240 Nassau Street
Brooklyn Community District 2
July 2026

1. INTRODUCTION

The New York City Educational Construction Fund ("ECF") and 240 Nassau Street Holdings, LLC (collectively, the "Applicants") are seeking approval of several discretionary actions (the "Proposed Actions") from the New York City Planning Commission (the "CPC") and New York City Council to facilitate the redevelopment of an approximately 79,807 square foot site (Brooklyn Block 110, Lot 25 and Block 111, Lot 1)(the "Development Site") in Downtown Brooklyn, Community District 2. The Proposed Actions include:

1. a zoning map amendment to change the Development Site from an R6 zoning district to a C6-12 zoning district;

2. a zoning text amendment to modify Zoning Resolution ("ZR") Appendix F: Mandatory Inclusionary Housing ("MIH") Areas and former Inclusionary Housing Designated Areas for Community District 2, Brooklyn to establish the Development Site as an MIH Area and to modify ZR § 74-752 to make the provisions applicable to the Development Site and to allow modification of ZR § 27-10 (Administration of Affordable Housing); and

3. a special permit pursuant to ZR § 74-752 to allow modification of certain bulk, loading, and affordable housing requirements.

The Proposed Actions would facilitate a new approximately 1,436,526 square foot mixed-use development with approximately 1,502 dwelling units ("DUs"), of which 20 percent (302 DUs) would be permanently affordable, a new 96,000 square foot (121,000 gsf) public school, local retail, cultural and community facility space, and 37,050 square feet of open space, 20,896 of which would be designated as a Public Access Area ("PAA") (collectively, the "Proposed Development"). The Proposed Development would provide a unique opportunity to transform a long-underutilized property with new housing and a state-of-the-art school.

2. BACKGROUND

<u>ECF and Request for Expression of Interest</u>

ECF is a New York State public benefit corporation that finances and builds schools on behalf of the New York City Department of Education. ECF selects buildings based on age of the building and its ability to provide students with facilities that meet the education rigor components required for successful academic outcomes. ECF also selects areas identified by DOE as needing increased seats/capacity. ECF is required to develop new public schools as part of mixed-use projects in which the public component is financed by tax-exempt bonds. ECF uses ground rents, lease payments, and/or tax equivalency payments from the non-school portions of a development to pay the debt service on the bonds issued to finance the public facilities.

ECF has identified the existing public school building at 50 Navy Street (Block 111, Lot 1 of the Development Site), which houses P.S. 287 (grades pre-Kindergarten through 5) and Community Roots Charter School (grades 6 through 8), as beyond its useful life, outmoded and in need of replacement. The aging building was built in 1953, and its electrical, ventilation, and acoustical systems are insufficient to serve the needs of the current and future school populations. Overall, the building lacks the appropriate facilities to provide a modern learning environment. The proposed actions would provide state-of-the-art school facilities for a new public school. The improvements would achieve a better learning environment by providing modern educational facilities and additional public school capacity at the primary and intermediate school level in Community School District 13.

In June 2024, ECF issued a Request for Expressions of Interest (RFEI) for 50 Navy Street, and in December 2025, ECF selected 240 Nassau Street Holdings, LLC's response to the RFEI from among several competitive submissions.

Relevant Land Use Approvals

The Development Site was mapped with an R6 zoning district with the enactment of the 1961 Zoning Resolution. There are no recent land use actions affecting the Development Site. However, several land use actions near the Development Site in the past fifteen years reflect an ongoing trend in the surrounding area to amend outdated zoning districts where appropriate in order to facilitate redevelopment, produce housing, support retail and other commercial and community facility uses, and spur job creation.

The 2011 Admirals Row Plaza (C 110382 ZMK) rezoned a one block area bounded by Navy Street, Nassau Street, Flushing Avenue, and the Brooklyn Navy Yard from M1-2 to M1-4. The rezoning was intended to facilitate the development of Admiral's Row Plaza, an approximately 287,000 square foot mixed-use development with retail, industrial, and community facility space.

The 2017 Tillary and Prince Streets Rezoning, just south of the Development Site, rezoned a site adjacent to the New York City Housing Authority's ("NYCHA") Ingersoll Houses campus from an R6 zoning district to a C6-4 (MIH) zoning district and extended the Special Downtown Brooklyn District, to facilitate development of a mixed-use 31-story building.

