ARVERNE EAST
FAR ROCKAWAY, NEW YORK

July 23, 2020

LR ITEM 3 DESCRIPTION OF PROPOSAL

1. INTRODUCTION

The New York City Department of Housing Preservation and Development ("HPD") proposes a zoning map amendment to rezone a portion of the Arverne Urban Renewal Area ("URA") from C4-4 to MX-21:M1-4/R6 and a zoning text amendment to create a new Mixed Use (MX) district, as described in more detail below, to facilitate a proposed microbrewery use and taphouse ("Proposed Development") on Block 15868, portion of Lot 1 and Block 15862, portion of Lot 1 ("Rezoning Area").

In a separate concurrent application, HPD is proposing the designation of an Urban Development Action Area ("UDAA") and approval of an Urban Development Action Area Project ("UDAAP") to facilitate the development of a new mixed-use development with approximately 1,650 dwelling units, commercial, community facility, manufacturing uses, open space, parking, and a 35-acre nature preserve ("Nature Preserve") (collectively, "Proposed UDAAP Project"[1]) in the Arverne neighborhood of Queens Community District 14.

For the concurrent application, the Proposed UDAAP Project, described in the UDAAP application, will be bounded by Rockaway Freeway to the north, Rockaway Beach and Boardwalk to the south, Beach 32nd Street to the east, and Beach 56th Place to the west. It is comprised of a majority of the Central and Eastern Portions of the URA and will be located on Block 15859, Lot 1; Block 15860, Lot 1; Block 15861, Lots 1, 47; Block 15862, Lot 1; Block 15863, Lot 1; Block 15864, Lot 1; Block 15865, Lot 1; Block 15866, Lot 1; Block 15867, Lot 1; Block 15868, Lot 1; Block 15869, Lot 1; Block 15870, Lots 60, 71; Block 15871, Lot 1; Block 15873, Lot 1; Block 15874, Lots 8, 41; Block 15875, Lot 1; Block 15876, Lot 1; Block 15947, Lot 1; and Block 15948, Lot 1) and the majority of the Central Portion of the URA (Block 15877, Lot 1; Block 15878, Lot 1; Block 15879, Lot 1; Block 15880, Lot 1; Block 15881, Lot 1; Block 15882, Lot 1; Block 15883, Lot 1; Block 15884, Lot 1; Block 15885, Lot 1; Block 15886, Lot 1; Block 15887, Lot 1; Block 15888, Lot 1; Block 15919, Lot 1; Block 15921, Lots 1, 112; Block 15922, Lots 1, 101; and Block 15923, Lot 1 ("UDAAP Project Area"). The UDAAP Project Area does not include the Western Portion of the URA.

Within the UDAAP Project Area, the larger proposed development ("Proposed UDAAP Development") would include residential, community facility, commercial, manufacturing (microbrewery) uses, and public/private open space located within the Eastern Portion of the URA, an approximately 81.5-acre area that is generally bounded by Rockaway Freeway (also known as Shore Front Parkway) to the north, Rockaway Beach and the Boardwalk to the south, Beach 32nd Street to the east, and Beach 44th Street to the west (Block 15859, Lot 1; Block 15860, Lot 1; Block 15861, Lots 1, 47; Block 15862, Lot 1; Block 15863, Lot 1; Block 15864, Lot 1; Block 15865, Lot 1; Block 15866, Lot 1; Block 15867, Lot 1; Block 15868, Lot 1; Block 15869, Lot 1; Block 15870, Lots 60, 71; Block 15871, Lot 1; Block 15873, Lot 1; Block 15874, Lots 8, 41; Block 15875, Lot 1; Block 15876, Lot 1; Block 15947, Lot 1; and Block 15948, Lot 1) (the "UDAAP Development Site").

The remaining blocks and lots within the UDAAP Project Area constitute the Nature Preserve.

2. BACKGROUND

[1] In the concurrent application, the Proposed UDAAP Project is referred to as the Proposed Project. "UDAAP" is included as a prefix to multiple terms in this application to distinguish the smaller rezoning area and brewery project from the larger area/project in the UDAAP application.

