

**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 # 090309 ZRK - 090310 ZMK

DUMBO Rezoning

In the matter of applications submitted by the Department of City Planning, pursuant to Sections 197-c and 201 of the New York City Charter seeking an amendment of the zoning text and zoning map to facilitate the rezoning of 12 blocks in the DUMBO neighborhood.

COMMUNITY DISTRICT NO.

2

BOROUGH OF BROOKLYN

RECOMMENDATION

APPROVE

DISAPPROVE

APPROVE WITH

DISAPPROVE WITH

MODIFICATIONS/CONDITIONS

MODIFICATIONS/CONDITIONS

On May 7, 2009, the borough president held his public hearing on these applications. Twenty-two members of the community testified with 12 in support and 10 in opposition. Those opposed, including members from the DUMBO Neighborhood Association (DNA), Fulton Ferry Landing, and Cobble Hill Association, testified that this zoning proposal would lead to: a loss of jobs; a disruption in neighborhood character; the addition of many more residents to the area; as well as place a strain on the community's infrastructure. During the hearing, DNA submitted an alternative plan along with their testimony.

Supporters for the application testified that the addition of more residents would bring about more foot traffic to support retail establishments and other amenities. The housing opportunities within this proposal would support Brooklyn's creative talent. Other remarks included the benefit or increased competitiveness among Brooklyn's businesses, which will enhance current and attract future companies to the area. 68 Jay Street was cited as an example of what can be accomplished in DUMBO east as a result of this rezoning.

Subsequent to the hearing, the borough president received a presentation from State Senator Daniel Squadron regarding his proposal to establish a "Park Increment Recapture" (PIRC) district for Brooklyn Bridge Park. The concept is that the City would dedicate a portion of the increased property tax revenue gained due to rising property values from specified rezoning proposals that encourage redevelopment. Although redevelopment provides a new source of tax revenue, such revenue may not be readily available depending on eligibility for J-51 and 421-a tax abatement options. Rather than have all revenue go to the City's general fund, Senator Squadron believes that a portion of this revenue source be directed to Brooklyn Bridge Park.

The borough president believes that Brooklyn Bridge Park will be a treasured amenity for all those who would work and reside near the park. He believes that Senator Squadron's

proposal for establishing a PIRC district, with tax revenue generated from sites redeveloped within the area of the DUMBO rezoning, warrants further investigation to determine the merits of this proposal.

CONSIDERATION

The Brooklyn Borough President's policy is to support rezoning actions that are consistent with the residential and commercial needs of the community, and that preserve the character and scale of Brooklyn's precious neighborhoods, where appropriate.

The unique built character of the greater DUMBO community lies in its mixed-use context of old era industrial structures combined with a growing residential presence. The DUMBO section of Brooklyn that is east of the Manhattan Bridge has evolved into an area where land use patterns do not always conform to existing zoning. Through a combination of legal interim multiple dwellings, use variances and occupancies not consistent with commercial leases, an ever increasing presence of residential occupancy has been interspersed within several loft buildings in the area. Complimented by recent zonings that permit residential use in the western section of DUMBO and in Vinegar Hill, such residential use has added to the vitality of the neighborhood.

The Department of City Planning (DCP), under the leadership of its Executive Director Amanda Burden and Brooklyn Office Director Purnima Kapur has developed a thoughtful proposal to address trends in DUMBO and guide its future development. DCP's proposal for a mixed-use zoning district would allow for new construction of residential or mixed-use buildings, with several potential building sites further regulated by the Landmarks Preservation Commission (LPC) based on the recent historic district designation. Conversion of buildings for residential use would also be allowed. Though enlargements of such buildings typically would be governed by the proposed zoning, such bulk changes would also be regulated by LPC. Manufacturing and commercial use would remain as permitted uses, with a wider range of such commercial uses being permitted north of Plymouth Street than what is allowed now.

The borough president supports the introduction by DCP of zoning districts that provides for residential use. He also supports the proposal for allowing a wider range of commercial uses for the blocks north of Plymouth Street. He is especially pleased that DCP has incorporated into the zoning the City's Inclusionary Housing Program as a means to induce the production of affordable housing units. However, the borough president does have some concerns regarding jobs and the extent of the mapping of the M1-4/R8A district.

Jobs

One of the policies of the borough president is to advocate for the stability and growth of the borough's job base. Recent efforts by the property owners of 10, 20 and 68 Jay Street and 155 Water Street have expanded the number of jobs in the area by bringing a wider range of business activities that are typically associated with this section of DUMBO. For example, 68 Jay Street has evolved into a vibrant commercial and cultural center that is home to the restaurant Rebar and retail workspaces tenanted by shops, architects, artists, and galleries. 155 Water Street, aka "Green Desk" has become the innovative home for small firms and freelancers that require small work spaces and was noted at the hearing by a representative as being now home to 100 new businesses.

The borough president believes that it is important to preserve such uses and jobs as part of the neighborhood dynamic.

Mixed-use zoning districts have been mapped in other places over the last decade. The mixing results in residential uses moving into the area, while manufacturing uses tend to be priced out of this area. The borough president notes a recent study by the Pratt Center for Community Development where it explains that "real estate market forces favors non-industrial development" and that "new residential development eventually overwhelms manufacturing" where these types of transitions occur. He is concerned that over time the district would follow this trend and evolve into a residential district with supporting retail uses. Therefore, the borough president has concerns regarding the fate of the four previously mentioned buildings.