The 2021 Brooklyn Navy Yard (C 210462 ZMK) proposal involved a zoning map amendment from R6B, M1-2, and M3-1 to M2-1 and a zoning text amendment to establish the Special Brooklyn Navy Yard District. The actions affected an approximately 300 acre area, which represents the majority of the Navy Yard. The proposal was intended to facilitate a 4.6 million square foot expansion of the Brooklyn Navy Yard with new industrial, commercial, and community facility uses as well as 189,000 square feet of new public open space.

In recent years, Downtown Brooklyn has experienced tremendous growth and transformation, solidifying its role as a major mixed-use center within the city. Building on this momentum, the City of Yes for Housing Opportunity zoning text amendments, adopted in late 2024, created new tools that allow developments to achieve floor area ratios ("FAR") of 12 or above in transit-rich areas such as the Downtown Core. These provisions, in conjunction with MIH requirements, advance the city's policy goals of increasing housing production and ensuring the creation of permanently affordable units within high-density developments.

The recently approved application for the 395 Flatbush Avenue Extension Redevelopment (C 260038 ZMK, adopted early 2026) exemplifies the application of these new tools in the Downtown Brooklyn context. The proposal involved a zoning map amendment from C6-4 to C6-12, as well as several other discretionary actions. The proposal was intended to facilitate development of an approximately 1,075,100 square foot, 72-story mixed-use development, including 141,280 square feet of commercial and community facility uses, and 933,820 square feet of residential uses with 1,263 dwelling units, including between 325 and 379 permanently income-restricted units pursuant to MIH, and 4,745 square feet of publicly accessible open space.

3. DESCRIPTION OF THE SURROUNDING AREA

Land Uses

The surrounding area is characterized by a mix of residential, commercial, and industrial uses. The area to the north of the Development Site is characterized by the NYCHA Farragut Houses campus, which contains 10 multi-family apartment buildings with heights of up to 14-stories. To the east of Farragut Houses is the Brooklyn Navy Yard, an approximately 300 acre complex improved with approximately 6.3 million square feet of industrial, commercial, and community facility floor area across approximately 80 buildings. The majority of the Navy Yard is located within the Brooklyn Navy Yard Industrial Business Zone ("IBZ"). Land uses across the campus span a wide range of sectors including ferry docking and maintenance, metal fabrication, food packaging and distribution, breweries, distilleries, art and design studios, offices, media production, and technical schools. Most buildings are one to three stories in height, although several buildings range from six to 18 stories.

Interstate 278, the Brooklyn-Queens Expressway ("BQE"), is an elevated highway running west and south of the Development Site that creates a physical barrier separating Farragut Houses, Commodore Barry Park and the Brooklyn Navy Yard to the north from NYCHA Ingersoll Houses

and the core of Downtown Brooklyn to the south. The areas to the south and west of the BQE are predominantly comprised of residential and industrial uses. Residential uses include one- and two-family residential buildings up to four stories in height, multi-family buildings up to 13 stories that are part of the Ingersoll Houses campus, and industrial (storage/warehouse) buildings up to 13 stories.

There are several public open spaces in the surrounding area, including Commodore Barry Park, Golconda Playground, and Trinity Park. Commodore Barry Park is a 10.39 acre open space located to the east of the Development Site that includes baseball fields, football fields, basketball courts, handball courts, playgrounds, swimming pools, spray showers, and public restrooms. Golconda Playground is an approximately 1.5 acre park located partially beneath the elevated BQE immediately south and west of the Development Site that includes basketball courts, handball courts, playgrounds, a skate park, spray showers, and public restrooms. Trinity Park is a 6.3 acre open space located to the west of the Development Site that is mostly comprised of inaccessible lawns adjacent to the BQE highway ramps. The area that is publicly accessible is located along Nassau Street and includes benches and tables. Oxport Playground is a 1.03 acre open space located just beyond the surrounding area to the east of the Development Site that includes playgrounds, basketball courts, fitness equipment, and spray showers.

Other notable uses located just beyond the surrounding area include the NYCHA Ingersoll Houses and Walt Whitman Houses campuses, located to the south and east of the Development Site, respectively. Ingersoll Houses consists of 20 buildings containing approximately 1,604 dwelling units. Walt Whitman Houses consists of 15 buildings containing approximately 1,659 dwelling units. Several public facility uses are located on the block between the two campuses, including P.S. 067 The Charles A. Dorsey Community School, the Community Roots Charter School – Elementary School Campus, NYC Health + Hospitals/Gotham Health (Cumberland), and FDNY EMS Station 31.

The Development Site is located within the Inner Transit Zone, with exceptional transit access and road infrastructure, including nearby access to the BQE, Manhattan Bridge, and Brooklyn Bridge. Prominent corridors within the surrounding area include Tillary Street and Nassau Street/Flushing Avenue, which run east-west, and Flatbush Avenue, which runs north-south.