Original Approval (1968)

Originally approved in 1968, the Arverne Urban Renewal Plan ("URP") was adopted to facilitate the removal of structurally substandard buildings for the development of new low- and moderate-income housing. The Arverne URA is divided into three sections, the Western, Central, and Eastern Portions, which are intended to be developed in separate phases. The Western Portion of the URA consists of approximately 129 acres and is bounded by Rockaway Freeway, the Boardwalk, Beach 59th Street and Beach 81st Street.

In the early 1970s, the City acquired most of the Arverne URA for redevelopment. Between 1972 and 1974, the New York State Urban Development Corporation financed Ocean Village, a 1,092 residential development in the Central Portion of the URA. Between 1973 and 1975, the City built Seaview Towers, two buildings containing 460 dwelling units. In 1978, three two-family homes were built across from Ocean Village through financing from a United States Department of Housing and Urban Development ("HUD") program.

Based on a development feasibility study completed in 1987 by the New York City Department of City Planning ("DCP"), HPD and DCP concluded that the construction of solely low- and moderate-income housing stipulated in the 1968 plan was no longer desirable or feasible. By 1986, half of the subsidized housing in Queens was located on the Rockaway Peninsula and the construction of additional low- and moderate-income housing in Arverne would have further concentrated this housing type within the area. In 1988, the City issued a Request for Proposals (RFP), and a developer was selected to build a new community in Arverne, which would have consisted of approximately 10,000 residential units, 380,000 square feet of commercial space, 274,000 square feet of community facility space, two new 1,000 seat elementary schools, and seven new parks.

First Amended Plan (1990)

In 1990, the Board of Estimate ("BOE") approved an amendment to the URP (C 900215 HUQ) that limited the type of commercial floor area that could be developed to C1 and C2 uses and the amount to 3% of the total floor area for the proposal, and it limited residential development in the Arverne URA to 7,500 dwelling units. It also added 23 new disposition properties (C 900299 HDQ) to the URP.

The BOE also simultaneously approved changes to the zoning map (C 900162 ZMQ) and City Map (C 900151 MMQ). While the changes to the zoning map became effective, changes to the City Map were never officially filed with the Queens Borough President's Office to become effective. The BOE also approved a large scale residential development special permit for bulk modifications for minor variations of required rear yards, minor variations in height and setback regulation, and modification of minimum distance between buildings on a single zoning lot (C 900163 (A) ZSQ) and the disposition of approximately 271 acres of the URA to a developer to be selected by HPD (C 900216 HDQ). The 1990 approvals were intended to facilitate the development scenario selected from the 1988 RFP, which encompassed the entire URA with the exception of Ocean Village; however, this project was never built due to the high cost of infrastructure and the poor real estate market.

Second Amended Plan (2003)

In 1999, the City Council approved the development of Phase 1 of the Water's Edge project, consisting of the development of 78 units of infill housing. Water's Edge Phase II is also located within the Western Portion of the URA and was developed on six blocks between Beach 62nd and Beach 59th Streets with approximately 122 dwelling units.

In 2003, the City Council approved a second amendment to the URP (C 030509 HUQ). The amendment was intended to facilitate the development of the Arverne-by-the-Sea project, also on the Western Portion, which was selected through an RFP process in 2001, as well as new development within the Eastern Portion of the URA.

The Arverne-by-the-Sea project is a 78-acre development within the Western Portion of the URA, which is designed as a beach and transit-oriented community that includes local neighborhood retail, a community recreation center, and a proposed school. Once construction is complete, the project will consist of four residential neighborhoods and approximately 2,300 dwelling units, including approximately 1,070 units located in a mix of one- and two-family homes and 1,138 units located in mid-rise multifamily apartment buildings. The community is designed with an extensive range of public amenities, which include the construction of 270,000 square feet of retail space, a 30,000 square foot community recreation center, and a network of publicly-accessible open spaces.

