members of the community. He urges HPD to consider the needs of families equally with individuals in the development of a project that blends supportive housing with low-income affordable housing.

Status of the Community Advisory Board

The applicant designated sponsor has committed to creating a community advisory board (CAB). One of the suggested functions would be the opportunity to screen potential applicants for this project. The borough president is aware that many in the community are concerned that several details of the CAB have yet to be addressed, such as the process in which prospective tenants would be selected and screened. The borough president agrees that it is essential to establish a CAB, and to maintain it for the duration of the development. He believes that the CAB should have been more developed at this stage of the public review process in order to address community concerns and clarify as to whether the board might adequately alleviate perceived adverse impacts due to the supportive population. The borough president believes that given the extent of the community's concerns, it would be appropriate for FAC to negotiate with them regarding the membership and duties of the CAB. The borough president cannot support the project until clarity of the CAB's role becomes properly defined.

Location of the Residential Entrance

As proposed, the entrance to this project would be along 16th Street, a residential block that has experienced a significant amount of new residential development between Fourth and Sixth Avenues in the last few years. As a gesture to those area residents who expressed concern of possible interaction along 16th Street of the proposed formerly homeless classified with psychiatric disabilities, the borough president believes that this concern can be partially addressed by changing the design of the building to have the residential entrance on Fifth Avenue. Many buildings containing residences along neighborhood shopping streets include their entry along such streets. By placing an entrance along Fifth Avenue, the building would further the activation of this retail corridor. In addition, Fifth Avenue has much more pedestrian traffic than 16th Street, therefore, the population of this building would be less distinguishable from the overall pedestrian flow along the avenue.

Development with an absence of parking

The site currently provides parking for the community. The majority of the spaces are designated for short-term usage to promote turnover as a resource to area retail establishments. Some of the spaces have been made available to area residents for extended use.

In the last few years, the neighborhood has experienced a substantial number of new residential developments that, when fully tenanted, will add several hundred families. Some of these developments did not provide any parking. Though the borough president is not aware of any documentation as to whether these new developments provide for parking at a rate that equates the number of cars being parked in the neighborhood by these newer families, he has heard anecdotally that it has become increasingly more difficult to secure on-street parking.

The borough president believes that the opportunity to provide some parking on the site cannot be ignored. He believes that based on the prices people are now paying to live in this neighborhood, there would be demand to rent whatever parking that could be incorporated into a redesigned project. Such projected revenue would be expected to cover the cost of financing the construction of the parking. In addition, it would help the acceptability of the overall development.

The city's zoning allows for accessory parking to be developed at the ground floor or cellar without counting against the floor area permitted to this site. The zoning also permits accessory parking to be rented by non-tenants for long-term parking. Therefore, the borough president believes these factors warrant the incorporation of accessory parking into the building design.

Recommendation

Be it resolved that the President of the Borough of Brooklyn, pursuant to Section 197-c of the New York City Charter, recommends that the City Planning Commission and City Council disapprove this land disposition unless it meets the following conditions.

CONDITIONS

1. The site's zoning is amended in order to accommodate families, including seniors, within the project.
2. The role of the community advisory board is structured and properly represents the interests of the community.
3. The residential entrance to the building is located along Fifth Avenue.
4. A parking garage is incorporated into the building.