Several subway stations are located within walking distance of the Development Site, including York Street station serviced by the F line, High Street station serviced by the A and C lines, Jay Street-MetroTech station serviced by the A, C, F, and R lines, and DeKalb Avenue station serviced by the B, D, N, Q, and R lines. All stations provide direct access to Lower Manhattan within one to two stops. The NYC Ferry operates a ferry landing within the Brooklyn Navy Yard, providing access to Manhattan and Queens. Local bus routes operating in the surrounding area include the B57, B62, B67, and B69, which provide direct access to nearby subway stations in Downtown Brooklyn and throughout greater Brooklyn.

Zoning

Land uses and the built context within the surrounding area are generally consistent with underlying zoning. Zoning districts within the surrounding area, discussed below, include R6, R6B, C4-3, C6-2, C6-2A, and M1-4.

The majority of the surrounding area to the north, east, and south of the Development Site is located within an R6 district. R6 is a medium-density residential district that allows all housing types at a maximum FAR of up to 3.9 for qualifying affordable housing and a maximum FAR of up to 4.8 for buildings containing certain community facility uses. Commercial and industrial/manufacturing uses are not permitted. Qualifying affordable housing has a maximum base height of 65 feet and maximum building height of 95 feet. Within the Inner Transit Zone, off-street parking is not required.

R6B zoning is mapped on portions of the blocks bounded by Gold Street, Nassau Street, and Tillary Street located to the west of the Development Site. R6B is a medium-density contextual residential district that generally allows all housing types at a maximum residential FAR of 2.4 with qualifying affordable housing and maximum FAR of up to 2.0 for buildings containing certain community facility uses. Commercial and industrial/manufacturing uses are not permitted. Qualifying

affordable housing has a maximum base height of 45 feet and maximum building height of 65 feet. Within the Inner Transit Zone, off-street parking is not required.

C4-3 zoning districts are also mapped on portions of the blocks bounded by Gold Street, Nassau Street, and Tillary Street to the west of the Development Site. C4-3 is a medium-density commercial district with an R6 residential district equivalent that generally allows all housing types at a maximum FAR of up to 3.9 for qualifying affordable housing, a maximum FAR of up to 3.0 for buildings containing certain community facility uses, and a maximum FAR of 3.4 for commercial uses. Some light industrial and manufacturing uses (Use Groups IX and X) are permitted but are subject to size restrictions and/or additional conditions. C4-3 zoning permits a maximum base height of 65 feet and a maximum building height of 95 feet. Accessory parking requirements vary by use within C4-3 districts. Special rules apply for residential-only buildings located in commercial districts and mixed commercial/residential buildings in commercial districts.

C6-2 districts are mapped to the south of the Development Site along portions of Gold and Tillary Streets as well as to the west along portions of Nassau Street. C6-2 is a high-density commercial district with an R8 residential district equivalent that generally allows all housing types at a maximum FAR of up to 8.64 for qualifying affordable housing, a maximum FAR of up to 6.5 for buildings containing certain community facility uses, and a maximum FAR of up to 6.0 for commercial uses. Some light industrial and manufacturing uses (Use Groups IX and X) are permitted but are subject to size restrictions and/or additional conditions. C6-2 zoning permits a maximum base height of 125 feet and a maximum building height of 175 feet. No parking is required within C6-2 districts. Special rules apply for residential-only buildings located in commercial districts and mixed commercial/residential buildings in commercial districts.

A C6-2A district is mapped along a portion of Gold Street to the south of the Development Site. C6-2A is a contextual commercial zoning district with an R8A residential district equivalent that generally allows all housing types at a maximum FAR of up to 7.2 for qualifying affordable housing, a maximum FAR of up to 6.5 for buildings containing certain community facility uses, and a maximum FAR of up to 6.0 for commercial uses. Some light industrial and manufacturing uses (Use Groups IX and X) are permitted but are subject to size restrictions and/or additional conditions. C6-2A zoning permits a maximum base height of 105 feet and a maximum building height of 145 feet. No parking is required within C6-2A districts. Special rules apply for residential-only buildings located in commercial districts and mixed commercial/residential buildings in commercial districts.

