Project Description (LR Item 3)
N220049CMX
Lower Concourse North Special Permit Renewal
Block 2356, Lots 2, 6, 10Bronx, NY
October 28, 2021

1. **Introduction**

Bronx Point Owner, LLC and the New York City Economic Development Corporation ("NYCEDC"), are requesting a renewal of a previously approved special permit, C 170315 ZSX, to facilitate the first phase of a development of a City-owned site referred to as Lower Concourse North, to facilitate a project known as Bronx Point (the "Proposed Development"). The Proposed Project is located on a large, vacant, irregularly shaped parcel which includes Block 2356, Lots 2, 6, and 10 in the Bronx (Community District 4).

2. **Background**

Lower Concourse Rezoning

In 2009, the Lower Concourse Rezoning mapped 30 blocks of the South Bronx with new residential and mixed-use districts (C 090303 ZMX, N 090302 ZRX and C 090166 MMX). The rezoning created new mixed use and special use districts, mapped a new Inclusionary Housing Area and new waterfront parkland, established the Harlem River Waterfront Access Plan ("WAP") and the Special Harlem River Waterfront District ("HRW"), and instituted related actions to create new investment opportunities and open space in the underutilized but transit-rich Lower Concourse area. The goals of the HRW are to ensure that development maintains a human scale, guarantees a variety of building structures, creates a varied skyline, maximizes waterfront views, facilitates a strong streetscape, encourages "eyes on the street", ensures a range of uses on the waterfront, and encourages people to use waterfront open spaces. Several projects are planned, under construction, or recently completed on a portion of or near the Project Area on sites that were subject to the original 2009 Lower Concourse Rezoning.

Recent Land Use Action Approvals in Project Area

The Project Area was the subject of the following recently adopted land use actions:
Lower Concourse North Project:

- A Zoning Map Amendment (C 170311 ZMX) to map a portion of an existing M2-1 zoning district to an R7-2/C2-5 zoning district coterminous with the rezoning boundary, and to extend the HRW to include the rezoning area. The two small portions outside the M2-1 district would remain zoned C4-4 and were not subject to the approved zoning-related action;
- Zoning Text Amendments (N 170312 ZRX) to create a new subdistrict ("North Subdistrict") of the HRW coterminous with the rezoning area and to extend the Harlem River WAP to include the subdistrict; to modify portions of the waterfront regulations for the North Subdistrict; and to establish a Mandatory Inclusionary Housing Area (MIHA) coterminous with the North Subdistrict. Mandatory Housing Options 1 and 3 were applied through a City Council modification.
- Disposition of Real Property (C 170314 PPX) – to permit the disposition through sale or long-term ground lease of a portion of the Project Area for future development, in accordance with (i) the Uniform Land Use Review Procedure (ULURP) under New York City Charter Section 197(c) and, (ii) Mayoral and Borough Board approval in accordance with Section 384(b)(4) of the New York City Charter.
- Special Permit (C 170315 ZSX) – from the City Planning Commission pursuant to Zoning Resolution Section 74-533 (reduction of parking spaces to facilitate affordable housing) to waive any required accessory off-street parking spaces for affordable dwelling units for the mixed-use project.

The City Planning Commission approved the above discretionary actions on August 23, 2017 and the City Council approved the Lower Concourse North Project on October 17, 2017 with the following modifications: revising the MIH Program Option by replacing Option 2 with the Deep Affordability Option and revising 87-332(a)(3) by changing the maximum building height from 400' to 375'

The following UDAAP was approved by the City Planning Commission on August 14, 2019 and by City Council on August 17, 2019:

- Urban Development Action Area Project (N190501HAX) to facilitate the project =. At the time, the zoning lot was believed to be 235,661 sq. ft. Since the approval, it was discovered that a portion of the coast of the property, mostly including land under water, is owned by the State Department of Transportation and is part of a separate zoning lot.

Lower Concourse North Future Review Protocol:
In addition, per the resolution of the CPC Report for ULURP C 170314 PPX, the Chair of the City Planning Commission was to review and certify, after consultation with the Commission and as a condition of the issuance of a building permit, that the Commission's concerns with respect to urban design, primarily with respect to the massing of the development, the relationship of the on-site open space to Mill Pond Park, and the specific locations of required non-residential ground floor uses, have been adequately addressed. Such sign-off was issued on September 14, 2018.

