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Uniform Land Use Review Procedure (ULURP) Application

500 KENT AVENUE – 230297LDK, C230293ZMK, C230294ZSK, N230295ZCK, C230296ZSK

IN THE MATTER OF a private application by 500 Kent LLC and United Jewish Organizations of Williamsburg, Inc. for a Zoning Map Amendment, Special Permits, and a CPC Certification to facilitate a 23-story commercial development of approximately 576,200 square feet with 23,000 square feet of waterfront access areas as 500 Kent Avenue in South Williamsburg, Community District 2, Brooklyn.

BROOKLYN COMMUNITY DISTRICT 2

RECOMMENDATION

☐ APPROVE
☐ APPROVE WITH MODIFICATIONS/CONDITIONS
☒ DISAPPROVE
☐ DISAPPROVE WITH MODIFICATIONS/CONDITIONS

RECOMMENDATION FOR: 500 KENT AVENUE - 230297LDK, C230293ZMK, C230294ZSK, N230295ZCK, C230296ZSK

The Project Area is a large irregular lot in between Kent Avenue and Wallabout Channel, at the northeastern corner of the Brooklyn Navy Yard Industrial Business Zone (IBZ). As the Project Area comprises one lot, it is coterminous with the proposed Development Site. The Development Site is currently zoned as M3-1, a heavy manufacturing district which allows heavy industrial uses that generate noise, traffic, or pollutants. This zoning district is original to the 1961 Zoning Resolution, which mapped the Brooklyn Navy Yard and the DUMBO and Williamsburg waterfronts as M3-1, corresponding to the industrial and shipping uses along Brooklyn's working waterfront.

In 2006, the Development Site was included in the establishment of the Brooklyn Navy Yard IBZ. Although the Development Site is outside of the walls of the Navy Yard and is thus accessed directly through Kent and Division Avenues instead of through the gated entryways of the Brooklyn Navy Yard, it is entitled to the same tax benefits, access to business development programs, and commitment from the City to never rezone manufacturing land.

Historically, the Development Site was a power plant, first providing power for the Brooklyn Rapid Transit company and later Consolidated Edison. The power plant operated until 1999, was demolished in 2009, remediated under the Voluntary Cleanup Program in 2014, and sold to the applicant in 2019. Currently, the Development Site is a parking lot for school buses.

In addition to power generation, this portion of what is now the Brooklyn Navy Yard IBZ has a history as a hub for freight and food distribution. A few blocks south of the Development Site stood the Wallabout Market, a major wholesale produce and meat market that operated until World War II, when the Navy Yard expanded and closed the market due to fears of espionage. While it operated, Wallabout Market took full advantage of the local wide streets and waterfront access to transport goods. The Development Site is located a quarter mile north of the former market along Wallabout Channel.

The Development Site is adjacent to the Brooklyn Waterfront Greenway. Along Kent Avenue, the Greenway consists of a two-way protected bike lane and wide sidewalks and is heavily used for both transportation and recreation.

The applicant is proposing a zoning map amendment to rezone the Project Area from M3-1 to M1-5, a City Planning Commission (CPC) certification for waiving waterfront bulk requirements, and a special permit to build a parking garage with 234 spaces. The size of the parking garage was determined by traffic impacts estimated in the Draft Environmental Impact Statement.

The proposed actions would facilitate a 23-story commercial office building with waterfront public access areas along Wallabout Channel.

Borough President Reynoso held a public hearing on this application on March 26, 2024. No members of the public testified or submitted written testimony.

Community Board Position

Community Board 2 voted to approve this application on February 21, 2024, with the condition that the applicant establish a Community Advisory Council in order to monitor and resolve concerns raised by neighbors, the Community Board, and other relevant stakeholders.

Approval Rationale

Borough President Reynoso believes the proposed actions and proposed development are not appropriate.

During the public review process, the applicant and the Department of City Planning (DCP) have presented this proposal in the context of recent residential and commercial development along Kent Avenue, such as the Domino Sugar and Schaefer Landing developments. In no uncertain terms, Borough President Reynoso believes this development pattern has foreclosed any future for manufacturing jobs along Brooklyn's former working waterfront. To continue this development pattern irrespective of integrating manufacturing uses would further erode the possibility of integrating quality jobs and industry into the waterfront.

For these reasons, this application is in conflict with the Comprehensive Plan for Brooklyn's Resilient Infrastructure & Jobs framework, which envisions a working waterfront with active manufacturing uses and takes full advantage of waterborne freight opportunities. In particular, the proposed development is in conflict with Objective 6.1: Maintain and expand opportunities for new manufacturing land. Although the proposed zoning map amendment (M3-1 to M1-5) is not a non-manufacturing district, the proposed commercial development includes no manufacturing floor area and is a dramatic departure from the policy goals of Industrial Business Zones.

