



E-mail/ Fax transmittal

TO Community District 6 Distribution	FROM Borough President Marty Markowitz
DATE August 15, 2007	CONTACT Kevin Parris, Land Use & Community Coordinator Phone: (718) 802-3856 E-Mail: kparris@brooklynbp.nyc.gov
RE: ULURP Recommendation 060477 ZMK 45 Summit Street Rezoning	4 NO. PAGES, INCLUDING COVER

Attached is the recommendation report for ULURP application 060477 ZMK.

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

Distribution

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**Brooklyn Borough President
Recommendation**

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

INSTRUCTIONS

1. Return this completed form with any attachments to the Calendar Information Office, City Planning Commission, Room 2E at the above address.
2. Send one copy with any attachments to the applicant's representatives as indicated on the Notice of Certification.

APPLICATION # 060477 ZMK
45 Summit Street Rezoning

In the matter of an application submitted by LLJ Realty Corporation for an amendment of the Zoning Map to facilitate residential development, pursuant to Sections 197-c and 201 of the New York City Charter, changing from an M1-1 District to an R6 District property bounded by Carroll Street, a line 260 feet westerly of Columbia Street, a line midway between Carroll Street and Summit Street, a line 100 feet westerly of Columbia Street, Summit Street, and a line 350 feet westerly of Columbia Street.

COMMUNITY DISTRICT NO. 6

BOROUGH OF BROOKLYN

RECOMMENDATION

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

EXPLANATION OF RECOMMENDATION – MODIFICATIONS/CONDITIONS

- RECOMMENDATION ATTACHED
- RECOMMENDATION TO FOLLOW



BOROUGH PRESIDENT

August 15, 2007

DATE

**RECOMMENDATION FOR THE PROPOSED
AMENDMENT OF THE ZONING MAP FOR
45 SUMMIT STREET
060477 ZMK**

Public Hearing

On July 2, 2007 Borough President Marty Markowitz held a public hearing for the proposal by LLJ Realty Corporation to amend the Zoning Map to facilitate residential development on a property fronting on Summit Street. At the hearing, a representative for the applicant explained that the new zoning proposed through this application will facilitate the development of a four story building, consisting of 35 housing units. It was further noted that based on meetings between the developer, Community Board 6 (CB 6) and City Council Member Bill de Blasio, the building height and design is intended to be contextual with the surrounding neighborhood and more than the required number of parking spaces would be provided.

A member of CB 6 noted that the community board's land use committee recommended disapproval of this application, due to the belief that three businesses within the area proposed for rezoning would otherwise be displaced as a result. These businesses are neighborhood friendly and are valued by the residents of the community. Testimony was also provided by a representative of "Woofs N Whiskers," a local business, expressing concerns that a rezoning might affect her ability to purchase the property from her landlord. Furthermore, she exclaimed that construction would be disruptive to her business. Support to have these businesses remain was also provided by a representative of the Southwest Brooklyn Industrial Development Corporation.

Subsequent to the hearing the borough president received letters from two of the businesses within the proposed rezoning area. The "Gowanus Nursery" and the pet boarding facility "Woofs N Whiskers" both highlighted the uniqueness of their businesses in terms of the types of spaces needed for their businesses to thrive. As a result of this application, the owners of "Woofs N Whiskers" believe that the establishment will be at risk of being forced out by the end of its lease. Although the owners are attempting to acquire the site, competition from residential developers to buy the property will escalate the price beyond their ability to make a competitive offer.

In a letter dated August 2, 2007, the applicant disclosed to the borough president that its property only leases to one tenant, "Composition Workshop Inc.," and that the "Gowanus Nursery" is a sub-tenant not approved by the landlord.

The applicant's consultant provided documentation to the borough president, in a letter dated August 2, 2007 (attached), expressing intent to provide affordable housing for 20 percent of the units. Should the units be for sale, the developer would commit to restricting them to middle-income households. The applicant is evaluating three possible programs for rental units made available by the Housing Development Corporation (HDC). Such

rental housing would be affordable to low-moderate or middle-income families whose household income does not exceed HDC standards.

Consideration

The borough president's policy is to support development that respects the context of the neighborhood. Currently, this block is a transition between the residential and non-residential uses. Nearby many properties have been developed for residences. The development of this property from an industrial building to a residential use is consistent with this change.

The applicant's property shares a rear property line with legal non-conforming residential uses that predate the existing manufacturing zoning. These residences would become legal conforming uses should this application be approved. The site is along the pedestrian route from Columbia Street to the well maintained "green thumb" community garden, separated from the site by a commercial bank.