An M1-4 district is mapped to the northeast of the Development Site, north of Flushing Avenue and east of Navy Street. M1-4 is a manufacturing district that allows a maximum FAR of up to 2.0 for light industrial and manufacturing uses (Use Groups IX and X), a maximum FAR of up to 6.5 for buildings containing certain community facility uses, and a maximum FAR of up to 2.0 for commercial uses. Residential uses are not permitted. Within the initial setback distance of 20 feet on a narrow street and 15 feet on a wide street, M1-4 districts have a maximum permitted height of 60 feet or four stories, whichever is less. Above these heights, building height is governed by a sky exposure plane, which has a slope of 2.7 to 1 on narrow streets and 5.6 to 1 on wide streets. M1-4 districts do not require accessory parking for most uses.

The Development Site and surrounding area are located within a FRESH zone where zoning and/or discretionary tax incentives are available if a FRESH supermarket is constructed. The surrounding area is also within the Coastal Zone and subject to the New York City Waterfront Revitalization Program. Consistent with this coastal location, based on the 2015 Federal Emergency Management Agency (“FEMA”) Preliminary Flood Insurance Rate Maps (“FIRMs”), a portion of the Development Site is within the 0.2-percent annual chance floodplain and the eastern edge of the Development Site along Navy Street is within the 1-percent annual chance floodplain (Zone AE). New construction must comply with the Flood Resistant Construction requirements of Appendix G of the New York City Building Code.

4. DESCRIPTION OF THE PROPOSED DEVELOPMENT SITE

The Development Site is comprised of two tax lots (Block 110, Lot 25 and Block 111, Lot 1) with a combined lot area of approximately 79,807 square feet. The Development Site is proposed to be merged into a single zoning lot. The Development Site is bounded by Nassau Street to the north,

Navy Street to the east, Concord Street to the south, and Golconda Playground and the elevated BQE to the west. Nassau and Navy Streets are considered wide streets with irregular widths that vary from 81 to 91 feet and 80 to 100 feet, respectively. Concord Street is a narrow street along a portion of the block, but a wide street where it abuts the Development Site.[1] Golconda Playground is a mapped, City-owned parkland under the control of the Department of Parks and Recreation ("NYC Parks").

Lot 1

The eastern portion of the Development Site (Lot 1) is an approximately 55,408 square foot parcel with frontage on Nassau Street, Navy Street, Concord Street, and Golconda Playground. The lot is City-owned under the control of the Department of Education and is improved with an approximately 111,439 square foot, three-story public school building constructed in 1953. The school building is currently occupied by P.S. 287 Dr. Bailey K. Ashford (grades pre-Kindergarten through 5) and Community Roots Charter School (grades 6 through 8). A blacktop with playground equipment, basketball courts, and running track are located in the rear yard to the west of the school building. A parking lot with six spaces is located along the Concord Street frontage to the west of the school building and is accessible from an approximately 18-foot wide curb cut located approximately 230 feet west of Navy Street. The blacktop and parking lot are enclosed by chain link fencing.

Lot 25

The western portion of the Development Site (Lot 25) is an approximately 24,399 square foot parcel with frontage on Nassau Street and Golconda Playground. The lot is privately owned by 240 Nassau Street Holdings, LLC and is improved with an approximately 24,180 square foot, two-story community facility building that is currently occupied and operated by the Madison Square Boys & Girls Club. A small, paved parking lot is located to the west of the building along Nassau Street and is accessible from an approximately 15-foot wide curb cut located approximately 190 feet east of Gold Street. Con Edison has an underground easement for transmission lines that run beneath the parking lot. The parking lot is enclosed by chain link fencing.

5. DESCRIPTION OF THE PROPOSED DEVELOPMENT

The Proposed Development would introduce a total of approximately 1,436,526 square feet (18.0 FAR) of new mixed-use development across four buildings, including a total of 1,277,000 square feet of residential floor area (16.0 FAR), of which 20 percent (255,400 square feet) would be permanently affordable, and approximately 159,526 square feet of combined commercial and community facility floor area (2.0 FAR) as well as 37,050 square feet of new open space, 20,896 square feet of which would be PAA. No accessory parking is required, and none would be provided.

Lot 25 would be redeveloped with a 63-story, 634,500 square foot mixed-use building (Building A) adjacent to Golconda Playground that would include approximately 702 dwelling units, including 104 permanently affordable MIH units, 500 square feet of retail, and 34,000 square feet of community facility space. The building would be set at the street line and rise without setback to a maximum height of 718 feet. Entrances to the residential lobby and ground-floor retail and community facility uses would be located on Nassau Street.

