

Downtown Revitalization Initiative

Application Template

Applications for the Downtown Revitalization Initiative will be received by the Regional Councils. Applicant responses for each section should be as complete and succinct as possible. Applications must be received by the New York City Regional Economic Development Council (REDC) by **4:00 PM on June 14, 2017**. Submit your application as a Word Document to NYC-DRI@esd.ny.gov.

BASIC INFORMATION

Regional Economic Development Council (REDC) Region: New York City

Municipality Name: New York City

Downtown Name: Southside Williamsburg

County: Kings County

Vision for Downtown. Provide a brief statement of the municipality's vision for downtown revitalization.

The Southside of Williamsburg is a diverse, vibrant, predominantly Hasidic and Latino neighborhood plagued by high asthma rates, noise pollution, and a lack of open space. The Brooklyn-Queens Expressway (BQE), a six-lane sunken highway that cuts through the neighborhood, is a major contributor to these afflictions. The proposed project, which studies a four-block depressed section of the BQE that runs through the Southside of Williamsburg, would add roughly two acres of park space and reconnect a community that was bisected by the creation of the BQE in the mid-20th century. A series of neighborhood workshops identified high need in community health, exacerbated by traffic exhaust and the lack of easily accessible open space in the study area as a result of the BQE buildout. As a result, the neighborhood has among the highest asthma rates in the city and among the lowest amount of open space per capita.

These impacts correlate negatively to the economic landscape in the project area. Unlike the Northside of Williamsburg, which has seen increased economic development and small business creation as a result, in part, to more accessible waterfront parks, the Southside of Williamsburg has, despite the influx of capital, lagged. This project, by creating a centralized focal point to anchor future economic development and growth, will be an incentive for investment, revitalization, and equitable development.

In Greenpoint and Williamsburg, levels of PM2.5 – the most harmful air pollutant — are the eight highest in the city with 10.1 migrans per cubic meter. Poor air quality, while improving over the past several decades, is causing health problems, particularly among those in positions of vulnerability such as children, seniors, and those with preexisting health conditions. According to a 2011 study from SUNY Downstate Medical Center, the Bushwick and Williamsburg area has the highest number of asthma hospitalizations for adults and children in Brooklyn and New York City. To illustrate the difference, in Williamsburg and Bushwick, people over 65 were hospitalized for asthma at three times the rate of other Brooklyn senior residents. Asthma however, is not the only threat to Brooklyn Community District 1 (CD 1) health. Obesity, which can lead to a series of health problems such as diabetes and heart disease, is three times the rate in Greenpoint and Williamsburg than in Stuyvesant Town and Turtle Bay, and so is diabetes. Choosing not to imminently find ways of reducing these startling health inequities has wide socio-economic consequences for both the city and the nation as a whole. According to the Allergy Foundation of America, asthma is the fourth leading cause of absenteeism and presenteeism in the country; it is also associated with \$8 billion in lost earnings due to illness or death. The need

for more open park space is undeniable; the BQ Green is a viable solution to public health crisis faced by the community, which at the same time will create a more desirable, healthy downtown for both families and businesses.

Justification. Provide an overview of the downtown, highlighting the area's defining characteristics and the reasons for its selection. Explain why the downtown is ready for Downtown Revitalization Initiative (DRI) investment, and how that investment would serve as a catalyst to bring about revitalization.

The BQ Green reconnects neighborhoods that have been divided by the BQE since its construction in the mid-20th century. The lack of accessible open space in CD 1 has not only contributed to high rates of asthma and obesity, but also, it has negatively affected the neighborhood's economic landscape. The construction of the park will yield economic, environmental, and social benefits to the area, and city as whole. The park could generate an increase in property values, net local sales, and simultaneously mitigate the negative externalities of the highway (i.e., noise, contamination, lack of safe open space). With the forthcoming population growth and in the midst of the neighborhood's renaissance — which have been highly concentrated on the waterfront — the downtown area merits investments.

DOWNTOWN IDENTIFICATION

This section should be filled out with reference to the list of desired attributes for participation in the DRI as set forth in the DRI program description.

1) Boundaries of the Downtown Neighborhood. Detail the boundaries of the targeted neighborhood, keeping in mind that there is no minimum or maximum size, but that the neighborhood should be concentrated and well-defined. Core neighborhoods beyond a traditional central business district or downtown are eligible, if they can meet other criteria making them ripe for investment. Attach a map that clearly delineates the downtown neighborhood.