Opposite the site are residential buildings that were made legal non-conforming when the manufacturing zoning was established for this area. The site also looks out across Hamilton Avenue to a Parks Department ball field. A series of walk-up loft buildings and a vacant lot storing cars also characterize the block within the Manufacturing District.

Affordable Housing Opportunity

The borough president is concerned that too many of the borough's residents leave because they can no longer afford to live in Brooklyn. Therefore, the borough president's policy is that all new residential developments subject to ULURP provide a minimum of 20 percent affordable units for area residents.

The borough president finds that, should the rezoning be approved, any of the four alternatives still being explored by the applicant would meet his affordable housing policy objectives. The borough president believes that the indicated meeting between the applicant and HDC would be helpful towards providing the City Council with a more defined commitment of what is being offered in terms of the affordable units. Should the project be approved, the borough president urges that resale restrictions be incorporated through the documents required by the Attorney General and that the developer work with an affordable housing non-profit to market such units whether for-sale or rental. Prior to the City Council hearing to consider this application, the borough president urges that the applicant work closely with Council Member de Blasio in clarifying the affordable housing commitment to assist the Council in determining whether the rezoning warrants support.

Affect on Existing Business

Brooklyn's real estate market has created circumstances where tenanted commercial and manufacturing establishments remain at risk when leases expire. Whether or not the application for extending the adjacent R6 district is approved, property owners will investigate obtaining the maximum return on investment. Two of the tenanted businesses provide products and services unique for this section of Brooklyn. Both the "Gowanus Nursery"

and "Woofs N Whiskers" make optimal use of open areas on the properties where each is situated. However, operating businesses on under-developed sites presents a serious challenge as market potential dictates whether such sites remain available. It is not the role of government to prevent property owners from using their sites pursuant to zoning if deemed to be more profitable.

After the hearing, staff of the borough president toured "Woofs N Whiskers," a pet boarding facility. Staff also observed the site utilization of the "Gowanus Nursery." Both businesses take full advantage of the open yard areas available on their sites in the day to day operation of these establishments.

"Woofs N Whiskers," a business adjacent to the applicant's site, is the only type of pet boarder with access to onsite, outdoor space within all of Brooklyn and Manhattan. It is essentially a dog "sleep-away camp" with outdoor amenities such as sprinklers, wading pool, shaded rest area, playground and free play area in a setting that promotes socialization amongst the dogs. This unique yard area has enabled the business to gather a clientele list exceeding 1,000 patrons. The establishment caters to both nearby residents as well as those from areas beyond.

The "Gowanus Nursery" is a green-business in all aspects of its operation. Currently, eight people are employed with the nursery. It is a subtenant of the applicant's tenant. That tenant, "Composition Workshop Inc.," has a lease which expires on March 31, 2008. The nursery has flourished as a business due to the ability of its able management, combined with the fact that it provides property owners the opportunity to lease under-developed spaces with minimal investment.

The borough president believes that the preservation of jobs and industries in Brooklyn should be paramount alongside the opportunity to create affordable housing. In weighing the information, the borough president believes that it is appropriate to have legal non-conforming uses along Carroll Street become legal conforming uses through this proposed zoning change. It is also appropriate, given the site's proximity to the park and community garden and homes on the south side of Summit Street, to encourage residential development inclusive of affordable housing and contextual building height on the applicant's property. The borough president understands that should the City Council adopt the proposed rezoning, the applicant would expect the nursery to vacate the property at the conclusion of the lease with "Composition Workshop Inc." In this instance, the "Gowanus Nursery" could consider contacting the borough president's staff for information on government and not-for-profit assistance.

If residential zoning were extended to the entire rezoning area as proposed, the lots immediately to the east of the applicant's property could be developed for housing without any commitments to limit the number of stories or include affordable housing. In addition, such zoning designation would add to the challenge that "Woofs N Whiskers" has to remain in place after its lease expires. As such, the borough president urges the City Planning Commission and the City Council to modify the rezoning boundaries to retain the manufacturing zoning between 100 and 200 feet west of

Columbia Street. This will minimize impediments for the continued operation of Woofs N Whiskers.

RECOMMENDATION

Be it resolved that the Brooklyn Borough President, pursuant to section 197-c of the New York City Charter, recommends the approval of this application by the City Planning Commission and City Council subject to the conditions that:

- The applicant's commitment to provide not less than 20 percent of the units as affordable housing be further clarified by providing in a timely manner to the City Council a more definitive financing option to develop the site with affordable housing; and,
- The R6/M1-1 zoning boundary line is modified to retain Manufacturing zoning on the north side of Summit Street between 100 and 200 feet west of Columbia Street.