The second amendment to the URP included substantial changes to the first amended plan but again retained the predominant focus of residential housing development from the 1968 and 1990 plans. It also included mapping actions (C 030433 MMQ) and zoning map amendments (C 030510 ZMQ) to reflect updated plans for the area, including the limitation of residential development to 3,900 dwelling units (the 1990 plan had a limitation of 7,500 dwelling units), total commercial development to 770,000 square feet, and one new public school (the 1990 plan required two new public schools). The second amendment to the URP also mapped a significant portion of the Central Portion of the URA and beachfront areas as parkland to create nature preserves and enhance natural resource protection in environmentally sensitive areas. In conjunction with the second amendment to the URP, HPD received UDAA designation and UDAAP approval for the Arverne-by-the-Sea development, and approval for the disposition of city-owned property for 123 parcels within the Western and Eastern Portions of the URA (C 030511 HAQ). With the approval of this second amendment, the URP will remain in effect until 2043.

In 2005, HPD issued an RFP for the development of the Eastern and Central Portions of the URA with a resilient and sustainable mixed-use neighborhood containing residential, commercial, and open space uses.

2008 Arverne East UDAAP Amendment

In 2008, the City Council approved a UDAAP amendment to facilitate the proposal for a resilient and sustainable mixed-use neighborhood in the Eastern and Central Portions of the URA, which was selected through a 2005 RFP process (20085436 HAQ). The approved project was closely related to the prior 2003 URP amendment (C 030511 HAQ) and associated approvals and included up to 1,650 residential units (of which at least 20% were to be affordable), up to 500,000 square feet of commercial space including an approximately 100,000 square foot hotel, and approximately 3.3 acres of recreation and open space. No changes in scope or program were proposed for the Western or Central Portions of the URA. Construction of the project stalled following the 2008 housing market crash and again after Hurricane Sandy in 2012.

Neither the 2003 nor the 2008 UDAA/UDAAP approvals included the Nature Preserve Area of the Proposed UDAAP Project.

Peninsula Hospital Redevelopment Plan

On November 14, 2019, the Peninsula Hospital Redevelopment Plan (C 190366 ZSQ) large scale general development special permit was approved by the City Council, in conjunction with related applications including a zoning map amendment, zoning text amendments and a City map amendment to facilitate a new mixed-use development with 2,050 affordable and moderate income housing units, commercial, and community facility uses just north of the UDAAP Project Area on property generally bounded by Beach 50th Street, Beach Channel Drive, Beach 53rd Street, and Rockaway Beach Boulevard in Edgemere.

HPD has filed a concurrent application proposing the designation of an UDAA and approval of an UDAAP to facilitate the development of a new mixed-use development with approximately 1,650 dwelling units, non-residential space, open space, parking, and a 35-acre nature preserve with public and private open space.

3. DESCRIPTION OF THE SURROUNDING AREA

Land Uses

The area within a 600-foot radius ("Surrounding Area") of the Rezoning Area is City-owned and is either within the Eastern Portion of the URA or includes portions of Rockaway Beach and Boardwalk. The area is currently vacant. Aside from the beach and boardwalk, this land is proposed for redevelopment as described above.

The Far Rockaway – Mott Avenue Branch of the A subway line runs above Rockaway Freeway between Rockaway Boulevard/Liberty Avenue and Far Rockaway – Mott Avenue and the area is well served by public transportation, including the Beach 44th Street/Frank Avenue Station and Beach 36th Street-Edgemere Station. Several bus lines also have stops within the Surrounding Area including the Q22 and QM17 on Seagirt Boulevard and Beach Channel Drive. Additionally, the NYC Ferry Shuttle operated by Hornblower has stops located at Beach Channel Drive and Beach 35th, Beach 41st and Beach 54th Streets and provides access to the ferry landing located at Beach Channel Drive and Beach 108th Street. The Rockaway ferry route is a new key connection for both visitors and commuters to and from the Rockaways to Sunset Park Brooklyn and Lower Manhattan.