Lot 1 would be redeveloped with three new buildings, including an eight-story, 109,500 square foot school building (Building B) at the corner of Navy Street and Nassau Street, a 73-story, 600,526 square foot mixed-use building (Building C) located at the corner of Navy Street and Concord Street, and an 18-story, 92,000 square foot mixed-use building (Building D) located on Concord Street, adjacent to Golconda Playground. Building B would include approximately 96,000 square feet (121,000 gsf) of school uses as well as 13,500 square feet of retail. The building would be set at the street line and rise without setback to a maximum height of 130 feet. The rooftop of the building would be utilized as an outdoor recreation space for the school. The entrance to the school would be located on Nassau Street. Ground-floor retail space would be located along the Nassau Street and Navy Street frontages.

[1] Pursuant to the definition in ZR Section 12-10, a "wide street" is any street that is 75 feet or more in width. A "narrow street" is any street that is less than 75 feet wide.

Building C would contain approximately 705 dwelling units, including 103 permanently affordable MIH units and 13,526 square feet of retail. The building would be set at the street line and rise without setback to a maximum height of 820 feet. Entrances to the residential lobby would be located on Concord Street and entrances to the ground-floor retail space would be provided on Navy Street.

Building D would contain approximately 95 affordable senior housing units[2], and 2,000 square feet of community facility space. The building would be set at the street line and rise without setback to a maximum height of 235 feet. Entrances to the residential lobby and ground-floor community facility uses would be located on Concord Street.

The new buildings would be connected by 37,050 square feet of at-grade open space (20,896 square feet of which would be PAA) featuring a variety of amenities including ADA accessible pathways, landscaping, seating, lighting and active use features. The proposed open space would restore the connectivity previously provided by the historic street grid to integrate the Development Site with the surrounding area and provide a new gateway to Golconda Playground. The placement of the new buildings establishes midblock visual and physical connections from Nassau Street along the north edge of the Development Site and along Navy Street to the east, linking the site to Golconda Playground to the west, the Farragut Houses complex to the north, and Commodore Barry Park to the east. Both Buildings A and D would contain dwelling units with legally required windows facing Golconda Playground and the Applicants are seeking a determination from the NYC Parks Commissioner pursuant to ZR § 23-381 that Golconda Playground would provide sufficient access to light and air for these required windows.

The PAA would run through the Development Site between the new buildings in the midblock areas and would be open to the public daily from 6:00 AM to 1:00 AM, consistent with typical hours of operation for other public access areas. The PAA would include seating and gathering areas, games and group tables, gardens, and walkways designed to increase neighborhood connectivity to Golconda Playground and integrate the park with the new development. With widths ranging from approximately 10 feet 3 inches to 32 feet 6 inches, the walkways would provide sufficient space for pedestrian circulation while also accommodating the planned open space amenities and passive recreation uses. The walkways would converge at a central yard, which would provide a larger open area within the PAA. In coordination with NYC Parks, two new potential access points to Golconda Playground are proposed including one to the north of the basketball courts along the southern façade of Building A, and one to the east of the basketball courts along the western façade of Building D. These access points would provide a direct connection between the PAA and Golconda Playground, further enhancing pedestrian circulation and neighborhood connectivity. In addition to the provision of the PAA and the new access points, the Applicants would make improvements to Golconda Playground, subject to review and approval by NYC Parks. The contemplated improvements could include redesign and upgrading of the recreational courts, as well as landscaping, fencing repairs, and other improvements that are expected to improve the overall quality and enjoyment of Golconda Playground.

Construction of the Proposed Development would occur in one continuous phase over an estimated 72 months (approximately six years), with full buildout anticipated by 2033. The PAA would be delivered upon completion of the Proposed Development. Prior to commencement of construction, the existing P.S. 287 Dr. Bailey K. Ashford and Community Roots Charter School would temporarily relocate elsewhere within Community School District 13 to allow for demolition and redevelopment of the Development Site.

6. ACTIONS NECESSARY TO FACILITATE THE PROJECT

Several actions are requested in order to facilitate the Proposed Development, including a zoning map amendment, zoning text amendments, and special permit. These actions are described in greater detail below.

[2] The Applicants are engaged in discussions with NYCHA regarding NYCHA's Transfer of Assistance ("TOA") program under the U.S. Department of Housing and Urban Development's ("HUD") Rental Assistance Demonstration ("RAD") program, together with an allocation of Project-Based Vouchers ("PBVs"), to create new senior housing opportunities for existing NYCHA residents in Building D.