The Downtown Neighborhood is defined by Marcy Avenue to the west, Rodney Street to the east, Borinquen Place/Grand Street to the north, and Broadway to the south. The Williamsburg Bridge ends two blocks from the site impacting the northern border.

2) Catchment area. Outline why the downtown, or its catchment area, is of a size sufficient to support a vibrant, year-round downtown, with consideration of whether there is a sizeable existing or increasing population within easy reach for whom this would be the primary downtown destination.

Approximately two acres in size, the project would nearly double the amount of open space in the surrounding area, and support a growing population that has surpassed 170,000. According to data from the American Community Survey, the population of CD 1 has increased 17.53 percentage points from 2000 to 2015; as a result, partly due to the City's 2005 rezoning and the recent influx of capital, the district will continue to see a drastic increase in its population. The downtown area alone — comprised by census tracts 513, 523, 525, 527, 549, and 551 — has increased its population from 2011-2015 by 7.23 percentage points. In the near future, development projects as diverse as the \$1.5 billion Domino Sugar Plan on Kent Avenue and the

\$100 million plan for a mixed-use development site adjacent to the Williamsburg Savings Bank, will house thousands of new residents and create hundreds of thousands of new commercial space.

With .06 acres per 1,000 residents, CD 1 ranks near the bottom of the list in open space per capita. Despite the proposed rezoning and efforts by the City to add new park space, the population increase that will come from the recent and future developments will inevitably elevate the need for more open park space.

The downtown area of Southside Williamsburg is easily accessible from other sites of Brooklyn and Manhattan via bus, train, and car. The area is served by J, M, and Z trains at Marcy Avenue; J and M trains at Hewes Street; G train at Bedford-Nostrand avenues, and is less than a mile away from the L train at both Bedford Avenue and the G and L trains at Lorimer Street. Via car or train, the Lower East Side of Manhattan can be reached in less than 10 minutes. Ferries also run to Manhattan along the East River. The BQE handles approximately 160,000 vehicles per day (AADT) through Brooklyn according to New York State Department of Transportation (NYSDOT).

3) Past Investment, Future Investment Potential. Describe how this downtown will be able to capitalize on prior or catalyze future private and public investment in the neighborhood and its surrounding areas.

Since the 2005 rezoning, Brooklyn Community Board 1 (CB 1) has seen a tremendous influx of capital from the public and private sector: In Greenpoint, the City has worked with private investors to develop The Greenpoint Landing Project, a 22-acre waterfront development, which will include residential, retail, open park space and a public school; in the Southside, at the former Domino Sugar Factory, private developers will add an 11-acre mixed-use space, which includes housing, office, and recreational spaces aimed at being completed in 2018. This flood of investments in the real estate arena has been parallel to investments in transportation, which intend to facilitate even further access to, from, and within CD 1. The introduction of ferry service along the East River and the ongoing discussions on the BQE exemplify investments in this area.

The BQ Green project will capitalize on both prior and future investments in CD 1. This project will further enhance commercial activity and access to open park space in the community, with a particular focus, however, on the often lagging behind Southside neighborhood, which, compared to the Northside, has 15 times less park space per person.

A series of neighborhood workshops conducted by the Friends of the BQ Green Coalition have involved the community to create awareness around the BQ Green project. In 2010, then-City Council Member Diana Reyna allocated \$100,000 to commission an impact analysis of the proposed project area. Since then, the Office of Brooklyn Borough President Eric L. Adams has allocated a total of \$2 million to advance the construction of the BQ Green; the Speaker of the New York City Council has committed \$5 million toward the project, and the City has invested resources into the area through the Million Trees program in an effort to create safer streets with bulbouts or neckdowns, pedestrian islands, and bike lanes.

The analysis commissioned by then-City Council Member Reyna quantified and conservatively projected the fiscal benefits to the neighborhood and New York City as a whole, generated by project implementation. Among the assumptions made were a four-year construction period and a 10-year phase-in for benefits commencing at the first year of buildout.

