

October 9, 2014

NEGATIVE DECLARATION

Project Identification

Location: North and south sides of E. 162nd Street between Melrose and Elton Avenues, Bronx NY
Block 2383, Lots 19 and 39 (formerly Lots 19, 25, p/o 27, p/o 29, 30, 31, 35, 37, 39, 8900)
Block 2384, Lots 1, 5, 9, 10, 12-14, 16, p/o 20, 25, 28, 32-34, 38, p/o 48, 51, 53, 54, 57-60, 8900, 8901

CEQR No. 14HPD030X

SEQRA Classification: Unlisted

Name and Description of Proposed Action

Melrose Commons North:

The proposal involves an application by HPD, on behalf of the project sponsors, Blue Sea Development, WHEDCo, Phipps Houses, The Briarwood Organization, and The Bridge, for approval of several discretionary actions (collectively, the "Proposed Actions") including the disposition of City-owned property, zoning map amendments, City Map amendments, amendments to the Melrose Commons Urban Renewal Plan (URP), a Special Permit for development over an abandoned railroad right-of-way, Mayoral Zoning Overrides to certain bulk requirements, and designation of an Urban Development Action Area and the approval of an Urban Development Action Area Project (UDAAP). The Proposed Actions would facilitate the development of affordable and supportive housing, commercial space, community facility space, and public open space on three sites (the "Project Area") in the Melrose neighborhood of the Bronx, Community District 3.

The Project Area is comprised of three separate assemblages of City-owned property on Blocks 2383 and 2384, herein referred to as Melrose Commons North Sites B, C, and the Future Open Space Site (described further below). The Project Area is generally bounded by East 163rd Street to the north, Washington and Elton Avenues to the east, East 161st Street to the south, and Melrose Avenue to the west. The Proposed Actions would complement the ongoing residential redevelopment of the South Bronx and enliven underutilized sites by providing a substantial amount of affordable and supportive housing, local retail and other commercial uses, community facility space, and publicly accessible open space.

The Proposed Actions would allow for the redevelopment of Sites B and C, as well as the designation of the Future Open Space Site for development as public open space by the Department of Parks and Recreation (DPR) at a later date. A description of the existing conditions and development program for each site is provided below. In total, the Proposed Actions on Sites B and C would facilitate the development of approximately 555 units of affordable and supportive housing (496 affordable housing units and 59 supportive housing units), approximately 47,135 gross square feet (gsf) of commercial uses including a FRESH supermarket and other local retail uses, approximately 67,930 gsf of community facility space (expected to be occupied by a greenhouse, the Bronx Music Heritage Center, and the 59 supportive housing units), and 75 accessory parking spaces (collectively, the "Proposed Project"). The 1.4 acre Future Open Space Site is anticipated to be developed at a later date by DPR into a public open space with both passive and active recreation uses. However, as no plan for the Future Open Space Site has been finalized, the Environmental Assessment Statement (EAS) conservatively assumes that the Future Open Space Site would not be developed as open space under the 2017 With-Action scenario. Therefore, the EAS assesses the planned use of the Future Open Space Site qualitatively rather than quantitatively.

The Proposed Project, described below, represents the reasonable worst case development scenario (RWCDs) analyzed in the EAS.

Site B comprises the eastern portion of Block 2384 and has frontage on the south side of East 163rd Street, west side of Elton Avenue, and the north side of East 162nd Street. It is an irregular-shaped site that encompasses approximately 68,657 square feet (sf) encompassing all or portions of ten City-owned tax lots, including the air rights over a legally abandoned railroad right-of-way, the previously de-mapped portion of Brook Avenue extending between East 163rd Street and Elton Avenue, and an approximately 11,348 sf portion of Melrose Crescent, an unbuilt paper street extending between East 163rd and East 162nd Streets (to be de-mapped as part of the Proposed Actions). The majority of Site B is comprised of vacant land with the exception of a single-story, vacant industrial building that would be demolished.

