

## **Brooklyn Borough President Antonio Reynoso**

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City Planning Commission
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## **Uniform Land Use Review Procedure (ULURP) Application**

47 HALL STREET REZONING - C250050ZMK N250051ZRK

IN THE MATTER OF a private application for a zoning map amendment to rezone 47 Hall Street from M1-2 to M1-6A/R8 and M1-5 and zoning text amendments to add Special Mixed Use District 27 and to designate a Mandatory Inclusionary Housing (MIH) Area to facilitate an approximately 816,000 SF mixed-use building with 285,000 SF of commercial space, a self-storage facility, 611 dwelling units (including 153 to 183 affordable units), and 60 accessory parking spaces in the Wallabout neighborhood of Brooklyn Community District 2.

### **BROOKLYN COMMUNITY DISTRICT 2**

| RECOMMENDATION  |   |  |
|---|---|--|
| <ul><li>□ APPROVE</li><li>□ APPROVE WITH MODIFICATIONS/CONDITIONS</li></ul> | <ul><li>□ DISAPPROVE</li><li>☑ DISAPPROVE WITH</li><li>MODIFICATIONS/CONDITIONS</li></ul> |  |

RECOMMENDATION FOR: 47 HALL STREET REZONING - C250050ZMK N250051ZRK

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 <u>disapprove this application with the following conditions:</u>

- 1. Retention of industrial uses and quality jobs on site, and removal of the self storage use
- 2. Further improvements to streetscape and urban design
- 3. Deeper and increased affordability, including more housing production on buildings C and D

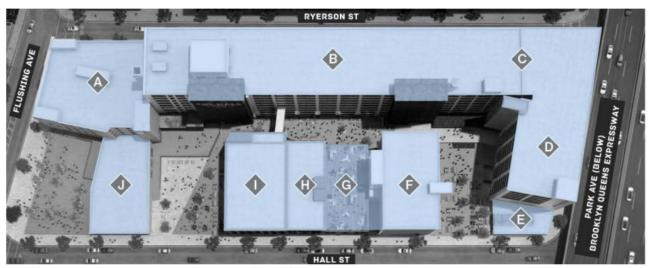
| LLX-                       | May 2, 2025 |
|----------------------------|-------------|
| BROOKLYN BOROUGH PRESIDENT | DATE        |

RECOMMENDATION FOR: 47 HALL STREET REZONING - C250050ZMK N250051ZRK

## **Project Description**

The Project Area is bounded by Flushing Avenue, Ryerson Street, Park Avenue (northerly portion), and Hall Street. The entire Project Area is mapped in an M1-2 zoning district and has been since the adoption of the Zoning Resolution in 1961. The Project Area is within Brooklyn Community District (CD) 2, which is entirely located in the Transit Zone. The Project Area and blocks to the east and west of the Project Area between Flushing and Park Avenues have been zoned an M1-2 zoning district since the adoption of the Zoning Resolution in 1961. The Project Area is located across the street from the Brooklyn Navy Yard and is adjacent to Park Avenue/Brooklyn-Queens Expressway (BQE).

The Development Site, located within the Project Area, comprises the full block bounded by Flushing Avenue to the north, Ryerson Street to the east, Park Avenue to the south, and Hall Street to the west, in the Wallabout neighborhood within CD 2. The Development Site has a total lot area of approximately 113,833 SF. The Development Site is improved with 10 existing former manufacturing buildings (Buildings A through J) that date back to as early as 1889, with the most recent one constructed in 1927. In total, the existing buildings contain approximately 532,258 SF of zoning floor area (FAR of 4.68).



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The Applicant undertook an extensive renovation of these building after acquiring the site in 2016 to create a fully integrated modern commercial campus. Portions of the Development Site have recently been licensed by the NYC Health and Hospitals Corporation for temporarily operating a Humanitarian Emergency Response and Relief Center (HERRC), which is expected to terminate this later this spring.

The Proposed Development as a mixed-use campus would retain eight of the existing 10 buildings. Buildings A and J would be demolished to create a new infill development opportunity, while renovations would be made to facilitate a mixed-use conversion on buildings B and E through I. Buildings C and D are anticipated to function as a self-storage facility in both the no-action and with-action alternatives.