Among the findings in the analysis was a great potential for new development and redevelopment of existing properties within the real estate impact area. The park could potentially generate a net gain of \$16 million in property value over a 10-year period for the six city blocks of land surrounding its proposed location, assuming an annual gain in value at one percent above the anticipated baseline annual three percent growth rate. Land values are expected to increase from \$116 million in fair market assessed value to \$171 million. This incremental growth assumption is conservative compared to research conducted by the National Recreation and Park Association on the economic impacts of parks on real estate values, which proposes that proximity to a park can add as much as 20 percent marginal value to existing property.

To evaluate commercial activity and retail sales in the area, the aforementioned study identified a Retail Comparison Area around Myrtle Avenue in Fort Greene, Brooklyn. This neighborhood has benefitted from recent revitalization efforts and local retailers have experienced increased sales as a result. The number and distribution of retailers in the Economic Analysis Study Area mirrors the retail environment in the Myrtle Avenue corridor, yet the sales per square foot are almost \$300 less in the Study Area.

The insertion of a signature open space has the potential to revitalize commercial activity in this area. Assuming retail spending could increase by five percent in a stabilized year, net local sales would increase by more than \$5 million a year. This would generate \$225,000 in annual sales tax for the City in a stabilized year, assuming City tax receipts are 4.5 percent of gross sales.

Rezoning in other sections of Williamsburg led to increased development. In 2006, the City's Department of City Planning (DCP) rezoned major sections of Williamsburg as part of the City's plan to encourage development along the edges of the East River. Included in this effort was the rezoning of several city blocks of mostly one-story outmoded industrial buildings in the area immediately north of the Real Estate Impact Study Area to allow for residential use. This rezoning resulted in a boom of new residential development along Grand, Hope, Keap, and South Fourth streets. Similarly, the area around the Bedford Avenue stop on the L train has experienced vast amounts of growth over the past decade, with significant multi-family construction generated following the 2006 rezoning. In contrast, the aforementioned study found that within the real estate impact area, already predominantly zoned for residential use, only two new residential buildings that have less than eight units each have been created.

There is great potential for new development and redevelopment of existing properties within the surrounding footprint of the project. For this study, the quantified real estate impacts were limited to the six city blocks immediately adjacent to the proposed BQ Green site. This immediate area has not seen the waves of development that many other areas in northern Brooklyn have experienced in the past decade. This area has many undeveloped or underdeveloped lots that could allow for new development under both current zoning and potential up-zoning.

Lots abutting the west side of the BQE also have significant potential for development. Low-rise buildings, parking lots, and empty lots typify this area. There are several residential buildings but their locations are scattered. The area west of the BQE has 420,000 square feet of undeveloped building area. Furthermore, a realignment of the functionality of the New York City Transit Authority (NYCTA) bus depot at the base of the Williamsburg Bridge could result in an additional 270,000 square feet of buildable area under existing zoning. The area to the east of the BQE has a tangible residential character as most lots have existing residential structures. This area has the capacity to have an additional 70,000 square feet of development under existing zoning based on a soft-site analysis.

The study proposed two development scenarios: one with existing zoning and the other with an area west of the BQE upzoned to 6.0 floor area ratio (FAR). The proposed upzoning would stem from the completion of the BQ Green project as the capping of the highway and the development of the park would spur new development in

the area immediately surrounding the site. Our findings conservatively estimated that 25 percent of all new development is attributable to the introduction of the park.

At the existing zoning of 3.4 FAR in most of the Real Estate Impact Study Area, a total of 760,000 square feet of buildable area can be developed leading to a \$23 million in incremental land value. Of that total, \$16 million is on private land and \$7 million is on public land owned by the NYCTA and the US Postal Service (USPS).

Greater development potential would result from upzoning. The area to the west of the BQE is significantly underdeveloped but is adjacent to an area zoned for more dense development. To assess the economic potential if the area west of the BQE is fully rezoned, the study analyzed a scenario under which the western portion of the Real Estate Impact Study Area is upzoned through a density bonus to an FAR of 6.0. A total of 860,000 square feet of additional buildable area (in addition to the 760,000 square feet in the base scenario) would be generated through the implementation of a density bonus. Through that development scenario, \$87 million is an attributable increment resulting from the park development of which the public would capture \$26 million through the value of public land owned by the NYCTA and the USPS and density bonuses.

An FAR of 6.0 would lead to an urban context with buildings between six and 12 (or more) stories tall, depending on setbacks and lot areas. This level of development could support a more mixed-use environment with more commercial property development and larger multi-family properties. The development of larger floor plates for commercial use is feasible in the western portion of the study area as the combination of soft-sites would result in the development of larger building areas. Higher density development is not out of context with the area. Several buildings are as many as eight to 10 stories and still appear appropriate.

