FOR THE RECORD

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Testimony of Paul Lipson, President, Barretto Bay Strategies Before the NYC Council Subcommittee on Dispositions

February 26th, 2018 2:00 PM

Good afternoon. My name is Paul Lipson and I am Principal at Barretto Bay Strategies, an urban solutions consulting firm. I speak today on behalf of *The Peninsula*, a dramatic re-imagining of the former Spofford Youth Detention Facility into a vibrant, mixed-use campus and artisanal food manufacturing cluster, featuring a health and wellness center, fresh food grocer, new film production studio, and much-needed affordable and deeply affordable housing for the Hunts Point neighborhood.

I have spent nearly all of my 30 year career in Hunts Point, the community where the *The Peninsula* will be constructed. From 2004-2011, I served as Chief of Staff to Congressman Jose E. Serrano (NY-15), a 12-term Democrat and senior appropriator from The Bronx, NY who represents the 15th congressional district, which includes Hunts Point. Earlier in my career, together with Maria Torres, I co-founded and led The Point Community Development Corporation, a pioneering CDC based in Hunts Point. Founded in 1994, the organization launched the South Bronx Greenway, initiated the revitalization of 8 acres of scatter-site brownfields, redeveloped two significant industrial parcels, launched a creative sector business incubator in the historic American Banknote Building, and led local community consensus-building around land use and waterfront issues in the Hunts Point peninsula.

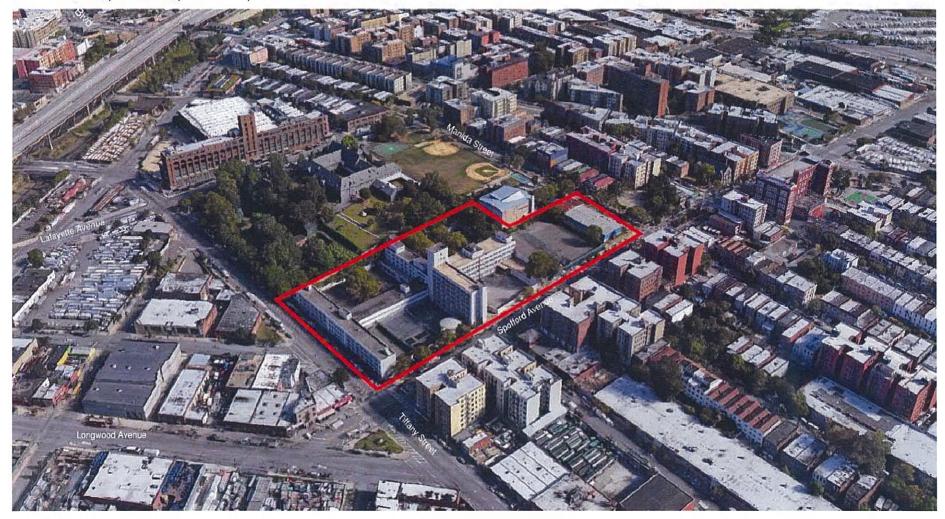
What is especially appealing about *The Peninsula* is its unusually bold and nearly unprecedented approach to community development. By embedding living wage jobs in food manufacturing and other growing sectors of the South Bronx economy in a new residential community, the project seeks to move beyond the zero-sum struggle between industry and affordable housing and instead seeks to achieve synergies between high-road employment, housing development, and amenities for residents and workers, alike. *The Peninsula's* development team has forged a model

that leverages more than a quarter century of organizing, small business incubation, and community development work by The Point, Mothers on the Move, Casita Maria, Urban Health Plan, and other like-minded organizations in South Bronx.

Working diligently with a broad and remarkably varied group of stakeholders, including local food manufacturers, working artists, and educators, the development team has crafted a site program and design inspired and informed by long-held plans and aspirations advanced by the neighborhood's community-based organizations. A planned food manufacturing corridor featuring South Bronx-based MBE manufacturers, a new home for acclaimed modern dance company Arthur Aviles Typical Theater, an expanded La Peninsula Headstart facility, and an Urban Health Plan wellness center all highlight homegrown South Bronx institutions that have succeeded against tremendous odds. Each in its way celebrates the life, culture, and achievements of the Hunts Point community and its institutions. Further, this approach will help ensure that new development will benefit long-time residents and organizations that have remained in their community through its years of adversity.

