In the Matter Of an application submitted by Phipps Houses pursuant to Sections 197-c and 201 of the New York City Charter for a zoning text amendment to designate the Project Area as a Mandatory Inclusionary Housing ("MIH") area, Borough of Queens, Community District 2, as shown on a diagram (for illustrative purposes only) dated October 8, 2020, and subject to the conditions of CEQR Declaration E-573. (Related ULURP #200243 ZMQ)

Public hearing:
A public hearing was held by the Queens Borough President via Zoom webinar and livestreamed on www.queensbpo.org on Thursday, December 17, 2020 at 10:30 A.M. pursuant to Section 82(5) of the New York City Charter and was duly advertised in the manner specified in Section 197-c (6) of the New York City Charter. The applicant made a presentation. There were three (3) speakers in favor with none (0) against. The hearing was closed.

Consideration:
Subsequent to a review of the application and consideration of testimony received at the public hearing, the following issues and impacts have been identified:

- This applicant is proposing to amend Appendix F of the Zoning Resolution designating and establishing the proposed rezoning area as a Mandatory Inclusionary Housing (MIH) Area;

- The applicant has also concurrently filed another application (ULURP #200243 ZMQ) to rezone an existing M1-1 District to a R6A District. The area to be rezone is bounded by the southern boundary of the Long Island Rail Road (LIRR) right-of-way, to the frontage of the lot on Barnett Avenue between 50th and 52nd Streets. The proposed rezoning would facilitate construction of a new affordable housing development;

- The applicant is proposing to develop a 161,065-SF (2.5 FAR) residential building. The main portion of the proposed building would be 7-stories at the central portion and 5-stories on the western and eastern ends. The proposed building would provide 167 units of 100% affordable housing for low- to moderate-income households under MIH Option 1 (50% of units @ 60% AMI and 50% @ 110% AMI). The planned development would have 170 on-site parking spaces (59 tenant spaces and 111 public spaces), and approximately 5,323-GSF community facility and/or nonprofit office space. The ground floor would include maisonette style apartments with rear yards and a residential lobby along Barnett Avenue;

- The proposed development site (Block 119, Lot 143) to be rezoned is an approximately 64,366-SF irregularly-shaped lot. The rear lot line abuts the LIRR right-of-way with an 560 feet frontage on Barnett Avenue, 60 feet side lot line on 50th Street and a 150 feet side lot line on 52nd Street. The property is located in an M1-1 District. Phipps Houses has owned the property since the 1950s. The site is currently used as a 223-space public parking lot accessed by driveways at the eastern and middle portions of the site. The only structure on the site is a 375 SF parking attendant booth;

- The 600-ft radius of the surrounding area includes a mix of residential, light industrial, and transportation-related uses, with some vacant land, commercial/mixed-use, and open spaces; the surrounding zoning districts include M1-1, R5B, and R4 Districts. Phipps Houses operates a residential apartment building across the street from the proposed development site. The Sunnyside Planned Community Preservation District is mapped to the south and west of the development site. Sunnyside Gardens Park, a privately-owned park, located 450 feet southwest of the development site includes a ball field, picnic area, running track and other amenities. Subway service for the area are available at the Northern Blvd station (M and R trains), 46th St-Bliss Street station (7 train), and the Q104, Q32 and Q18 bus lines;

- In 2015, Phipps Houses filed applications for similar zoning map and text amendments (ULURPs # 160103 ZMQ and N160101 ZRQ) for a proposed 7 to 10-story, 220-unit affordable housing project on the Development Site. Following City Planning Commission approval of the application, Phipps Houses withdrew the applications. The applications were withdrawn in part because of opposition to the project related to concerns raised about Phipps Houses operation and maintenance of Sunnyside Garden Apartments. Public testimony at the time of the first application included concerns about the applicant's role as landlord, citing persistent pest, mold and garbage conditions in and around the Sunnyside Gardens development as well as critiquing the rent-affordability levels of the proposed new development;
COMMUNITY BOARD 2 (CB 2) held a public hearing on the applications on November 18, 2020. Twenty-four (24) people gave public testimony – nineteen (19) were opposed to and three (3) were in favor of the application. The public testimony addressed concerns such as: the applicant’s maintenance and operation as the landlord of Sunny Side Garden Apartments; pest, mold, and trash issues throughout Sunny Side Garden Apartments; need for deeper AMI affordability levels; and the need for additional School and transportation capacities to meet new demand related to the new development;

CB 2 conditionally approved this application by a vote of twenty-eight (28) in favor with thirteen (13) against and zero (0) abstaining at a public hearing held on December 3, 2020. CB 2’s conditions were as follows: the applicant should adhere to a CB 2 Resolution to enforce the Sunny Side Garden Apartments Improvement Plan; pursue all available financing and equity options to preserve affordable housing within the Development; conduct annual apartment inspections and a survey to tenants in Sunny Side Gardens and the Development; and change the top-tier affordability level from 90% AMI to 80% AMI;

At the Borough President Land Use Public Hearing on December 17, 2020, there were three (3) speakers in favor of the application. The speakers in favor cited the applicant’s commitment to improving conditions at the Sunny Side Garden Apartments, and that the applicant must be held accountable to their commitment, that the building service jobs should go to area residents who are members of SEIU 32BJ, in addition to affordable housing the development should also provide bicycle parking and EV charging stations. In their presentation, the applicant reiterated their commitment to continue working with CB2 and the community to make repairs and improve substandard conditions at the Sunny Side Garden Apartments as outlined in the Sunny Side Garden Apartments Improvement Plan. The applicant stated they have started to implement the improvement plan by posting a notice to hire a sixth full-time maintenance porter, deep-cleaned the Laundry Room, and repaired to the Laundry Room doorstop. The applicant intends to finalize the improvement plan with the Sunny Side Gardens Tenant Association to ensure needs are being met and correction outstanding building violations. The applicant also has a signed development agreement and letter of support from 32BJ SEIU; well as continuing communications with the community on the new proposed project;

A draft copy of the Phipps Sunny Side Garden Apartment Improvement Plan was submitted to the Borough President. The plan identifies short- and long-term actions that are to be completed over the next year upon finalization of the plan with the Sunny Side Garden Apartments Tenants’ Association. The development team last met with the Sunny Side Garden Tenants’ Association on December 4, 2020.

RECOMMENDATION

The applicant has demonstrated a willingness to address issues that have been raised in relation to this and previous affordable housing development proposals. To date the applicant has worked with the tenant’s association on short- and long-term service and repair commitments, reduced the building heights from the earlier proposal, and has support from 32BJ SEIU for the proposed development. The project will provide much-needed affordable housing and community facility space.

Based on the above consideration, I hereby recommend approval of this application with the following conditions:

- The applicant should extend affordability of the project to the lower AMI bands;
- As many larger family sized units should be provided as possible;
- The community facility space should be provided at a discounted rate to make it affordable to community groups or organizations providing service to the neighborhood in need of space;
- Construction on the site should include sustainable energy efficient technology and materials wherever possible in the building and the grounds;
- There should be a 30% goal of hiring MWBE businesses, local labor and small contractors used on this project during and after construction. The developer should also engage local organizations for job readiness training and capacity building programs to raise opportunities for area residents and businesses. There should be regular monthly reporting on the achievement of these goals;
- The Sunny Side Gardens Improvement Plan should be finalized before these applications are approved. The applicant should then meet regularly with all stakeholders including the Queens Borough President’s Office, the tenants association, CB 2 and elected officials to assure that the short- and long-term milestones outlined in the plan are met.

[Signature]

PRESIDENT, BOROUGH OF QUEENS

1/6/2021

DATE