These economic benefits would produce significant fiscal benefits for the City of New York. The study concluded that over a 30-year period, using the City's discount rate of 6.25 percent the present value of the project's cost for construction would be significantly offset by the present value of municipal revenues from the project (\$95 million). This results in a net project cost of \$48 million.

Under current zoning, the study projects \$45 million in benefits to be generated in discounted net present value (NPV) assuming a 30-year discount period and a discount rate of 6.25 percent. Comparatively, the up-zoned development scenario produces \$95 million in discounted value assuming a 30-year discount period and a discount rate of 6.25 percent. This would offset more than two-thirds of the NPV of the project costs. This benefit is reduced by \$30 million if the NYCTA land is not included in the cost-benefit analysis, which brings the benefits down to 45 percent of the NPV of projected costs.

4) Recent or impending job growth. Describe how recent or impending job growth within, or in close proximity to, the downtown will attract professionals to an active life in the downtown, support redevelopment, and make growth sustainable in the long-term.

According to NYC Planning Study on Employment Patterns in New York City, northern Brooklyn has experienced sizable job gains. Given its short proximity to Manhattan, CD 1 has experienced a growing tourism economy, which has been accompanied by a growth in arts, dining, entertainment, hotels, and retail. In addition, the district has also experienced growth in the construction industry.

According to the analysis commissioned by then-Council Member Reyna, BQ Green would be a catalytic project for a neighborhood in need. The introduction of new park space and its mitigation of the physical effects of the highway would generate both quantitative and qualitative benefits for the neighborhood and city with direct, indirect, and induced economic effects on Williamsburg, totaling approximately \$245 million. Construction activities would create 200 annual construction jobs over the four-year construction period and generate an additional 135 jobs in New York City through the multiplier economic activity spurred by construction spending.

5) Attractiveness of physical environment. Identify the properties or characteristics that the downtown possesses that contribute, or could contribute if enhanced, to the attractiveness and livability of the downtown for a diverse population of varying ages, income, gender identity, ability, mobility, and cultural background. Consider, for example, the presence of developable mixed-use spaces, varied housing types at different levels of affordability, walkability and bikeability, healthy and affordable food markets, and public parks and gathering spaces.

The BQE was built in segments from 1939 to 1960, and upon its completion, left a divided Williamsburg neighborhood that still feels the impacts to this day. Prior to the BQE's completion, this neighborhood was a hub of banking and a middle- and working-class community. Despite the trench and the bisecting of the Williamsburg community, the neighborhood has become a hub of retail corridors along Broadway and Borinquen Place, while also supporting households of mixed-income. However, a distinct challenge as the population has grown in the project area has been the dearth of safe open space, congested pedestrian and cycling environments, and increasing strain on the affordable housing stock.

The proposed development could manifest itself in a number of ways. Residential or mixed-use development is the most obvious choice, but other options include retail or commercial centers or even a hotel. The area's proximity to public transportation combined with a dearth of hotels in the area make using one of the soft-sites to create a 100+ room hotel a smart option. The proposed transformation of Williamsburg Savings Bank to a catering hall, concert space, and art gallery will further improve the area's suitability for a new hotel.

6) Quality of Life policies. Articulate the policies in place that increase the livability and quality of life of the downtown. Examples include the use of local land banks, modern zoning codes, comprehensive plans, complete streets plans, transit-oriented development, non-discrimination laws, age-friendly policies, and a downtown management structure. If policies achieving this goal are not currently in place, describe the ability of the municipality to create and implement such policies.

Policies to increase neighborhood livability include the recent adoption of the Quality and Affordable Zoning Text Amendment, which enhances the development of ground floor commercial space by allowing developers to provide more height for ground floor retail space without compromising the ability to use all of the property's zoning square footage. For properties placing the second floor at least 13 feet above the sidewalk level, five extra feet is added to the maximum height.

Brooklyn Borough President Eric L. Adams has supported additional policies that would also enhance development in the project area. These include: (1) a residential upzoning of the Broadway corridor, which would incorporate a mandatory affordable housing component as well as introduce mandatory height limits and mandatory ground floor street activation through retail and community uses; and (2) the decking of the Williamsburg Bridge Plaza, which could provide for any combination of commercial and residential development. The City could initiate zoning and site disposition proceedings to implement both policy recommendations. The added parkland as outlined in the BQ Green project would complement these initiatives.