Special Harlem River Waterfront Project:
On October 4, 2017, the City Planning Commission approved (with modifications) the map and text amendments (N 170414 ZRX and C 170413 ZMX) for the HRW. The proposal included amendments to the HRW regulations to support appropriate resiliency measures and changes to bulk regulations to meet the special district goals; an expansion of the special district and WAP to the south, including the subject Project Area (exclusive of Mill Pond Park) to respond to unique conditions in the area affecting open space, circulation, bulk, and resiliency; and the addition of new resiliency guidelines and best practices for development on the Harlem River waterfront. On December 11, 2017, the NYC City Council adopted the Special Harlem River Waterfront Project.

3. **Description of the Surrounding Area**
The Project Area is located on a waterfront site located in Bronx Community District 4; it is also adjacent to Community District 1, which begins south of East 149th Street. The surrounding area is generally characterized by a long history of declining manufacturing and industrial uses to the south, the presence of several large institutions to the east, and large-format commercial to the northeast along with waterfront open space directly north. The Project Area is three blocks from the 2, 4, and 5 subway lines at 149th Street and Grand Concourse and is accessible from the 3 line across the 145th Street Bridge at Malcolm X Boulevard in Manhattan. Major bus access includes the Bx13, running north south from 149th Street to the George Washington Bridge, and the Bx19, which runs from the New York Botanical Garden to Riverbank Park. The Major Deegan Expressway provides access to the regional interstate highway system.

A mix of residential (R7A), commercial (C4-4), and mixed-use districts (MX: M1-4 / R6A) along East 149th Street, a significant adjacent east-west corridor, results in mostly auto-oriented uses, a mix of historically small-scale residential and newly constructed mid-scale residential development with some ground-floor commercial, and institutional and retail uses near the Grand Concourse. This corridor, particularly near and on Walton Avenue contains residential buildings in R6 and R7A districts that are generally ranging from three-story row houses rising to 46 feet to 12-story residential buildings. This corridor provides access to Hostos Community College, Lincoln Hospital, the Bronx Hub commercial district and access to express subway and bus service.

The lots to the north and northeast of the Project Area were rezoned in 2006 from M2-1 to C4-4 (C050529 ZMX) to facilitate the commercial development of the Bronx Terminal Market (“BTM”), a shopping center with more than one million square feet of retail space. It largely features national big box retailers and contains structured parking with over 2,300 parking spaces. Commercial buildings to the northeast of the BTM generally rise to a height of 100 feet. Later that year, lots adjacent to Yankee Stadium were mapped as parkland to facilitate the development of new parklands (C 060057 MMX). Across River Avenue to the east of the BTM is an M1-2 district. It contains industrial buildings, such as American Self Storage, with lower heights (ranging from 23 to 35 feet). Immediately north of the Project Area is the remainder of Mill Pond Park, which including the portion in the Project Area is a 10-acre waterfront open space that opened

in 2009. The area immediately to the south of the Project Area across East 149th Street was rezoned in 2009 (C 090303 ZMX) to allow for commercial and residential development as part of the Lower Concourse Rezoning, which also included mapping a new park along the Harlem River, adding an MX Special District, and creating the HRW with a specific WAP.

In 2018, key intersections along Gateway Center Boulevard / Exterior Street were redesigned to improve pedestrian and vehicle conditions in line with Mayor de Blasio's *Vision Zero* plan to protect New Yorkers from traffic crashes. The intersection located adjacent the Project Area at East 149th Street and Gateway Center Boulevard will be reconstructed to improve pedestrian safety and ease traffic, but also to include new water and sewer infrastructure. In addition, there will be a full-depth reconstruction of Exterior Street and Gateway Center Boulevard under the elevated highway, including safer sidewalks, better street furniture, upgraded lighting, and new sewer and water lines. In addition to the intersection at East 149th Street, the large intersections along Exterior Street at East 150th Street, East 146th Street and East 144th Street will also be redesigned.