Blue Sea Development and WHEDCo propose to redevelop Site B as “Bronx Commons”, a mixed-use development containing approximately 356,444 gsf of floor area, including up to 293 affordable housing units, approximately 29,135 gsf of ground floor retail space that is expected to be occupied by a FRESH supermarket, and approximately 24,130 gsf of community facility space that would be composed of an approximately 10,000 gsf rooftop greenhouse and an approximately 14,130 gsf “Bronx Music Heritage Center.” The building would be varied in height, ranging from 2 to 12 stories and would be arranged around a central courtyard. An approximately 10,034 sf public plaza would be provided along the northeastern edge of Site B on the de-mapped portion of Brook Avenue, extending between East 163rd Street and Elton Avenue and connecting to the adjacent traffic triangle which would be developed as a public plaza as part of the Proposed Actions. Bronx Commons would also include a below-grade accessory parking garage that would accommodate approximately 43 accessory parking spaces. Vehicular access to the proposed garage would be located on East 162nd Street. Pedestrian entrances to the proposed development are expected to be provided along all street frontages, as well as from the proposed public plaza located at the intersection of Elton Avenue and East 163rd Street.

Site C is located to the south of Site B and occupies the eastern portion of Bronx Block 2383 with frontage on East 162nd Street, Elton Avenue, and East 161st Street. Site C totals approximately 38,500 sf encompassing two City-owned tax lots, including a portion of Melrose Crescent, an unbuilt paper street extending between East 162nd and East 161st Street (to be de-mapped as part of the Proposed Actions). Site C is comprised of vacant land with the exception of a single story, vacant warehouse building that would be demolished.

Phipps Houses, The Briarwood Organization, and The Bridge propose to redevelop Site C with an approximately 257,345 gsf mixed-use development containing approximately 203 affordable dwelling units for families, 59 supportive housing units (studio apartments), and approximately 8,903 gsf of commercial space. The proposed mixed-use development would consist of two attached buildings that would rise up to 12 stories tall. Pedestrian entrances to the buildings and commercial spaces would be provided along all three street frontages. The project would also include rooftop terraces and interior landscaped courtyards with seating areas for the building occupants. The affordable housing component of the Site C development would be located on the eastern portion of Site C within an approximately 221,989 gsf building ranging in height from 6 to 12 stories. Access to the affordable housing building would be provided on East 162nd Street. Ground floor retail would be located along the Elton Ave and East 161st Street frontages of the affordable housing building. A 32-space accessory parking garage would also be provided within the affordable housing building on portions of the ground floor with access from a ramp on East 162nd Street. The proposed 60-unit supportive housing building is proposed to the west of the affordable housing building, would be approximately 10-stories tall and would include



approximately 35,356 gsf of community facility space (defined as a community facility with sleeping accommodations). Pedestrian access to the supportive housing building would be provided from East 161st Street.

The Future Open Space Site abuts Site B to the west, and has frontage on East 163rd Street, Melrose Avenue, and East 162nd Street. The Future Open Space Site totals approximately 1.4 acres (61,737 sf), encompassing all or portions of 17 City-owned tax lots (see above) including a portion of the unbuilt Melrose Crescent extending between East 163rd and East 162nd Streets (to be de-mapped as part of the Proposed Actions). The majority of the Future Open Space Site is vacant land with the exception of a community garden and three vacant industrial buildings.

HPD is seeking disposition authority for the City-owned properties that constitute the Project Area on Bronx Blocks 2384 and 2383, as well as the portions of currently mapped streets to facilitate the Proposed Project. In conjunction with the disposition, HPD is seeking project approval and designation of the proposed developments on sites B and C as Urban Development Action Area Projects (UDAAP) pursuant to Article 16 of the General Municipal Law. To facilitate the development of the Future Open Space Site to the west of Site B, HPD would transfer jurisdiction of this site to DPR. The transfer of these properties would take place at a later date.

Several changes to the City Map are required as part of the Proposed Actions. These changes include the elimination and closing (de-mapping) of Melrose Crescent (a paper street never constructed) between East 163rd Street and Elton Avenue; the establishment (re-mapping) of the previously de-mapped continuation of East 163rd Street west of Brook Avenue; the establishment (re-mapping) of the previously de-mapped continuation of East 162nd Street west of Elton Avenue; the extinguishment of portions of sewer easements; and the mapping of the triangular traffic island (Lot 61) as a park.