By offering policymakers a new model for ensuring the coexistence of affordable housing, the arts, and homegrown small businesses, *The Peninsula* is a timely response to those who contend that community development is a zero-sum transaction. As a City, we should ask for no less in all our revitalized communities.

Live | Work | Grow | Create





















Barretto Bay Strategies





Land use and Zoning Actions

- Disposition of City-owned property by ground leases from the New York City Department of Citywide Administrative Services to Developer, or affiliated entities, pursuant to Section 197-c(10) of the New York City Charter;
- A zoning map amendment to rezone a portion of the Development Site from an R6 district to an M1-2/R7-2 Special Mixed-Use District;
- A zoning text amendment to Section 123-90 of the Zoning Resolution of the City of New York ("ZR") to establish a Special Mixed Use District on a portion of the Development Site;
- A zoning text amendment to create new Map 1 for Bronx Community District 2 in Appendix F of the Zoning Resolution to designate the Development Site as a new Mandatory Inclusionary Housing area;
- A zoning text amendment to ZR §74-745(b) to enable the City Planning Commission to issue a special permit to waive
 loading berth requirements for zoning lots in large-scale general developments in Special Mixed Use Districts located in
 Bronx Community District 2;
- A large-scale general development special permit pursuant to ZR §74-74 to allow: (i) modifications of height and setback regulations (ZR §123-662(a)(1)) in connection with Buildings 1B, 2A, 2B and 3; (ii) modification of minimum distance between building regulations (ZR §23-711) in connection with Buildings 1A and 1B; (iii) modification of rear yard regulations (ZR §23-47) in connection with Building 2A; and (iv) modification of loading berth requirements (ZR §44-52); and
- A zoning authorization to allow modification of the required width of curb cuts (ZR §25-631(e)(2)) pursuant to ZR §25-631(f)(2).
- ULURP Application Numbers: 180121 ZMX, N180122 ZRX, 180123 ZSX, 180124 ZSX, N180125 ZAX and 180126 PPX



Environmental Impact Statement (EIS)

MITIGATION - TRANSPORTATION:

- Eight of the twelve study area intersections would require one or more measures to mitigate significant impacts identified in the FEIS, limited to the modification of traffic signal phasing and/or timing, modification of roadway striping, and/or modification of parking regulations to add an additional travel lane. These measures would be implemented by DOT.
- One of the twelve study area intersections, specifically the intersection of Spofford Avenue and Tiffany Street, would require the installation of a new signal to mitigate significant impacts identified in the FEIS. The Project Sponsor would be responsible for funding the cost and installation of the new traffic signal.
- The northbound Bx6 and southbound Bx46 would require one additional bus during the weekday AM peak hour, respectively, and the northbound Bx46 would require four additional buses during the weekday AM and PM peak hours, respectively. The general policy of NYCT is to provide additional bus service where demand warrants, taking into account financial and operational constraints.
- Significant adverse impacts would be fully mitigated at all intersections with the exception of two lane groups at one intersection (Bruckner Boulevard at Hunts Point Avenue) during the weekday AM peak hour, and one lane group at one intersection (Spofford Avenue at Manida Street) during the weekday PM peak hour. No measures could be implemented to fully mitigate these lane groups without resulting in new impacts at one or more other lane groups and/or resulting in extensive vehicle queuing at the intersections.

MITIGATION - CONSTRUCTION NOISE:

- The Project Sponsor will commit to constructing a 12 foot high perimeter noise wall around each construction area. The wall will be lined with quilted fiberglass to improve sound absorption and reduce construction noise levels at surrounding properties.
- The Project Sponsor will commit to providing an on-site acoustical enclosure for concrete mixing trucks. Concrete mixing trucks will be enclosed on three sides (with the open side facing north into the construction work area) during concrete mixing and pouring as well as wash-down. The enclosure will be constructed either from plywood with quilted fiberglass on the inner faces or from an approved alternate material.



Project Mission

Project Mission: The Peninsula is a dramatic re-imagining of the former Spofford Youth Detention Facility into a vibrant, mixed-use campus. The vision for the new Peninsula Campus is both community driven and community focused. With our community partners, the development team seeks to better serve the local community with access to a pipeline of new jobs, new affordable housing, programs in the arts and wellness, and programmed public open space.

