

3.15 Summary Analysis, Findings and Recommendation of the BOA and Strategic Sites

UPROSE's community engagement efforts during the Step 2 led to the formulation of six specific goals for the Sunset Park Waterfront:

1. Increase job opportunities for local residents especially through the encouragement of sustainable industry and green jobs;
2. Decrease environmental hazards and facilitate the remediation and redevelopment of key brownfield properties in the BOA study area;
3. Work with area businesses, the City and the State to develop environmentally friendly business practices;
4. Create new open space and areas of outdoor recreation in Sunset Park that will reconnect the residential community to its waterfront;
5. Preserve existing affordable housing and encourage new housing development on brownfield sites where appropriate; and
6. Build for greater climate resiliency.

Eight sites that advance these goals and present opportunities to catalyze the development of the BOA subzones were selected as *strategic sites*. Public realm improvements coordinated with the development of these strategic sites further strengthen the re-development framework. The BOA subzones, strategic sites, ongoing investments and public realm improvements

that together form the re-development framework are represented in Figure 83.

In order to provide a clear roadmap for next steps, re-development scenarios for four of the strategic sites (referred to as *priority sites* hereon) were detailed out. This analysis includes a list of potential funding resources, partnership opportunities and priority actions that can spur redevelopment efforts.

In addition to the detailed re-development scenarios for the four priority sites, a set of area wide recommendation based on the six goals determined by the community for the Sunset Park Waterfront are detailed in the following section. These recommendations are closely aligned with the re-development framework and subzones detailed in section 3.14, as well as ongoing public and private investment, and emphasize the adoption of environmental mitigation methods.

8 STRATEGIC SITES

1. Bush Terminal

5201 1st Ave: Multi-use facility with community spaces overlooking Bush Terminal Park. **38 43rd St.:** Small manufacturing center that becomes part of the northern gateway to Bush Terminal

2. A.M. Cosmetics building

Sustainable and green business incubator

3. Verizon fleet parking

Electric vehicle charging facility with stormwater management green infrastructure.

4. EW Bliss building and Atlantic Properties

Film studio with community use that activates 52nd Street as a waterfront connector.

5. Moore McCormack

Waterfront facing, medium scale commercial and community space that provides public waterfront access.