The proposed zoning map amendments would extend the existing R8 zoning district that currently occupies the southern and eastern portions of Blocks 2383 and 2384 (to the east of the un-built Melrose Crescent) to the portions of Sites B and Site C that are currently mapped with R7-2 zoning districts. R8 zoning districts are higher density residential districts that permit residential uses with a maximum floor area ratio (FAR) of 6.02 and community facility uses with a maximum FAR of 6.5. Building heights are governed by the sky exposure plane in R8 districts, and parking is required for 40 percent of dwelling units. In addition, C1-4 commercial overlays would be mapped on the eastern portion of Block 2383 and on the northern portion of Block 2384. The proposed C1-4 commercial overlays would extend the existing 100-foot wide C1-4 commercial overlay that extends along East 161st Street to the entirety of Site C, as well as extending the existing 100-foot wide C1-4 commercial overlay along Melrose Avenue to the southern side of East 163rd Street. The C1-4 commercial overlay along East 163rd Street would be mapped to a depth of 100 feet on the Future Open Space Site (a C7-2 zoning district) and to a depth of 160 feet on Site B (a proposed R8 zoning district). The C1-4 commercial overlay would permit commercial uses with a maximum FAR of 2.0 when mapped in R7-2 and R8 zoning districts.

The proposed amendments to the Melrose Commons URP would facilitate mixed-use development on Sites B and C, and public open space on the Future Open Space Site. The amendments include the following:

- Removing the unbuilt Melrose Crescent from the URP;



- The reconfiguration and/or consolidation of five URA sites (Sites 51, 52, 53, 61 and 62) to match the boundaries of Sites B, C and the Future Open Space Site;
- Changes to land use designation on URA Site 51 from community facility to residential, commercial and/or community facility to allow for the Site C development;
- Changes to land use designation on URA Site 61 from public open space to residential, commercial, and/or community facility to allow for the Site B development;
- Changes to land use designation on URA Site 62 from residential to public open space; and
- The removal of height restrictions and modification of curb cut regulations affecting these URA sites.

HPD is also seeking approval by the City Planning Commission (CPC) of a special permit to construct portions of the Site B development above an abandoned railroad right-of-way extending between East 162nd and East 163rd Streets, pursuant to Zoning Resolution Section 74-681 (Development within or over a railroad or transit right-of-way or yard). Lot 23 on Block 2384 is a legally abandoned railroad right-of-way that is privately-owned and runs below-grade beneath Site B. As noted above, the City would dispose of the air rights over Lot 23 to facilitate the development of Site B.

HPD and the project sponsors are requesting Mayoral Overrides for certain bulk and/or parking requirements on Sites B and C. The Mayoral Override for Site B requests the following:

- Waive the street wall location along Elton Avenue (Sections 35-24(b)(2)(i) and 23-633(a)(3) of the Zoning Resolution[ZR]) as existing conditions on Site B create a number of conditions where it is either impractical or undesirable to build out the site to the street line (as required pursuant to ZR Section 35-24(b)(2)(i) within the proposed commercial overlay) or within eight feet of the street line (as required by ZR Section 23-633(a)(3) in an R8 district);
- Waive setback regulations along Elton Avenue and East 162nd Street (ZR Section 23-633(b)) to allow the construction of community facility space (expected to be occupied by the Bronx Music Heritage Center) with a setback below the minimum base height of 60 feet required for a Quality Housing Building in an R8 district to create an independent BMHC and simplify acoustic isolation issues between the performance space and the residences;
- Waive the maximum building height (ZR Section 35-24(d)) to allow a maximum height of 120 feet for the entire section of the Site B building that would fall within the de-mapped section of Brook Avenue and thereby avoid the Brook Avenue sewer easement and allow more efficient construction while keeping the bulk of the building adjacent to the widest street; and
- Waive the maximum lot coverage for an interior lot (ZR Section 23-145) to increase the lot coverage of the interior to lot to 78 percent (above the maximum permitted 70 percent) due to site constraints; and