1. A zoning map amendment from R6 to C6-12 zoning district to increase permitted density

   The Applicants are requesting a zoning map amendment from R6 to C6-12 to allow a wider range of permitted uses and an increase in permitted density. The proposed C6-12 district has an R12 residential district equivalent and would allow a maximum residential FAR of 18 for qualifying affordable housing, 15 FAR for commercial uses, and 15 FAR for community facility uses. Pursuant to ZR § 23-435, above the maximum base height, a tower with a maximum lot coverage of 65 percent shall be permitted up to a height of 300 feet and 50 percent shall be permitted above a height of 300 feet. No accessory parking is required.

   The Applicants believe that the proposed C6-12 district would be appropriate. City of Yes for Housing Opportunity created new tools that allow developments to achieve an FAR of 12.0 or above in transit-rich areas such as Downtown Brooklyn, effectively removing the previous 12 FAR cap that had constrained high-density residential development. The proposed C6-12 district would leverage these new provisions to facilitate housing production at a density commensurate with the area's transit access and built context, while MIH requirements would ensure the creation of permanently affordable units within the development. While the current R6 zoning district permits residential development, the proposed zoning map amendment would allow a wider range of uses, including commercial uses, which would complement and be compatible with the proposed residential and community facility uses as well as the existing neighborhood context. Additionally, compared to existing R6 zoning, the proposed C6-12 district would allow an increase in the maximum permitted density from 4.8 FAR to 18 FAR. The C6-12 would also allow an increase in maximum base and building heights that would provide the flexibility needed to allow at-grade open space and ensure adequate light and air for building tenants and the surrounding neighborhood.

   The proposed C6-12 zoning district is appropriate at this location given several factors related to the Development Site's physical context and surroundings. The Development Site has frontage on three wide streets – Nassau Street, Navy Street and Concord Street – which are able to handle the proposed changes in use and bulk. The surrounding built context further supports the proposed density. Downtown Brooklyn has experienced tremendous growth and transformation in recent years, solidifying its role as a major mixed-use center, and high-density residential and commercial development is characteristic of the area immediately to the south and west of the Development Site. The Development Site's location at the edge of Downtown Brooklyn, adjacent to the BQE and just south of the Brooklyn Navy Yard, places it within an established context of large-scale development and infrastructure. Moreover, the Development Site is located in close proximity to two mapped parks, and the proposed new at-grade open space (including PAA) would provide additional accessible recreational space and amenities for residents and the surrounding community. The surrounding area is also well served by public transportation, including the York Street (F), High Street (A, C), Jay Street-MetroTech (A, C, F, R), and DeKalb Avenue (B, D, N, Q, R) subway stations as well as the NYC Ferry landing within the Brooklyn Navy Yard and several local bus routes (B57, B62, B67, and B69). The proposed zoning map amendment would facilitate the redevelopment of an underutilized parcel that is well positioned to support new development.

   Given the shortage of City-owned land available for redevelopment and the limitations of public funding, the Development Site presents a significant opportunity for the development of a new state-of-the-art school and new housing, including up to approximately 302 permanently affordable units, while also achieving other City and community priorities including the provision of new community facility, commercial, and open space that would create jobs, introduce new amenities for neighborhood residents, and enliven the surrounding area.

2. A zoning text amendment to modify ZR Appendix F: Mandatory Inclusionary Housing Areas and former Inclusionary Housing Designated Areas for Community District 2, Brooklyn to establish the Development Site as an MIH Area

   The proposed zoning text amendment would establish an MIH Area contiguous with the rezoning area. Within MIH Areas, all housing developments, enlargements, and

conversions that meet the criteria set forth in the MIH program must comply with the requirements of MIH Option 1, Option 2, or Option 3 as described below.

- Option 1: 25 percent of the residential floor area shall be provided as housing affordable to households at an average of 60 percent of the Income Index (AMI), with 10 percent of floor area at 40 percent AMI and no unit targeted at a level exceeding 130 percent of AMI.
- Option 2: 30 percent of the residential floor area shall be provided as housing affordable to households at an average of 80 percent of AMI, with no unit targeted at a level exceeding 130 percent of AMI.
- Option 3: 20 percent of the total residential floor area must be for housing units for residents with incomes averaging 40 percent of AMI and no direct subsidies could be used for these units except where needed to support more affordable housing.

In addition to options above, the City Council may elect to map Option 4 (except in Manhattan Community Districts 1-8), which requires that 30 percent of the total residential floor area must be for housing units for residents with incomes averaging 115 percent of AMI, with no units above 135 percent AMI; and no direct subsidies.