The Peninsula seeks to:

- Incubate, support, and sustain homegrown food manufacturing, technology, media production, and commercial/retail uses that spring from growing sectors in the South Bronx economy and create highquality, living wage, & career-oriented jobs
- Create new mixed-use, mixed-income development, anchored by affordable housing and food manufacturing jobs
- Forge and expand connections to new and existing community services and amenities within the campus through an imaginative design that is carefully conceived with a community-driven site plan

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Economic Development & Jobs

Project Investment and Hiring Goals

- \$300+ Million Total Development Costs
- 35% MWBE Target
- Construction and Non-Construction positions (property maintenance, hires by prospective tenants in light manufacturing building and ground floor uses e.g. bakery, grocery store, catering company)

Community Partners and Hiring Coordinator

- HireNYC City initiative to connect low income New Yorkers to employment opportunities; collaboration with local Workforce1 Center
- Workforce training and recruitment opportunities through community partners: Urban Health Plan, Bronxworks and Sustainable South Bronx. Referrals from other community groups including actively working with CB2 veterans committee and City and State organizations to engage veterans on job opportunities.
- M/WBE & Local Hiring Coordinator on site, in the field: facilitate communications between local hires and contactors, maintain lists of MWBEs and individuals to share with contractors, track hiring process, produce reports on MWBE/hiring goals
- Outreach currently underway to build a hiring pipeline









Our Partners – Light Industrial, Commercial and Community

Non-residential Program

- 50,000 SF light industrial space
- 15,000 SF commercial space
- 53,500 SF community facility space
 - Existing Head Start Facility to be relocated into new expanded approximately 15,000 GSF interior space & 5,000 GSF private outdoor space
- A minimum of 54,380 SF of publicly accessible open space across all three phases of development



Space Type	Use	Anticipated Tenants ¹	W/MBE	Bronx Location	Non Profit	Space Size	Phase
		Il Forno Bakery	Yes	Yes		9,500	
	Food Production, Retail	Bascom Catering	Yes	Yes		5,700	
Light Industrial		TBD				4,100	
	Beverage Production, Retail	Hunts Point Brewing	Yes	Yes		8,600	Dhasal
	Media, TV Production	Lightbox NY film studio		Yes		17,000	Phase I
Community	Artist Workspace	Space Works			Yes	7,500	_
Community	Artist Workspace	Bronx Academy of Arts & Dance (BAAD)		Yes	Yes	5,900	
Commercial	Bank, Financial Services	Spring Bank		Yes		4,500	
	Higher Ed/Job/Skill Training	TBD				5,000	
C	Artist Workspace	The Point CDC	Yes	Yes	Yes	5,000	Phase II
Community	Early Education, Childcare	Daycare Facilty ²		Yes		15,000	
	Health Care Facility, Medical	Urban Health Plan	Yes	Yes	Yes	16,000	Dhara III
Commerical	Grocery	Super Fi Grocery	Yes			10,000	Phase III

^{1.} Anticipated tenants have provided letters of interest to date and are subject to change.

Housing Overview

Residential Program

- 740¹ 100% affordable rental units
 - 183 units in Phase 1
 - 363 units in Phase 2
 - 194 units in Phase 3
- At a minimum CB2 residents have 50% preference per HPD policy

- 45% of units family sized (2BR, 3BR, 4BR)
- 80% of units at or below 60% AMI
- Maximum AMI level served of 90%³
- 10% set aside for formerly homeless families per HPD term sheet

Unit Distribution

	Studio	1 BR	2 BR	3 BR	4 BR	Building Total	
Building 1A	0	0	0	0	0	0	0.00%
Building 1B	36	63	60	24	0	183	24.73%
Building 2A	53	84	43	43	0	223	30.14%
Building 2B	34	36	42	22	6	140	18.92%
Building 3	40	53	70	31	0	194	26.22%
Project Total	163	236	215	120	6	740	

22.03% 31.89% 29.05% 16.22% 0.81%

Notes:

- Includes 4 super's units, one 2 bedroom unit per residential building. Unit mix is subject to change.
- 2. The project will comply with the requirements of HPD's current ELLA program requirements and have 10% of the units per building set aside for formerly homeless households.
- 60% of AMI \$40,080 Individual, \$57,240 Family of four,
 90% of AMI \$60,120 Individual, \$85,860 Family of four

Average Unit Areas

Unit Type	Average SF (Based on Building 1B)	HPD Target SF
Studio	396	350 - 400
1 BR	507	500 - 550
2 BR	725	650 - 725
3 BR	928	850 - 950







Rents and Affordability

Unit Affordability

	Formerly Homeless	30% AMI	40% AMI	50% AMI	60% AMI	80% AMI	90% AMI	Total Units
Studio	18	18	18	18	55	18	18	163
1 BR	22	21	22	21	108	21	21	236
2 BR ¹	22	22	21	22	81	21	22	211
3 BR	12	12	12	12	48	12	12	120
4 BR	0	1	1	1	2	1	0	6
Total	74	74	74	74	294	73	73	736
	10.05%	10.05%	10.05%	10.05%	39.95%	9.92%	9.92%	100.00%

Notes:

- 4 Super's units removed from the total 2 Bedroom count, one in each residential building.
- · Unit mix is subject to change.

Illustrative Rent Schedule

Unit Type	30% AMI	40% AMI	50% AMI	60% AMI	80% AMI	90% AMI
Studio	\$396	\$563	\$730	\$897	\$1,090	\$1,233
1 Bedroom	\$426	\$605	\$784	\$963	\$1,374	\$1,553
2 Bedroom	\$522	\$736	\$951	\$1,166	\$1,659	\$1,874
3 Bedroom	\$595	\$843	\$1,091	\$1,339	\$1,909	\$2,157
4 Bedroom	\$692	\$969	\$1,245	\$1,522	\$1,937	\$2,214

Notes:

- Based on 2017 Area Median Income (AMI) for NYC
- RENTS shown above are set at 30% of APPROXIMATELY the middle of each band and (subject to change)



Lottery for housing will be done per building through NYC Housing Connect.

The development team has hosted housing connect seminars and will continue to offer these workshops to assist the community in preparing for the housing lottery (for this project and any other project offered on housing connect).

Building Amenities

Residential Building Amenities*

- Dishwasher, hard wood floors, built in unit energy efficient air-conditioning and heat within every unit
- In building laundry generous folding tables, baskets and washer/dryers
- Wi-fi in all common areas of the building
- Communal gym with cardio and weight lifting equipment
- Children's playroom (in close proximity to the laundry room)
- Amenity room with access to exterior private terrace
- Sustainably built buildings with solar panels on the roof and potential rain water harvesting
- Refuse rooms on every floor for easy trash and recycling disposal
- Bike storage on site
- A minimum of 260 underground parking spaces will be provided on site for residents and their guest, commercial tenants and the community

*Amenities are for building occupants and their guests.