For Site C, a Mayoral Override of ZR Section 77-22 is being sought due to the unique site challenges associated with the site. Due to Site C's three street frontages, the affordable housing component is subject to different residential FAR regulations—R8 Narrow and R8 Wide—for different portions of the



merged zoning lot; the R8 Narrow portion consists of less than 19 percent of the zoning lot, and the R8 Wide portion consists of the remaining 81 percent. Per ZR Section 77-22, the FAR for each portion of the zoning lot must be calculated separately and cannot exceed the maximum FAR for either its underlying zoning district or the adjusted FAR of the zoning lot. HPD and the project sponsor for Site C are seeking a Mayoral Override to this requirement due to the zoning lot's configuration and the narrowness of the block. Under the proposed design, the portion of the Site C affordable housing building that fronts on East 162nd Street will exceed its underlying and adjusted FAR. By distributing the bulk towards East 162nd Street (narrow street) rather than East 161st Street (wide street), inefficiencies in both space layout and the construction costs associated with building along East 161st Street's curved street line will be minimized.

Lastly, the project sponsors for Sites B and C are seeking construction financing from HPD as well as other local, state, and federal sources to facilitate the Proposed Project. The sources of funding for Sites B and C may include HOME funds from the U.S. Dept. of Housing and Urban Development (HUD), New York City Housing Development Corporation (HDC) bonds, federal low-income housing tax credits, New York State low-income housing credits, new market tax credits, foundation and other grants, and Resolution A capital funding allocation.

The Proposed Project would be implemented in conformance with the following provisions in order to ensure that there are no significant adverse environmental impacts. The provisions are as follows:

Hazardous Materials

Due to a historic industrial and manufacturing presence on Sites B and C that has included a railroad right-of-way, metal works facility, various warehouses and other land uses likely to have resulted in site contamination, HPD has determined that New York City Department of Environmental Protection (DEP)-approved Phase II subsurface investigation protocol and remediation plan (if warranted) would be required for both sites. The Phase II investigation would consist of soil, groundwater, and soil vapor sampling and testing in accordance with a DEP-approved workplan and health and safety plan (HASP).

The project sponsors would be responsible for preparing and submitting to HPD a Phase II investigation workplan and HASP. If HPD finds these documents acceptable, HPD will transmit the documents to DEP for review and approval. Following approval of the workplan and HASP for each site, the project sponsors would be responsible for providing a written Phase II investigation report with findings and conclusions, and a summary of the subsurface investigation testing program and laboratory results to HPD. Each report should clearly indicate if remediation is required and its extent. Upon completion of this review and if the documents are acceptable to HPD, HPD will transmit these documents to DEP for review approval. If DEP determines that no further soil or groundwater testing or remediation is necessary, written notice shall be given by DEP that the sites may be developed as proposed.

If DEP determines that remediation is warranted at the sites, the project sponsors would be responsible for performing any and all remediation and construction activities in accordance with a Remedial Action Plan (RAP), Construction Health and Safety Plan (CHASP), and other necessary reports as required and approved by HPD and DEP. If remediation is required as part of construction, the project sponsors shall provide Site Closure Reports at the conclusion of construction activities (in accordance with DEP requirements) to serve as proof that the DEP-



approved remedial measures have been implemented. Once DEP accepts the Closure Reports, DEP will notify HPD and the project sponsors that the proposed remediation work has been satisfactorily completed, and that the sites are suitable for re-use/occupancy.

The New York State Department of Environmental Conservation (NYSDEC) may have jurisdiction over some or all activities. If it is determined that the NYSDEC has jurisdiction, the project sponsors would be responsible to ensure a review of such plans is coordinated with the NYSDEC. If applicable, the project sponsors shall be responsible for providing copies of all correspondence with the State to HPD and DEP as it becomes available. If required, the project sponsors shall provide any and all plans and reports generated in association with the requisite work to NYSDEC. If applicable, the project sponsors are responsible to ensure that a no further action determination is consistent with NYSDEC requirements.

The above measures would be required through provisions contained in the Land Disposition Agreements (LDA) between HPD and the applicable project sponsor(s) for Sites B and C.