The Applicants propose that 20 percent of the Proposed Development's residential floor area, approximately 302 DUs, be provided as permanently affordable housing. The Applicants propose to map the Development Site with a modified version of MIH Option 1 that would allow 20 percent of residential floor area at a weighted average of 60 percent AMI (302 affordable DUs), with 8 percent of floor area at 40 percent AMI. In the event the Applicants and NYCHA participate in the TOA program under HUD's RAD program (or a comparable affordable housing program), the modified Option 1 would permit a minimum of 15 percent of residential floor area at a weighted average of 60 percent AMI (207 affordable DUs), with 6 percent of floor area at 40 percent AMI, and the remaining 5 percent of residential floor area (95 affordable DUs) would be provided in Building D through the TOA program – together still yielding a total of 302 affordable DUs. In all cases, no unit would exceed 130 percent of AMI. The MIH requirement ensures that a percentage of residential floor area in any future development within the MIH Area is permanently affordable. There is currently no MIH requirement for residential development at the Development Site.

The proposed zoning text amendment to designate the Development Site as an MIH Area is consistent with the policy goals of the City's Housing Our Neighbors: A Blueprint for Housing and Homelessness. The proposed residential development would help provide much-needed affordable residential units in an area in which population is increasing and there is increased demand for residential uses. According to Department of City Planning population projections, Brooklyn is anticipated to have the second highest rate of growth in the City over the next several decades, estimated at 8.8 percent from 2030 to 2050.[3] As population in Brooklyn is expected to experience substantial and steady growth, additional housing is necessary to ensure adequate supply. Moreover, according to the U.S. Census Bureau, 30 percent of households in Brooklyn Community District 2 are rent burdened, spending 35 percent or more of their income on rent.

A zoning text amendment to modify ZR § 74-752 to make the provisions applicable to the Development Site and permit modifications of ZR § 27-10 (Administration of Affordable Housing)

The Applicants request a zoning text amendment to ZR § 74-752 to make the provisions of the special permit applicable to the Development Site and to allow modification of the affordable housing requirements in ZR § 27-10 et seq. The current zoning special permit allows modification of use regulations, MIH requirements, bulk regulations, and parking and loading requirements for developments on land owned by ECF located in C6-9 zoning districts within the Special Downtown Brooklyn District (SDBD). The Applicants propose to expand the geographic scope of ZR § 74-752 to include land owned by ECF located in C6-12 zoning districts within Brooklyn Community District 2 but outside the SDBD, and

[3] Population Projections New York City and Boroughs, 2030 to 2055 (March 13, 2025) https://www.nyc.gov/content/planning/pages/our-work/reports/population-projections

to allow for modifications of the affordable housing requirements set forth in ZR § 27-10. The requested zoning text amendments are consistent with the original intent of ZR § 74-752, which was designed to facilitate the development of educational and community facility uses on ECF-owned land by providing flexibility from standard zoning requirements. Broadening the applicability of this mechanism to encompass additional ECF-owned sites in comparable zoning contexts furthers that purpose and ensures that the special permit framework can serve a wider range of qualifying developments. The requested zoning text amendment would facilitate the modification of affordable housing requirements, bulk regulations, and loading requirements that would provide the flexibility needed to construct the Proposed Development.

3. A special permit pursuant to ZR § 74-752 to allow modification of certain affordable housing requirements, bulk regulations, and loading requirements

A special permit is requested pursuant to ZR § 74-752 to modify (1) in a MIH Area, the affordable housing requirements of § 27-10, including the percentage requirements of MIH Option 1, unit distribution and bedroom mix, and the timing of permit notice issuance and completion of MIH units; (2) other bulk regulations including rear yard, maximum base height, minimum setback, street wall location and distance between buildings; and (3) accessory loading berth requirements. As discussed further in the Statement of Findings, the requested modifications would facilitate the construction of a significant public facility, a new 96,000 square foot (121,000 gsf) school (Building B), and would result in a superior site plan.

Affordable Housing Requirements

ZR § 27-131(a)(3)(i) requires that, under MIH Option 1, 25 percent of a development's residential floor area be permanently affordable at a weighted average of 60 percent AMI with 10 percent of floor area at 40 percent AMI and no unit targeted at a level exceeding 130 percent of AMI. The Applicants propose to map the Development Site with a modified version of MIH Option 1 that would require 20 percent of residential floor area to be affordable at a weighted average of 60 percent AMI (302 affordable DUs), with eight percent of floor area at 40 percent AMI. In the event the Applicants and NYCHA participate in the TOA program (or a comparable affordable housing program), this modified version of MIH Option 1 would permit a further reduction of the MIH Option 1 requirement from 25 percent to 15 percent across the Development Site. Under this scenario, 10 percent of floor area would be affordable in Building A and 5 percent affordable in Building C at a weighted average of 60 percent AMI with 6 percent at 40 percent AMI. This reduction is intended to facilitate the ECF standalone financing of school construction through tax-exempt bonds serviced by revenues from the market-rate residential component.