The New York City Department of Transportation (DOT) has committed to developing Complete Streets throughout New York City, and in particular in Williamsburg where the growth of cycling over the Williamsburg Bridge alone from 2010-2015 grew by 18 percent. Borough President Adams has also created a Connecting

Residents on Safer Streets (CROSS) initiative, in which he has allocated capital funding to build safer streets for pedestrians, cyclists, and motorists alike.

Recent policy proposals to reroute the M line train service to midtown Manhattan has also increased the attractiveness of the Broadway corridor by removing the need to otherwise transfer

7) Support for the local vision. Describe the public participation and engagement process conducted to support the DRI application, and the support of local leaders and stakeholders for pursuing a vision of downtown revitalization. Describe the commitment among local leaders and stakeholders to preparing and implementing a strategic investment plan. Identify an initial local lead for the program that will work with outside experts to convene a local DRI Planning Committee to oversee the plan.

The Friends of BQ Green is a nonprofit fiscally sponsored by Open Space Alliance for North Brooklyn that supports the development of the new park with volunteers, financial resources, and advocacy. Working in partnership with a number of community organizations based on the Southside of Williamsburg and partner organizations in Brooklyn and the rest of New York City, the organization is committed to run volunteer and membership programs; raise private and institutional funds to supplement public funds; act as a champion for the BQ GREEN project, and help maintain and activate Marcy Green and Rodney Park, which are part of the site of the future park. Since its inception, the BQ Green member organizations including the Brooklyn Arbor School, Churches United for Fair Housing, El Puento, El Puento Academy for Peace and Justice, Mothers Out Front, Southside United HDFC, New Yorkers for Parks, Nuestros Niños, Open Space Alliance for North Brooklyn, and St. Nicks Alliance have worked toward engaging a number of different constituencies to support the revitalization of the catchment area and creating awareness around the public health crisis that calls for the immediate construction of the park. With the backup of local leaders, such as Council Member Antonio Reynoso, the organization is prepared to conduct and implement a strategic investment plan.

8) Readiness: Describe opportunities to build on the strengths described above, including a range of transformative projects that will be ready for implementation with an infusion of DRI funds within the first one to two years (depending on the scope and complexity of the project) and which may leverage DRI funding with private investment or other funds. Such projects could address economic development, transportation, housing, and community development needs. While such projects should have demonstrated public support, it is recognized that projects will ultimately be vetted by the Local Planning Committee and the State. Explain how the majority of projects proposed for DRI funding demonstrate their readiness for implementation.

The Friends of the BQ Green is a project that has been on the works for 10 years and that counts with widespread community support. DRI funds will put us in a better position to advocate for funding, as it will expand and update our previous feasibility study and supplement our community findings and suggestions with an ongoing strategic investment plan. The DRI designation brings the unique opportunity to capitalize on previous investments made in the district and the advances in funding commitments from government sources. Most important, it will bring attention towards the importance of equitable development. The Southside of Williamsburg is a vibrant community that deserves as much open park space and economic opportunities as the Northside of Williamsburg; channeling resources to the downtown area of the CD 1 Southside neighborhood will be key to facilitating equitable and sustainable growth.

9) Administrative Capacity. Describe the extent of the existing local administrative capacity to manage this initiative, including potential oversight of concurrent contracts.