Other notable uses beyond the immediate Surrounding Area include public facility/institutional uses, including the Peninsula Nursing and Rehabilitation Center, the Queens Public Library at Arverne, and FDNY Engine 265, Ladder 121 & Battalion 47.

Open spaces in the Surrounding Area include the Rockaway Beach and Boardwalk, Arverne Playground, Cardozo Playground, and Beach 30th Street Playground.

Zoning

The primary zoning districts mapped within the Surrounding Area include R6 and C4-4, with C4-4 mapped to the north and west and R6 mapped to the east and south. C2-4 overlays are mapped along Beach 35th Street within the R6 district. Property south of mapped Ocean Front Road and of the rezoning area is public park, to which zoning does not apply.

R6

R6 districts allow all housing types at a maximum Floor Area Ratio ("FAR") of up to 2.43 and a maximum FAR of up to 4.8 for buildings containing certain community facility uses. R6 is a height factor district where residential and community facility uses are permitted with no fixed height limits. Building envelopes are regulated by open space ratio and a sky exposure plane that begins at a height of 60 feet above the street line and then slopes inward over the zoning lot. Off-street parking is generally required for 70 percent of a building's dwelling units, but requirements are lower for income-restricted housing units. Residential development under the optional Quality Housing Program has a maximum FAR of 2.2 on narrow streets with a 55-foot building height limit and a maximum of 3.0 FAR on wide streets with a height limit of 70 feet. Off-street parking is required for 70 percent of the dwelling units. This requirement is lowered to 50 percent of the units if the lot area is less than 10,000 square feet or if Quality Housing provisions are used. In R6 districts, if fewer than five spaces are required, the off-street parking requirement is waived. Accessory parking is required for 25 percent of income-restricted housing units.

C4-4

C4-4 districts are mapped in densely built areas of the outer boroughs. C4-4 has an R7-2 residential district equivalent and allows residential (Use Group 1 and 2), community facility (Use Group 3 and 4), and commercial (Use Groups 5, 6, 8, 9, 10 and 12) uses. Most retail establishments are permitted in C4-4 districts, but uses that would interrupt the desired continuous retail frontage, such as home maintenance and repair service stores listed in Use Group 7, are not allowed. No industrial/manufacturing uses are permitted in C4-4 districts. The

maximum permitted FAR is 3.4 for commercial uses, 4.8 FAR for residential uses, and 6.5 FAR for community facility uses. C4-4 zoning permits a maximum base height of 75 feet and a maximum building height of 135 feet. Accessory parking is generally required at a rate of one space per 1,000 square feet of floor area for commercial uses, for 50 percent of dwelling units, and for 15 percent of income-restricted housing units. Special rules apply for residential-only buildings located in commercial districts and mixed commercial/residential buildings in commercial districts.

C2-4 Commercial Overlays

C2-4 districts permit a range of local retail and service establishments to an FAR of 2.0 when mapped in R6 districts. Off-street parking is required for general retail establishments at one space per 1,000 square feet, but is waived for developments with less than 40,000 square feet.

4. DESCRIPTION OF PROPOSED REZONING AREA AND DEVELOPMENT SITE

The Rezoning Area comprises approximately 60,000 square feet of land on a portion of Blocks 15868, Lot 1 and 15862, Lot 1. The Rezoning Area is bound by Beach 35th Street to the east, Ocean Front Road to the south, a line 150 feet west of the centerline of Beach 35th Street to the west, and a line 400 feet north of the centerline of Ocean Front Road to the north. The Rezoning Area is currently vacant, with sandy soil vegetated with beach grasses and shrubbery. It is currently owned by the City of New York under the jurisdiction of HPD.

The proposed development site, within the Rezoning Area, comprises a vacant irregular zoning lot with approximately 27,000 square feet and approximately 180 feet of frontage along the southernmost portion of the western streetline of Beach 35th Street ("Development Site").