Pursuant to ZR § 27-151(a), issuance of building permits is contingent on recordation of the MIH restrictive declaration (which occurs simultaneously, and pursuant to ZR § 27-151(b), obtaining a certificate of occupancy is contingent on issuance of a completion notice by HPD. The proposed waiver of these ZR § 27-151 requirements would provide the flexibility needed to allow the construction of the Proposed Development in accordance with its unique financing structure, providing 10 percent of the affordable housing required for the Development Site within Building A and 5 percent within Building C.

Pursuant to ZR § 27-16(b), affordable housing units must be distributed throughout at least 65 percent of the stories of a development, with not more than two-thirds of the units on any story being affordable housing units. Pursuant to ZR § 27-16(c), for the bedroom mix of affordable housing units, at least 50 percent of the units must be two-bedrooms or larger, and at least 75 percent of the units must be one-bedroom or larger, or the bedroom mix between affordable and standard units must be proportional. The requested waiver of these ZR § 27-16 requirements would allow for flexibility in distributing the affordable housing units in Buildings A and C.

Rear Yard, Height and Setback, Street Wall Location and Distance Between Buildings

With respect to bulk modifications, certain modifications of rear yard, base height, setback, street wall location, and distance between buildings regulations are necessary to facilitate the site plan configuration, which is designed to maximize publicly accessible open space and increase neighborhood connectivity to Golconda Playground. Each of the bulk modifications facilitates a building form that produces efficient floorplates, maximizes at-grade open space, and allows for active, inviting ground floor uses.

ZR § 23-342 requires a rear yard depth of 20 feet below 75 feet and 30 feet above; Building A would instead provide reduced rear yards (15 feet below 85 feet and 20 feet above 85 feet) to allow an efficient residential floorplate and unit layout.

Regarding maximum base height and setback, ZR § 23-433 and 33-432 require setbacks above 155 feet for residential buildings and above 85 feet for community facility buildings; portions of Buildings A, C, and D would not provide the required residential setback and portions of Building B would not provide the required community facility setback, in each case to allow efficient floorplates for both the residential units and the school.

ZR § 35-631(c) requires that at least 70 percent of the aggregate width of street walls be located within 15 feet of the street line. As proposed for Building A, the aggregate width of street walls at Nassau Street is 68 percent, 0 percent at Golconda Playground (Central), and 15.4 percent at Golconda Playground (North). For Building C, the aggregate width of street walls at Navy Street is 53.7 percent and 67.3 percent at Concord Street. For Building D, the aggregate width of street walls at Golconda Playground (South) is 0 percent. The proposed modification to reduce the aggregate width of street walls supports the goal of increasing connectivity through the site at the midblocks of Nassau and Navy Streets to Golconda Playground.

Regarding distance between buildings, ZR § 23-371(c)(1) and (c)(2) require a minimum distance of 40 feet between separate residential buildings up to 125 feet tall and a minimum distance of 80 feet at 125 feet or above. For Buildings A and B, the proposed distance is 40 feet and for Buildings B and C the proposed distance is 24 feet, which is less than the required minimum. The proposed modification would allow the standalone school (Building B) to maintain a sufficient floorplate.

Loading Berth Requirements

With respect to loading berth requirements, ZR § 36-62 requires one loading berth for the approximately 27,526 square feet of proposed retail floor area, but no loading berth would be provided. This modification eliminates the need for curb cuts along any bounding street, improving pedestrian safety, and the effects on traffic would be negligible given that the retail floor area only minimally exceeds the loading berth threshold and is distributed across three of the four buildings.

7. CONCLUSION

The Proposed Actions, which include a zoning map amendment, zoning text amendments, and special permit would facilitate a new approximately 1,436,526 square foot mixed-use development with approximately 1,502 dwelling units, including 302 permanently affordable units, a new 96,000 square foot (121,000 gsf) school, local retail, cultural and community facility space, and 37,050 square feet of open space, 20,896 square feet of which would be PAA. The Proposed Development would convert an underutilized site into a vibrant community hub, introducing active uses and critically-needed housing while establishing a connection between Downtown Brooklyn, NYCHA's Farragut Houses campus, and the Brooklyn Navy Yard.