The owner of 10 Jay Street once had a vision to develop the property as housing. Also, the site is identified by DCP in its environment assessment statement (EAS) as a probable residential conversion site, while noting that the building housed 268 jobs according to 85% occupancy. The EAS also identified 155 Water Street as a probable residential conversion site while noting 224 jobs. 20 and 68 Jay Street were noted in the EAS as potential conversion sites. Though no number of jobs was indicated in the EAS, it is suspected that several hundred jobs are within each building.

By rezoning these buildings to a mixed-use zoning district, it is possible that market conditions favoring residential occupancy would ultimately eliminate a vast amount of these jobs. 20 and 68 Jay Street are more difficult to convert to residential use due to most of the building floors covering the entire block. Though the conversion of 480-500 Van Brunt Street demonstrated that it is feasible to establish residential use along an entire edge of a building and with a strong enough residential market, cores could be cut into the building to enhance additional residential marketability. The borough president believes that in order to preserve jobs within the DUMBO area, these sites need to be eliminated from the R8A zoning.

Mapping of M1-4/R8A District: Jay Street

In the borough president's 2004 recommendation for 85 Jay Street, he acknowledged the potential for Jay Street to most likely become the neighborhood commercial corridor due to the location of the York Street subway station and link to Downtown Brooklyn. He recommended a maximum height of 120 feet for 85 Jay Street and believes that such height is appropriate along the Jay Street section of DCP's proposal. Such height is already reflected at the southeast corner of the 68 Jay Street building and is slightly exceeded by 10 and 20 Jay Street. For the majority of the existing buildings within the historic district, LPC review would likely limit the extent of any roof top additions. For the four new construction sites identified in the EAS, the borough president believes that it is appropriate to have the opportunity to file building plans according to the DCP proposed maximum street wall height of 80 feet, with height capping at 120 feet. It is possible that the two larger sites, at the northeast corners of Plymouth and Front Streets at Jay Street, could achieve such height. In doing so, it is expected that it would result in an opportunity to provide for needed affordable housing according to the proposed mapping of the City's Inclusionary Housing program.

Though the borough president supports the opportunity to develop taller, denser buildings along Jay Street, he does not concur with the mapping of the zoning district to a depth of 150 feet. Typically, higher density zoning districts are mapped to a depth of 100 feet. By mapping the district at 150 feet, the street wall height of 80 feet would extend further

into the side streets along both Plymouth and Front Streets. The adjacent building along Plymouth Street is indicated in the EAS as 65 feet. On Front Street the new construction site, which is adjacent to a building to the east with a height of 65 feet, straddles the proposed zoning boundary where it is proposed for a maximum street wall height of 65 feet. Limiting the mapping boundary at 100 feet east of Jay Street appears to provide better transition to the side street block with several preexisting residential occupancies.

Mapping of M1-4/R8A District: Pearl Street

The EAS indicates two new infill construction sites on the block between Plymouth and Water Streets. These sites are adjacent to and alternate with buildings identified in the EAS as probable conversion sites. The building at Pearl and Plymouth Streets is indicated as 64 feet in height. The building between the infill construction sites is indicated at a height of 43 feet. The other existing building fronts Water Street and is listed as 48 feet in height. Under the proposed zoning, LPC could consider approving street wall heights of up to 80 feet. It is anticipated that LPC might require any floor built above the existing building height to be setback from the street. Therefore, the borough president questions whether it would be more appropriate to rezone the Pearl Street blocks he considers appropriate for residential occupancy to a maximum street wall height of 65 feet. The borough president acknowledges that such a recommendation would prevent the two buildings at Water and Pearl Street from obtaining zoning floor area compliance, while eliminating the nominal amount of development rights that would be obtained from the zoning as proposed. The DCP proposed street wall height is more in keeping with the heights for both 155 Water Street and 68 Jay Street. Though overall, the borough president believes that the lower street wall height would provide better assurances that the buildings between Plymouth and Water Street would be reflective of this narrow street.

Additional Concerns

The borough president believes that Brooklyn Bridge Park will be a treasured amenity for all those who would work and reside near the park. He believes that Senator's Squadron's proposal warrants further investigation to determine the merits of this proposal. As all revenue and expenditures should be considered in the context of the City Council review of the City's annual budget, the borough president believes the Council to be an appropriate venue to consider this tax revenue distribution concept.

RECOMMENDATION

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

1. That blocks containing 10, 20 and 68 Jay Street and 155 Water Street be rezoned to M1-4 in lieu of M1-4/R8A.
2. That the remainder of the M1-4/R8A zoning district to be reduced to 100 feet east of Jay Street in lieu of 150 feet, with the area beyond 100 feet becoming part of the proposed M1-4/R7A district.
3. That the remaining blocks fronting Pearl Street be rezoned M1-4/R7A in lieu of M1-4/R8A.

Continued on next page

Be it further resolved that Senator Squadron's proposal be given consideration to determine the merits of a Brooklyn Bridge Park Increment Recapture (PIRC) district inclusive of the area within the DUMBO rezoning.



BOROUGH PRESIDENT

May 27, 2009

DATE