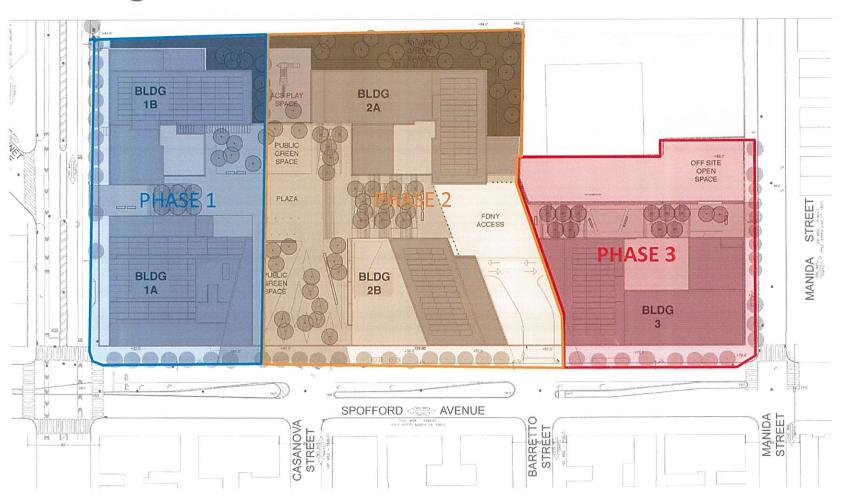
Site Plan



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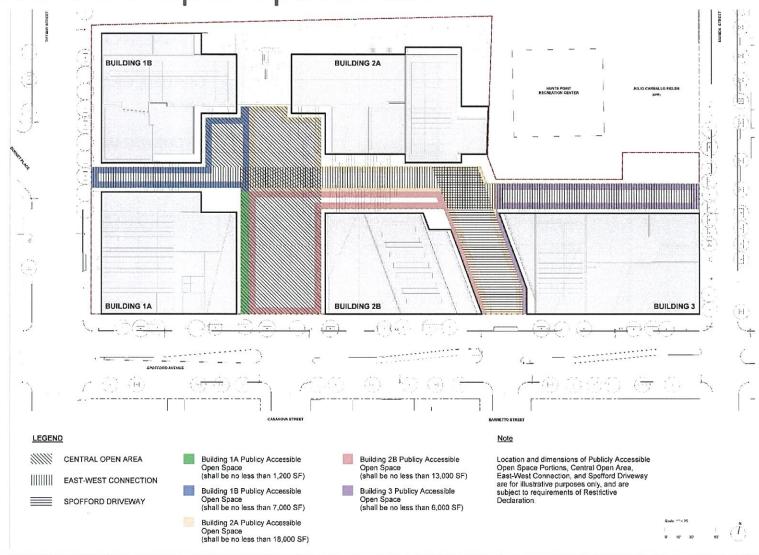
Phasing Plan





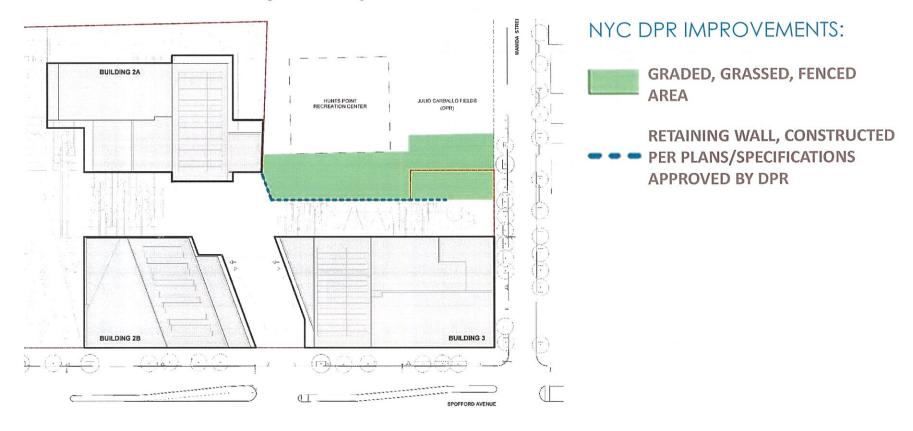


Overview Open Space Plan



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DPR Off-Site Open Space Plan



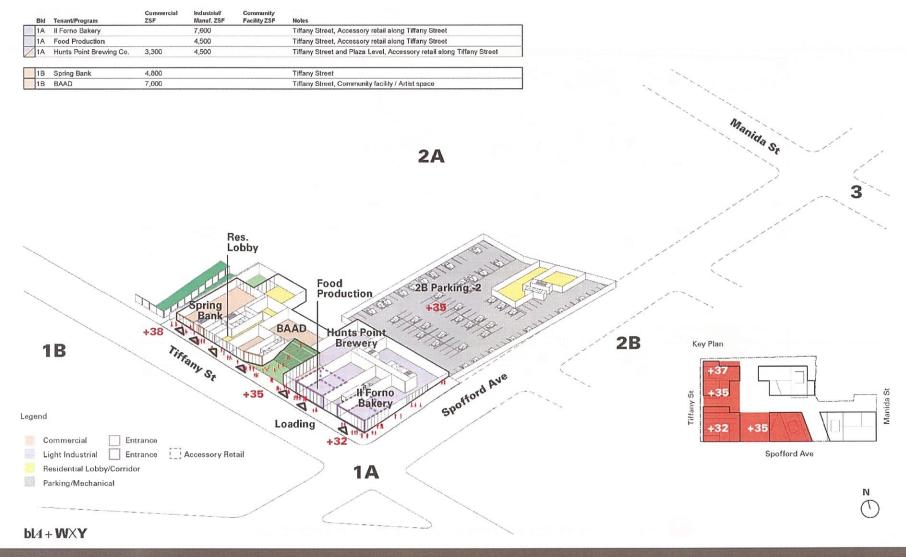
Notes: At the time of completion pursuant to Section 3(a)(vi)(C) of Restrictive Declaration, the DPR Improvements shall include improvements of no less than 14,388 SF of lot area. Location and dimensions of Retaining Wall and Graded, Grassed, Fenced Area are for illustrative purposes only and are subject to plans and specifications approved by New York City Department of Parks and Recreation (DPR).