4. **Description of the Proposed Project Area**

The Project Area is a large, vacant, irregularly shaped parcel and includes the addresses 575 Exterior Street and 65 East 149th Street (Block 2356, Lots 2, 6, and 10 in the Bronx (Community District 4) and is owned by the City of New York. Construction began on the Bronx Point project, Phase I of the development of the Lower Concourse North site, in summer 2021.

Previous uses in the Project Area include a lumber operation, a coal yard, and a freight station. The City-owned portion (excluding Mill Pond Park) has been used for interim uses, including a seasonal circus, tree-mulching, construction staging, at-grade parking, and storage. The portion of Mill Pond Park within the Project Area was assigned to New York City Department of Parks and Recreation ("DPR") in 2006, finished as a park in 2009; prior to its transfer to Parks, this portion of the Project Area was a part of the Bronx Terminal Market.

The Project Area is zoned R7-2 with a C2-5 overlay in the HRW and includes mapped parkland in the portion that is Mill Pond Park. Typically, the R7-2 zoning district is subject to the height factor regulations per Zoning Resolution Section 23-151, with an option to adhere to the Quality Housing regulations. The Quality Housing regulations set forth a maximum base FAR of 4.0, or 4.6 with inclusionary housing, with community facility uses not to exceed a FAR of 6.5. The C2-5 commercial overlay allows for a maximum combined commercial and community facility FAR of 6.5, with the commercial FAR not to exceed 2.0.

The underlying R7-2 and C2-5 zoning controls the Special Harlem River Waterfront North Subdistrict (HRW North), with a maximum total FAR of 4.6. The Project Area in its entirety, including the SDOT-owned land and mapped parkland, has physical and regulatory constraints that limit the area of the site that can be developed. There is a permanent easement of the Major Deegan Expressway on the eastern portion of the Project Area and western portions of the site are submerged under water and contain a rail bridge and rail easement. Additionally, there is a relieving platform in poor condition on the waterfront which will be removed and replaced by revetment (likely to result in some loss of buildable area). Additionally, waterfront access requirements include a 40–foot wide shore public walkway, supplemental public access areas, and a visual corridor at the extension of the former East 150th Street. Together, these regulations and physical constraints limit the developable land area to approximately two thirds of the total parcel area. In addition, existing soil conditions and a high-water table increase the cost of development.

5. **Description of Proposed Project**

In 2016, NYCEDC issued the Lower Concourse North Request for Expressions of Interest ("RFEI") for the Project Area. The selected proposal included two mixed-use towers with commercial uses and affordable housing, a shore public walkway, an access corridor to the shore public walkway, and a spacious connection to Mill Pond Park, north of the site. The selected proposal would also improve a portion of Mill Pond Park. The two-phased Proposed Project reflects the original parameters of the RFEI as well as improvements to a portion of Mill Pond Park to the north.

The zoning lot is Block 2356, Lots 2, 6, and 10. It fronts Exterior Street to the east, which measures 60 feet wide, and is also bounded by East 149th Street to the south, which is a narrow 22-foot side street adjacent to the 145th Street Bridge entrance. The zoning lot is approximately 201,291 square feet, which allows for approximately 925,939 zoning square feet (zsf) of development with a FAR of 4.6. The Phase I building will consist of approximately 500,725 zsf in total (2.49 FAR).

The Phase I building will include 542 units of permanently affordable housing, inclusive of one super's unit, on floors 3 through 22, comprising approximately 426,384 zsf of residential (approximately 2.12 FAR). It will include approximately 13,843 zsf (14,997 gross square feet) of commercial space (approximately 0.07 FAR) on the first floor. It will also include approximately 60,498 zsf (60,632 gross square feet) of community facility space (approximately 0.30 FAR) on floors 1 and 2. The ground floor will contain approximately 10,436 zsf (14,952 gross square feet) of residential space; 13,843 zsf (14,997 gross square feet) of commercial space; and 22,111 zsf (22,232 gross square feet) of community facility space.