As noted above, while the approximately 1.4-acre Future Open Space Site would be designated for open space development as part of the Proposed Actions, it is not anticipated that the New York City Department of Parks and Recreation (DPR) would design and construct the Future Open Space Site by the 2017 Build Year. As such, remediation of the Future Open Space Site would be subject to further coordination among the applicable City agencies at a later date.

Noise

Noise levels for the future with the Proposed Action condition (2017 build year) were calculated for the peak analysis periods. The peak readings at the four receptor locations were calculated to range between 70.5 and 76.4 dBA L10.

Based on these readings, the Site B East 163rd Street and Brook Avenue building facades would be required to provide window-wall attenuation of 31 dBA for the proposed residential and community facility (Bronx Music Heritage Center) uses. Additionally, Site B's Elton Avenue and East 162nd Street building facades would be required to provide window-wall attenuation of 33 dBA for the proposed residential and community facility (Bronx Music Heritage Center) uses. The proposed commercial use on Site B would require window-wall attenuation of 26 dBA at the East 163rd Street and Brook Avenue facades.

For the Site C residential uses (including the supportive housing building), 33 dBA of window-wall attenuation would be required along the East 162nd Street and Elton Avenue building facades, while 31 dBA of window-wall attenuation would be required along the East 161st Street building facades. For the Site C retail uses, 28 dBA of window-wall attenuation would be required along the East 162nd Street and Elton Avenue building facades, while 26 dBA of attenuation would be required along the East 161st Street building façade.

In connection with the proposed zoning map amendment, a revised (E) designation for noise [E-354], relying on the most current noise analysis, would be placed on the tax lots encompassing Sites B and C to ensure that no significant adverse impacts associated with noise would occur. The (E) designation program is administered by the NYC Office of Environmental Remediation (OER). The (E) designation mapped in connection with the Proposed Action indicates the



presence of an environmental requirement which must be satisfied at OER prior to issuance of building permits from the Department of Buildings.

For building façades requiring 31 dBA of attenuation, the text of [E-354] is as follows:

To ensure an acceptable interior noise environment of 45 dBA, the building façade(s) of future residential and/or community facility uses must provide a minimum of 31 dBA composite window-wall attenuation under closed-window conditions. The minimum required composite window-wall attenuation for future commercial uses would be 5 dBA less than that for residential and/or community facility uses. To maintain a closed-window condition, an alternate means of ventilation must also be provided.

For building façades requiring 33 dBA of attenuation, the text of [E-354] is as follows:

To ensure an acceptable interior noise environment of 45 dBA, the building façade(s) of future residential and/or community facility uses must provide a minimum of 33 dBA composite window-wall attenuation under closed-window conditions. The minimum required composite window-wall attenuation for future commercial uses would be 5 dBA less than that for residential and/or community facility uses. To maintain a closed-window condition, an alternate means of ventilation must also be provided.

Construction in accordance with the above specifications for Sites B and C, to be satisfied through OER under the (E) Designation program, would ensure that no significant adverse noise impacts would occur.

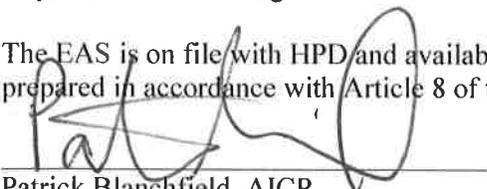
Statement of No Significant Effect:

Pursuant to the CEQR rules adopted on June 6, 1991, Executive Order 91, HPD has completed its technical review of the Environmental Assessment Statement (EAS) dated October 9, 2014 and has determined that the proposed action will have no significant effect on the quality of the environment.

Supporting Statement:

The measures described above related to hazardous materials would be implemented as part of the Proposed Project on Sites B and C through the Land Disposition Agreements between HPD and the project sponsors. Measures related to noise on both Sites B and C would be implemented as part of the Proposed Project through the mapping of an (E) designation [E-354] in connection with the proposed zoning changes, which must be satisfied at OER prior to issuance of building permits from the Department of Buildings.

The EAS is on file with HPD and available for public review. This Negative Declaration has been prepared in accordance with Article 8 of the Environmental Conservation Law 6NYCRR Part 617.


Patrick Blanchfield, AICP
Director of Environmental Planning, HPD

October 9, 2014
Date