A significant aspect of this proposal involves demolition and infill. Located at the northernmost portion of the Development Site with full block frontage on Flushing Avenue, existing Buildings A and J would be demolished for development of a new mixed-use building with ground-floor retail and residential units on the upper floors (as shown in building A in the diagram above). The new mixed-use building would contain approximately 393,280 SF of zoning floor area, of which approximately 381,220 SF would be residential floor area and 12,060 SF would be commercial retail floor area. It would provide approximately 464 new dwelling units, including approximately 116 to 139 permanently affordable housing units in accordance with the applicable MIH requirements.

The remaining aspects of the project focus on conversion and retrofitting to facilitate new retail and residential uses. Fronting on Ryerson Avenue, the existing Building B, a nine-story structure, would be converted to a residential building containing approximately 154,950 SF of zoning floor area. Building B would be gut renovated to accommodate approximately 147 dwelling units, including approximately 37 to 44 permanently affordable housing units in accordance with the applicable MIH requirements. The primary residential lobby entrance would be accessed from the courtyard located at the rear of the building. The first two floors of the building would be occupied by the proposed accessory parking facility with a capacity of approximately 60 spaces. The proposed accessory parking facility would be accessible via an existing curb cut on Ryerson Street. Buildings E, F, G, H, and I would provide addition retail, commercial, and office/maker spaces for the campus.

The applicant has also indicated a number of improvements to the internal courtyard and surrounding streetscape including plantings, seating, and lighting.

# **Community Board Position**

Community Board 2 voted to conditionally approve the application on March 31, 2025, with the following conditions:

### **Increase Affordability**

- Increase the number of affordable units to 35% of the total
- Increase the number of 2BR and 3BR units to at least 30% of all units
- Increase the number of 40% AMI units to 20% of affordable floor area

## **Improve Local Transit**

 The developer is requested to pay for the installation of bus shelters with countdown clocks on Hall Street at both Park and Flushing Avenues. The developer is requested to work with NYC DOT to provide a public forum to discuss other
multimodal transit concerns that a development of this scale is likely to introduce to the
neighborhood. For example, the developer is encouraged to advocate for banning left turns
from Park Avenue onto Hall Street, for the benefit of current and future residents.

## **Increase Equity and Local Benefit**

- The Developer must publicly share their plans for hiring and training locally for construction, and encourage commercial operators at the site to do the same for future retail, service, and management jobs.
- Commit to equal housing quality for market-rate and affordable units;
- Set aside a percentage of affordable units for local NYCHA residents; and
- Demonstrate accountability for past projects in the Community District.

## **Borough President ULURP Hearing and Public Comment**

The Borough President held a hearing on this item on March 26, 2025. Six members of the public provided testimony at the hearing, and the Borough President's Office received 11 written testimonies via email.

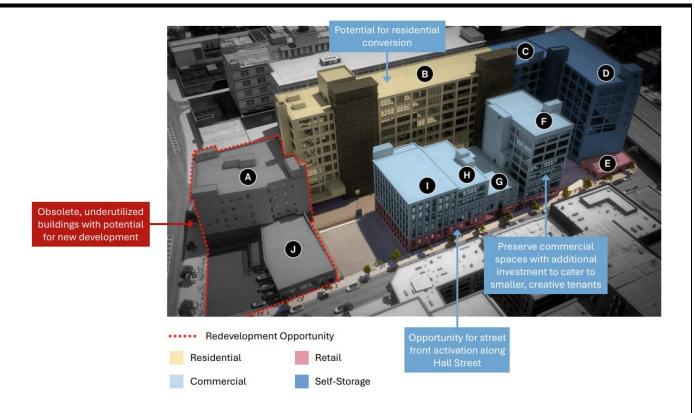
## **Approval Rationale**

The Borough President believes the proposed actions are inappropriate. The Development Site's existing manufacturing zoning and context and the proposal's lack of a meaningful affordable housing commitment are incompatible with the 2023 Comprehensive Plan for Brooklyn's Objective 6.1 to maintain and expand opportunities for new manufacturing land, with special focus to withhold support for manufacturing-to residential rezoning proposals inside Industrial Business Zones (IBZs) and their surrounding ombudsman areas zoned for manufacturing uses. Given the proximity to the Brooklyn Navy Yard as an essential IBZ, the Borough President does not support the proposed zoning change on this site.