Phase I will be located adjacent to Exterior Street and then rise to a maximum tower height of 235 (234'-4") feet or 258 (257'-4") feet, including bulkheads. The development will be located north of East 149th street by approximately 150 feet on the Harlem River waterfront. The Phase I building wall located on the boundary of the upland connection rises to a podium height of 39' then sets back before rising to the 235 feet maximum tower height. The tower massing provides a 100' wide courtyard open space for the residents. The Phase I development will also include a variety of types of publicly accessible open space, including the entirety of the zoning lot's shore public walkway and the supplemental access area required by the WAP in the Harlem River North Sub-district, as well as an additional public plaza along Exterior Street. The open space improvements also include portions of the City-owned Mill Pond Park.

Phase II will be located just south of Phase I and is anticipated to include approximately 503 residential units, inclusive of one super's unit, comprised of approximately 375,214 zsf. Phase II is anticipated to include approximately 5,000 zsf (5,275 gross square feet) of commercial space and approximately 45,000 zsf (47,471 gross square feet) of community facility space. The total anticipated floor area of Phase II is estimated to be approximately 425,214 zsf, however there are no specific plans for such a development as of yet.

The Phase I and Phase II buildings and associated open space, excluding open space that is or will be under DPR jurisdiction, are or are expected to be leased to the designated development team through a 99-year lease. All publicly accessible open space will be accessible in perpetuity and will maintain at least the same operating hours as Mill Pond Park. In addition to Mill Pond Park, the proposed shore public walkway and supplemental access area will be under DPR's jurisdiction; however, it will not be mapped as parkland. The designated development team will provide funding for DPR to maintain the shore public walkway and supplemental access area, incompliance with zoning and will maintain the remainder of the publicly accessible open space directly. To the west of the shore public walkway is the SDOT-owned portion, which is largely land under water and will also include improvements to the revetment along the coastline.

The Proposed Project is consistent with the City's sustainability goals, including those outlined in *OneNYC,* by creating substantial new housing opportunities at a range of incomes, including permanently affordable housing; fostering job growth; redeveloping underutilized sites along the waterfront with active uses (including recreational space); focusing development in areas that are served by mass transit; and fostering walkable retail destinations. Additionally, the Proposed Project would be consistent with *Housing New York: A Five-Borough, Ten-Year Plan* and would result in a substantial amount of new permanently affordable housing. Located within the City's Coastal Zone, the Proposed Project is subject to review for consistency with the policies of New York City's *Waterfront Revitalization Program* (WRP) and *Vision 2020: New York City's Comprehensive Waterfront Plan* designed to maximize the benefits from and the use of the waterfront.

The Proposed Project will also reflect resident desires for improved access to the Harlem River waterfront, as well as the creation of better neighborhood parks and more open space. As a cornerstone of the City's

OneNYC goal of improving quality of life for all New Yorkers, the project will create open space that will connect to and expand Mill Pond Park and create new open space along the waterfront.

The creation of housing, community facilities, and retail also creates employment opportunities. Through HireNYC, NYCEDC's free workforce development program, the City is committed to supporting job growth by ensuring that residents have the skills they need to access local jobs. Investing in training and partnerships with workforce organizations and providing local construction jobs and permanent employment opportunities through HireNYC expands opportunity for local employment.

6. **Actions Necessary to Facilitate the Proposal**

A renewal determination of substantial compliance with special permit C 170315 ZSX pursuant to Zoning Resolution Section 74-533 (reduction of parking spaces to facilitate affordable housing) to waive any required accessory off-street parking spaces is requested to facilitate the proposal.

7. **Conclusion**

A renewal of special permit C 170315 ZSX pursuant to Zoning Resolution Section 74-533 (reduction of parking spaces to facilitate affordable housing) to waive any required accessory off-street parking spaces for affordable dwelling units for the mixed-use project, will facilitate a new mixed-use development that would include approximately 1,043 units of affordable housing plus two super's unit, ground-floor retail space, , community facility space, and publicly accessible open space along the Harlem River waterfront as well as improvements to part of Mill Pond Park. The proposed redevelopment of and investment in the Project Area will provide the opportunity to achieve multiple community and City policy goals and support development in the Lower Concourse rezoning district to the south.