5. DESCRIPTION OF THE PROPOSED DEVELOPMENT

The proposed zoning map amendment would facilitate the Proposed Development--a microbrewery and taphouse--to be located on the Development Site at the southern end of Beach 35th Street on the west side of the street. The microbrewery is proposed to comprise approximately 10,000 square feet of a proposed 26,000 square-foot, one- to two-story building.

The microbrewery is intended to anchor a retail corridor along Beach 35th Street as part of the master plan facilitated by the larger Proposed UDAAP Project described in the concurrent application.

6. ACTIONS NECESSARY TO FACILITATE THE PROJECT

The following actions are proposed to facilitate the construction of the Proposed Development:

a) Zoning Map Amendment

HPD is requesting a zoning map amendment to rezone property from a C4-4 district to an MX-21:M1-4/R6 district. The new MX district would be mapped over an area of approximately 150 feet by 400 feet at the southern end of Beach 35th Street. The district's location and configuration will allow a broader range of uses at the end of a planned retail corridor along Beach 35th Street.

The proposed MX-21:M1-4/R6 district permits medium density residential uses to an FAR of 2.2 on narrow streets, community facility uses to an FAR of 4.8 and commercial and certain light manufacturing uses to an FAR of 2.0. Building heights are limited to 60 feet at the street and 110 feet overall. Off-street parking is generally required for 70 percent of a building's dwelling units, but requirements are lower for income-restricted housing units. This requirement is lowered to 50 percent of the units if the lot area is less than 10,000 square feet or if Quality Housing provisions are used.

In R6 districts, if fewer than five spaces are required, the off-street parking requirement is waived. Accessory parking is required for 25 percent of income-restricted housing units. Side and front yards are not required. There is an existing R6 district immediately east of the proposed rezoning area. R6 districts are appropriate for medium density housing typically between three and 12 stories, which is in line with the surrounding built context of the Arverne and Edgemere neighborhoods.

The zoning map amendment will facilitate the development a proposed microbrewery use that will be consistent with the economic development objectives of the URP. The expanded uses permitted in the proposed MX-21:M1-4/R6 district are expected to draw patrons and visitors year round to anchor the larger Proposed UDAAP Project's retail promenade. The MX-21:M1-4/R6 district permits a broader range of uses, including viable and local uses, that will encourage further economic development, attracting a variety of commercial uses within the Rezoning Area and attracting the public to and enlivening the waterfront.

In particular, the MX-21:M1-4/R6 district would facilitate the proposed microbrewery use, which would be compatible with and complement existing uses within the Surrounding Area and proposed uses within the larger UDAAP Project Area. With an anchor tenant, in proximity to the Beach 36th Street A train subway station, the project can further secure financing and attract local and seasonal retail tenants to this underutilized, City-owned land within the URA, bringing new opportunities for long-term and sustainable economic development to the Arverne neighborhood.

b) Zoning Text Amendment

HPD also proposes a zoning text amendment to Section 123-90 to add MX-21 to the list of Special Mixed Use Districts mapped throughout the City. No changes to the standard rules for mixed use districts are proposed.

Other Concurrent Actions

In addition to the above actions, an Urban Development Action Area designation and Urban Development Action Area Project approval are requested as part of a concurrent related application to facilitate the Proposed UDAAP Project. The UDAAP Project Area is approximately 116.5 acres and comprises predominantly vacant and unimproved City-owned land. The proposed project for the UDAAP Project Area will transform the area into a mixed-use, mixed-income resilient and sustainable community.

7. CONCLUSION

The Proposed Development is part of the larger Proposed UDAAP Project, the final phase of the Arverne URP, which was originally established in 1968 and most recently amended in 2003. The Proposed UDAAP Project would meet the objectives of the Second Amended URP by facilitating the development of new, high-quality affordable and market-rate housing that is compatible with the surrounding land uses, as well as create a new retail and entertainment promenade that will facilitate local and sustainable economic growth. The Proposed UDAAP Project enhances public access to world-class beaches and the natural environment and provides new recreation opportunities through open space improvements. The proposed zoning map and text amendment will help ensure that the proposed development is lively and active with an attractive array of uses to serve residents and draw in visitors.