Security

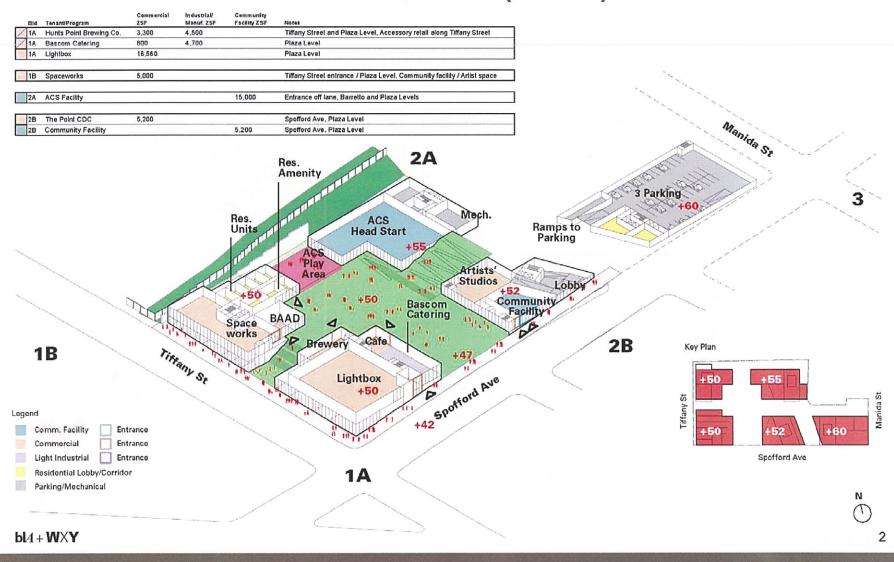




Ground Floor Uses – Level 0 (Tiffany Street)

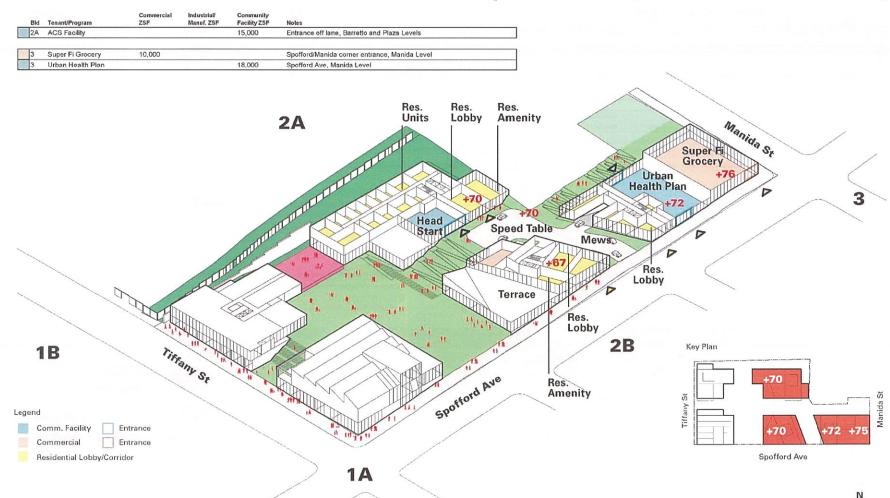


Ground Floor Uses – Level 1 (Plaza)





Ground Floor Uses – Level 2 (Barretto, Manida Street)



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Address: 826 Broadway, 11th Floor
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