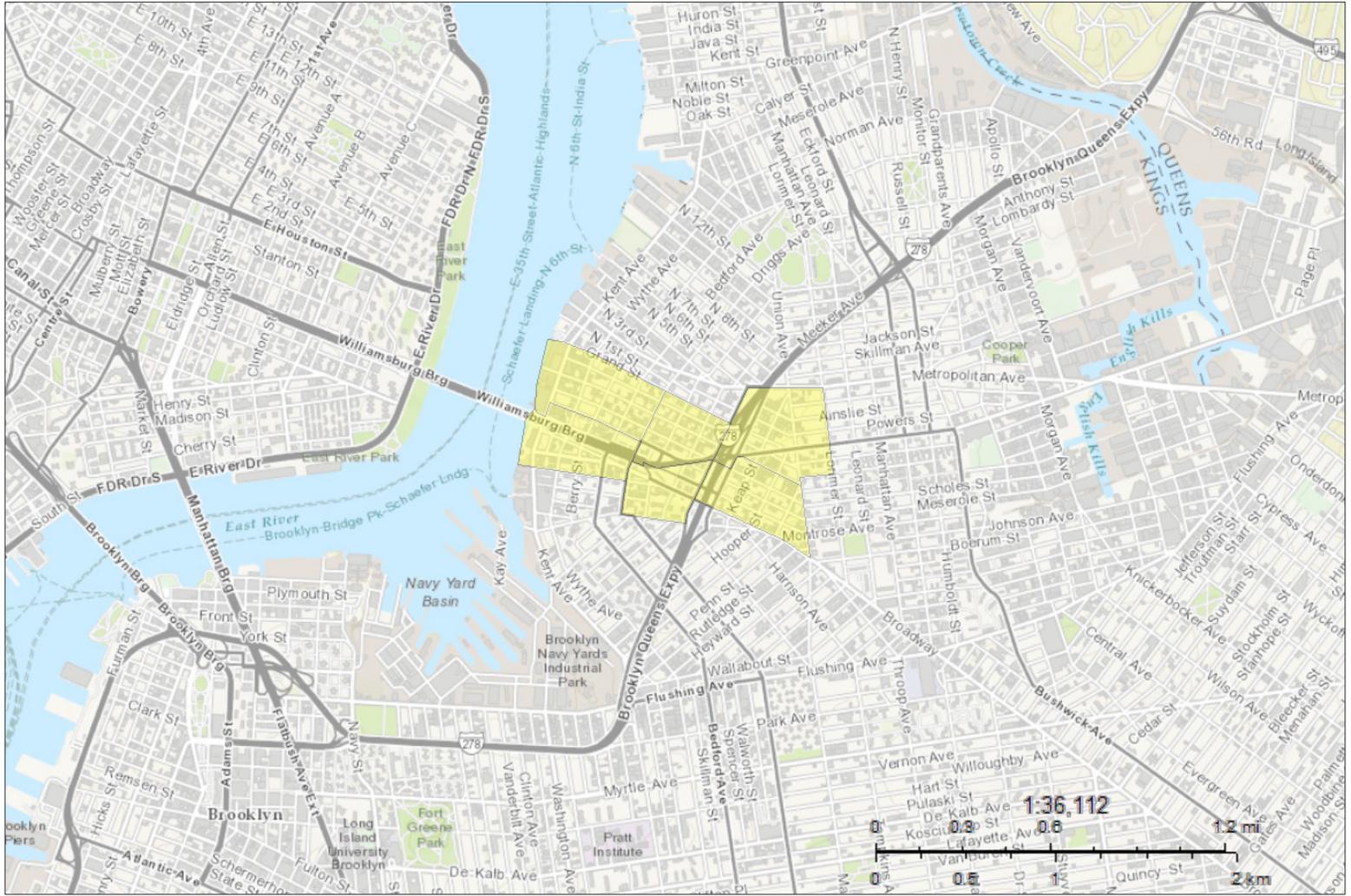
The Friends of the BQ Green is composed of a variety of organizations that have the capacity to ensure that the interests and priorities of the community are reflected in the planning process and the resulting recommendations of the Strategic Investment Plan. The coalition is willing to allocate the resources and the expertise needed to facilitate the process of developing the DRI plan.

Southside United HDFC, one of member organizations of the Friends of the BQ Green, is an anchor institution that has been in the field for 45 years. They have been successful in guiding strategic investments related to affordable housing development in the area. In collaboration with a widespread of constituencies and along with the support of the private and public sector, they have pushed forward development and rehabilitation projects, and managed multiple government contracts to deliver community, tenant organizing, and social services. Their engagement with the community has allowed them to touch the lives of over 20,000 community residents on a yearly basis; they, as all of the other member institutions of the Friends of the BQ Green, are eager to participate in this initiative while lending their resources.

10) Other. Provide any other information that informed the nomination of this downtown for a DRI award.

[Click here to enter text.](#)

*Don't forget to attach a map that clearly delineates the downtown neighborhood. (See item 1.)



Legend:

Your Selections

2015 boundaries were used to map 'Your Selections'

Selection Results

No Legend

Boundaries

No Legend