### **BUILDING CONVERSION**

The proposal for residential conversion on Building B brings up important policy questions and considerations. Chapter 5, Section 15-01 of the Zoning Resolution outlines the applicability for residential conversions within existing buildings. While the building identified within the proposal would predate the qualification date of having existed on December 10, 1997, with the development site containing 10 commercial buildings originally built between 1890 and 1927, this does not fully encapsulate the spirit of limitations on conversions.

Chapter 5, Section 15 lays out the goals for allowing conversions "to provide for adequate returns to property owners by allowing more profitable residential or community facilities with sleeping accommodations uses with a limited mix of commercial and manufacturing uses." The qualification date is intended to prevent new buildings from being developed for one use with the expressed intent to swiftly change use. The Applicant invested more than \$105 million in capital upgrades to modernize building lobbies, improve building grounds, update building windows and elevators, and overhaul the building's HVAC, fire, and safety systems to be in compliance with the NYC energy code.



Given the level of investment in this building prior to lease-up in 2019, conversion of this building's use would run contrary to these policy goals. Zoning, especially for manufacturing uses, should not be modified on such a short cycle to accommodate or facilitate a return to a developer who knowingly took a risk on bringing a new building or product to market. There is little difference in spirit between the renovated building the Applicant has brought forth and a new construction. As such, conversion in use and function of the building is unwarranted given the considerable speed of consideration of a change in use after a recent re-investment.

Though the post-COVID office market has presented challenges for the Applicant in lease-up, the use of the site as a HERRC licensed with the City of New York to temporarily house migrants has allowed for the Applicant to generate revenue on the campus. The Applicant has cited declines in market demands following the pandemic, limitations for potential industrial tenants given site constraints, and competition from the neighboring Brooklyn Navy Yard. These factors are all tangible risks in making investments in real estate in New York. The zoning should not be used to bail out a bad business decision, certainly without accounting for the loss of manufacturing space, encouraging a campus that produces high-paying jobs, and garnering substantial public benefits in the process.

Though claims have been made by the applicant that conversion helps to retain the historic manufacturing building stock, it does not generate a job intensity nor retain enough industrial uses to retain the heritage of the site. It would be shortsighted to lose these viable industrial buildings in an area anchored by other industrial and manufacturing uses.

### **URBAN DESIGN & STREETSCAPE IMPROVEMENTS**

The Borough President agrees with Community Board 2's attention to urban design and streetscape improvements, and requests that the Applicant undertake the much-needed bus/transit improvements, lighting and pedestrian safety projects, daylighting, and activation of the proposed plaza.

#### **JOB INTENSITY & QUALITY**

One element that remains the same between the no-action and proposed action is the self-storage at buildings C and D. The area is already served by self-storage facilities. Further, self-storage facilities are not job intensive uses and require few workers per square foot.

The long-term economic impact of the proposal does not pan out. The loss of industrial and manufacturing land, even in the context of a stronger Brooklyn Navy Yard, has significant implications, particularly when coupled with concerns raised by community members about the lack of employment benefits, competitive wages, and conditions for the jobs the Applicant proposes. Members of 32BJ testified in opposition of the project given the lack of a commitment to union jobs. The Borough President agrees--as a site is intended for job-intensive uses, the applicant has not exhausted all strategies to improve the volume, diversity, and quality of the jobs available on the site, especially including the building and campus support staff that should all be high-quality union jobs.

#### LEVEL OF AFFORDABILITY AND HOUSING PRODUCTION

The arguments around the opportunity for housing production at this site fall short as a result of the inclusion of a self-storage facility. Why not include more housing, especially more affordable housing throughout the campus? The plan defers on this component of the site plan without a real commitment to integrate nor activate this corner of the campus closest to the BQE. The proposal has not yet included enough affordable housing to warrant conversion of this land from job-producing uses.

Finally, the Borough President encourages the City Planning Commission to evaluate the loss of manufacturing land in Brooklyn as a result of private, City-led, and State-led actions. While the Department of City Planning is in the process of producing a citywide industrial plan, it is important to assess the potential tradeoffs on this site as well as the impact to the broader manufacturing and industrial sectors across the borough and throughout the city. Housing production must not come at the cost of job-producing lands. A well-paying job is an important pathway to more affordable housing.

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