STADTMAUER BAILKIN LLP

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August 2nd, 2007

Honorable Marty Markowitz
Brooklyn Borough President
209 Joralemon Street
Brooklyn, NY 11201

Re: 45 Summit Street, Brooklyn
Block 352, Lot 53

Honorable Borough President Markowitz:

I represent Eric Nocera, owner of the above property. Mr. Nocera wishes to develop the site into a new four story, 35,000 square foot, 35 unit apartment building, with underground parking, and would be committed to having one of the four affordable housing options below. We outline below four housing options to pursue, which can both serve to be profitable and to give back affordable-middle income housing to the local community and Brooklyn, at large, since new decent affordable-middle income housing is always in such demand with a growing population in the Borough and New York City. We look for your support in pursuing this development project. While we have not yet met with the New York City Housing Development Corporation, my office has been in contact with an affordable housing consultant that works with HDC and who could assist the principal in pursuing these affordable housing options. In that regard we will be setting up a meeting with HDC in the coming weeks to discuss the proposal.

The design of this new apartment house calls for five (5) one-bedroom, one bath apartments and 30 two-bedroom, two bath apartments with spacious layouts, quality, energy-saving appliances and nice appointments in the units. There will be on site parking for more than 50% of the residents (23 parking spaces) in an underground garage. There will also be a back yard for the residents' use. The building will be built under the City's Quality Housing Program, which produces well designed apartment buildings.

The financial options to develop this site include the following (all affordable housing marketing would be handled by a non-profit group that specializes in affordable housing):

1. For Sale Market-Rate Condominium with 20% Affordable Housing Set-Aside:

The building could be built with 28 units to be priced to sell at market prices with a 20% set-aside (7 apartments) for households earning between 100-130% of the New York City median income, which would be between \$70,900 - \$92,170 for a family of 4, \$63,810 - \$82,953 for a family of 3, \$56,720 - \$73,736 for a family of 2, and \$49,630 - \$64,519 for a single household. These 7 apartments could be sold between \$260,000 for a one-bedroom to up to \$380,000 for a two-bedroom apartment. These more affordable sales prices would appeal to first time home buyers in the local community. The building's other 28 units would be priced to sell at present market sales levels.

2. Rental Building under 80-20 Tax-Exempt Bond Financing:

The building could be constructed under HDC's 80-20 tax-exempt bond program where 20% (7) of the units would be set-aside for households earning up to 50% of the New York City median income, which would be up between \$29,778 - \$35,450 for a family of 4, \$26,800 - \$31,905 for a family of 3, \$23,822 - \$28,360 for a family of 2, and \$20,845 - \$24,815 for a single household. These 7 apartments would be rented at \$590 per month for one (1) of the one-bedroom apartments and \$711 per month for six (6) of the two-bedroom apartments. These affordable rents would help to meet the rental needs in the community. The building's other 28 units would be rented at the present market rent levels.

3. Rental Building under 80-20 Taxable Bond Financing:

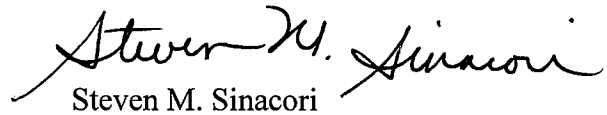
The building could also be constructed under HDC's 80-20 taxable bond program where 20% (7) of the units would be set-aside for households earning between 80-100% of the New York City median income, which would be up to: \$56,720 - \$70,900 for a family of 4, \$51,048 - \$63,810 for a family of 3, \$45,376 - \$56,720 for a family of 2, and \$39,704 - \$49,630 for a single household. These 7 apartments would be rented between \$1,015 - \$1,281 per month for one (1) of the one-bedroom apartments and between \$1,222 - \$1,541 per month for six (6) of the two-bedroom apartments. These middle income rents would help to meet the rental needs in the community. The building's other 28 units would be rented at the present market rent levels.

4. Middle Income Rental Building under HDC's New Hop Financing:

Finally, the building could be built as a middle income rental building under HDC's New Hop Program where 20% of the rents would be at 80% of the area's median income, 20% of the units would be set at 100% of the area's median income and 60% of the rents would be at 130% of the area median income. The household incomes would range between \$45,376 to \$92,170 depending on the size of the household and the apartment size. The rents for the one bedroom apartments would range between \$1,015 to \$1,680 while the rents for the two bedroom apartments would range between \$1,222 to \$2,019. All of the building's 35 units would be marketed to middle income Brooklyn residents.

We feel that we have outlined four viable financial options to pursue in the development of this site and we hope that you agree with our approach to build a mixed income project. Please let us know if you or your staff has any questions concerning the site or the financial options that we present in this letter. Thank you very much for your interest and we look forward to working with you on this project.

Very truly yours,


Steven M. Sinacori