Further, Borough President Reynoso is skeptical about the demand for so much commercial floor area given the high rates of commercial vacancy across the city and in commercial developments in the Navy Yard in particular. One prominent example is Dock 72, a 675,000 square foot commercial office building located within the Navy Yard that was only 42 percent occupied as of September 2023. In January 2024, WeWork, one of Dock 72's anchor tenants, negotiated reduced rent and a shorter lease term. Dock 72

has similar pitch as the proposed development in this application: offering a new center for industries such as "technology, design, food, and film" in contrast to the old shipyards surrounding. Borough President Reynoso believes that the Dock 72 development is a cautionary tale for this application. The applicant has stated that they have not conducted a market analysis that shows demand for office space in this area, stating that such an analysis would be premature at this stage of pre-development. The City's stock of land is a finite resource. Realistically, once manufacturing land is gone, it is gone forever. And the City does not have a record of or plans to create more manufacturing land. As demand fluctuates, we must maintain land dedicated to these uses that are less compatible with housing and commercial office uses.

While private developers invest money at their own risk, Borough President Reynoso is concerned that such a major non-industrial development would set a precedent for future development and land use decisions at this site in particular, and within IBZs and along the waterfront in general. In these locations, office uses, absent allocating space for manufacturing uses, are inconsistent with the goals of Industrial Business Zones and the Borough President's vision for a working waterfront configured for multimodal freight infrastructure.

Borough President Reynoso is sensitive to concerns that, absent this rezoning proposal, the Development Site could be developed into a last-mile warehouse under the existing M3-1 zoning. Borough President Reynoso shares concerns about the unregulated proliferation of last-mile warehouses across the borough, particularly when concentrated in environmental justice communities such as Red Hook. As outlined in the Comprehensive Plan for Brooklyn, the Borough President supports efforts to move freight off trucks and on to rail, water, and micro-mobility vehicles such as e-cargo bikes. The Borough President reiterates his support for a new CPC special permit for last-mile warehouses, as requested in his recommendation for the City of Yes for Economic Opportunity Zoning Text Amendment.

Mitigating the impacts of last-mile warehouses requires a multi-pronged approach. Such an approach includes taking a fair share lens to the siting of both new infrastructure as well as conventional last-mile facilities. In this light, the Development Site's location on Wallabout Channel could present an opportunity, rather than a threat. Recently, the City announced six new "waterfront shipping hubs" to transfer freight directly from barges to cargo e-bikes and small delivery trucks, obviating the need for large 53' trucks common at conventional last-mile warehouses. The Development Site is well-situated for both barge and cargo e-bike traffic, due to its proximity to Wallabout Channel and the Brooklyn Waterfront Greenway. If executed successfully, a waterfront shipping hub could reduce the severity and danger of traffic generated on site by guaranteeing that most vehicles would be micro-mobility vehicles rather than conventional sedans, SUVs, and trucks that are projected to drive to the commercial offices towers as proposed. A micro-distribution site and market at this location would also match the historic precedent of the Wallabout Market, which was located at the foot of Wallabout Channel just a quarter mile away. Borough President Reynoso recommends that instead of facilitating the construction of a commercial office tower, the Economic Development Corporation (EDC) assess this site for inclusion in the waterfront shipping hub initiative.

Recently, Borough President Reynoso reviewed and expressed a recommendation to approve a project at 41 Richards Street in Red Hook, which, like this application, sought a zoning map amendment to an M1-5 district to facilitate a denser development with less onerous parking requirements. However, unlike this application, the applicant at 41 Richards Street has committed more than 75 percent of the floor area to light manufacturing uses that are complementary to the manufacturing uses in the nearby IBZ. While M1-5 districts offer desirable flexibility regarding bulk and parking requirements, the proposed project at 500 Kent reveals a fundamental weakness in the City's zoning approach with regard to use regulations in manufacturing districts: flexibility without a firm requirement to maintain and reinforce the manufacturing character of these zones.

As such, this application underscores key shortcomings identified in the Borough President's recommendation for the City of Yes for Economic Opportunity zoning text amendment (ZEO), which proposes new options for loft-style bulk regulations but insufficient restrictions for non-industrial uses. In ZEO, DCP is proposing a new framework for manufacturing districts. Under this framework, the existing

M3-1 zoning at 500 Kent Street is analogous to new "core" districts characterized by large lot sizes, heavy industrial uses and performance standards, and proximity to the waterfront and rail infrastructure. The analogous district for the M1-5 district proposed at 500 Kent are the proposed "growth" districts, which in DCP's words "mimic" the use mix of today's M1 districts. One of the Borough President's concerns with this new framework is that DCP is fostering continued uncertainty by proposing these districts without mapping any and providing corresponding spatial analysis and precedents for future applications.

In his recommendation for ZEO, the Borough President asked: what happens if a developer proposed a growth district in an existing core industrial area? Would DCP consider such a proposal appropriate for certification, and if so upon what criteria would the agency base this decision? 500 Kent suggests an answer: even after the announcement of this new manufacturing framework, this application would chip away at the remaining core waterfront industrial land within an IBZ.

As such, Borough President Reynoso echoes his recommendation for ZEO: "Many existing core industrial businesses are dependent upon waterfront and/or rail access, which the Borough President wants to encourage in order to address impacts of truck traffic on our communities. It is critical that we retain core industrial space for these uses, as well facilities that may have environmental or safety impacts or loading requirements that would impact their neighbors." The Borough President recommends that the City Planning Commission and City Council disapprove this application.

Recommendation

Be it resolved that the Brooklyn Borough President, pursuant to Sections 197-c and 201 of the New York City Charter, recommends that the City Planning Commission and City Council disapprove this application.

April 17, 2024

BROOKLYN BOROUGH PRESIDENT

DATE