6. SBMT

Recycling and green technology center that encourages green industry practices

7. 244 39th Street

Retail, café, furniture workshop

8. 5201 2nd Avenue

Ground floor retail with commercial/ industrial uses above

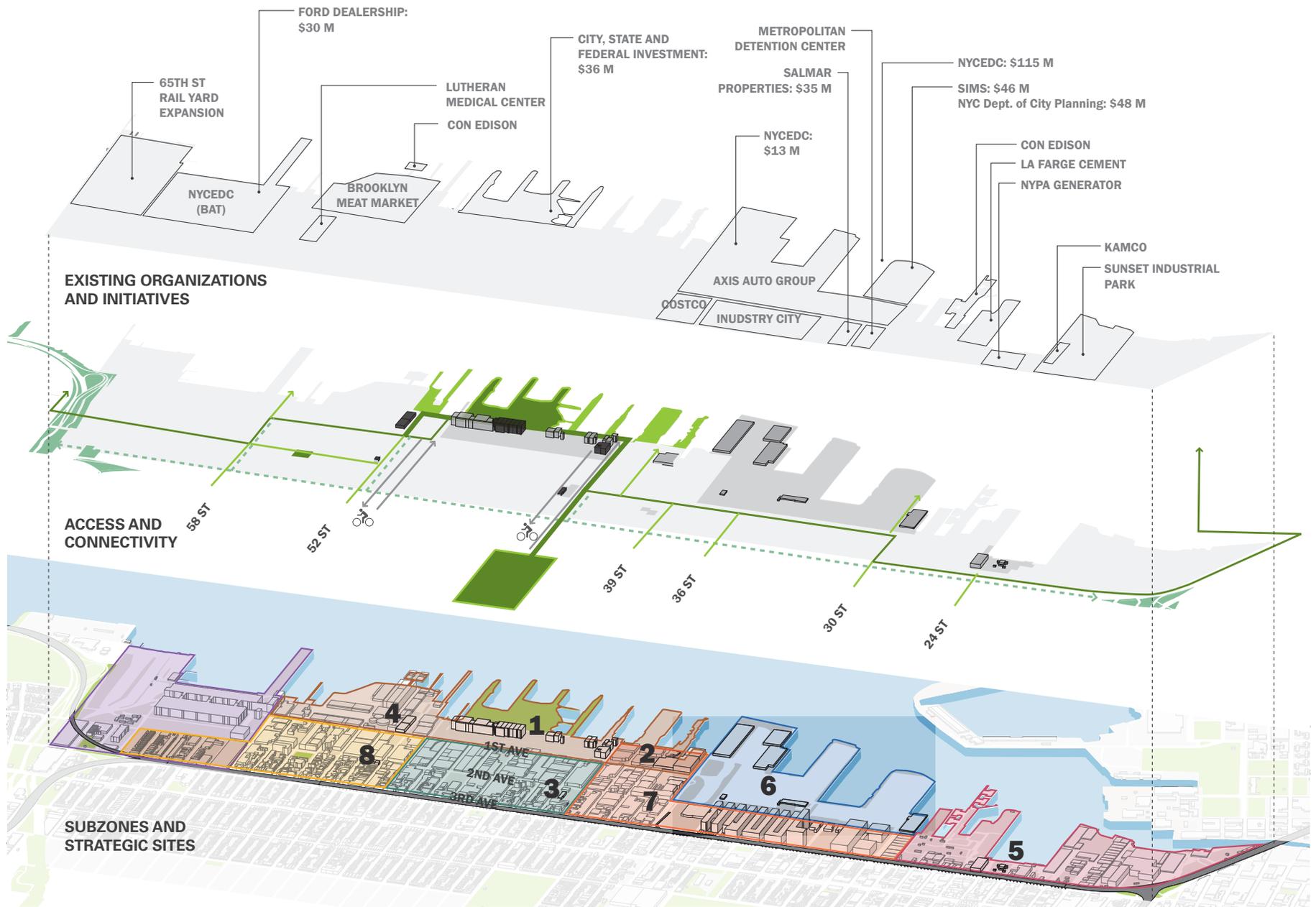


Figure 83: Aligning investment, public realm opportunities and a strategic development framework

PRIORITY SITES REDEVELOPMENT

/ Methodology

HR&A developed the following stabilized year pro formas (refer Appendix D for details) for the four priority sites based on the comprehensive market assessment summarized in the existing conditions section of this report. The analysis incorporated findings from the real estate market and industry analysis, community goals, proposed government initiatives, zoning regulations, and opportunities provided by the new industries and amenities soon to be located at the BOA. The team focused on identifying a mix of program alternatives that would create local jobs and provide new services to the BOA and adjacent neighborhood. The overall goal of the proposed program is for the redevelopment sites to serve as catalysts that will ignite further redevelopment in the BOA.

Each pro forma estimates the market development value of a proposed program developed in concert with the community. It is based on a stabilized year cash flow divided by a market capitalization rate. Cash flows were estimated based on market rents, taking into account the impact of subsidized rents at City-owned properties, and industry standard assumptions for operating expenses. Capitalization rates were estimated from industry sources based on current market

comparables. This rate represents required investor return from real estate assets. Remediation costs are subtracted from the total capitalized value to obtain the potential development value of each site on a gross and a square foot basis.

The Team used information from the real estate market analysis to estimate market price points for retail, industrial and office uses. For less traditional uses such as businesses incubators and community space the team used rent values currently found at City owned properties such as BAT and Bush Terminal.

Remediation costs were estimated by developing a preliminary/conceptual assessment of potential remedial costs for each site on a high, medium, and low basis based on:

- Available environmental information, and
- The team's experience with site assessment and remediation.

These remedial cost estimates were based on the limited information available from publicly accessible environmental data at the time the assessment was performed. The Team made reasonable and conservative preliminary assumptions regarding the types of remediation which may be necessary at each property. These costs are presented as concept-level estimates based on industry-wide standards and should be considered when further assessment of the redevelopment cost at each property is prepared.

The recommended programs, financial analysis and conclusions for each site are summarized in the strategic site profiles on the following pages. Given overall real estate market conditions in the BOA, the revenues generated by the proposed programs may not be sufficient to cover the cost of redevelopment. To address this issue the team reviewed public financing vehicles (i.e., incentives and grants) available to the strategic partners that could help redevelop each of the sites.

/ Recommended Programs

Listed below is a description of the potential uses that could be hosted at the priority sites. The first five would be expected to produce some revenues that could partially support redevelopment.

- 1. Flex/Industrial/Office:** These multipurpose spaces correspond to open floor plates that could support light manufacturing, design studios, and office tenants searching for basic space.
- 2. Retail:** This is neighborhood oriented retail or, in the case of 5102, 1st Avenue retail oriented towards Bush Terminal Park visitors. Examples are convenience stores, gift shops, and office supplies stores.
- 3. Restaurant/Café:** This use includes informal sit-down or take out restaurants targeted towards workers, residents, and park visitors.

4. **Artisanal Manufacturing:** This type of manufacturing generally produces small batches of goods using light machinery. Examples are arts and crafts and specialty food manufacturing.
5. **Green Business Incubator:** A green business incubator is a cluster of start-up firms, interested in sustainable manufacturing practices and/or products, that share common spaces and receive subsidized rents. The purpose of an incubator program is to help companies grow their business by providing an environment that fosters innovation and allows for the free flow of ideas. Given the start-up nature of these companies, a subsidy is required to make the space affordable to them.
6. **Community Space:** This is space open for uses prioritized by the community that are not being provided by the market. Examples are learning facilities, meeting areas, and offices for community organizations.
7. **Climate Change Learning Space:** This is a community space to be located near Bush Terminal Park. It is envisioned as an interactive center where children would have the opportunity to learn about climate change and then enjoy related activities at Bush Terminal Park.

DEVELOPMENT VALUE

The Potential Development Value of a site is the redevelopment cost the market could support without any further intervention. In case redevelopment costs go beyond the potential development value of a site, the financial gap needs to be filled by a public or private subsidy.

BUSH TERMINAL

5102 1st Ave. has the potential to become a multi-use facility with community spaces. Its re-development should take advantage of the site's privileged location overlooking Bush Terminal Park by incorporating a program catered towards workers and visitors. The building is large enough to support first floor retail and restaurant uses, community resources such as a climate change learning space and flexible office/industrial space in its upper floors. The redevelopment of this site will support the activation of the Park and creation of a dynamic employment center. The Green Building Exchange case study illustrates a fully redeveloped example.



/ Site Characteristics

1. Site area: 1,307,250 SF
2. Building area: 659,725 SF
3. Number of stories: 7
4. Current owner: NYCEDC
5. Current state: Partially occupied
6. Current use: Warehousing
7. Former use: Warehousing
8. Current zoning: M3-1

/ Potential Environmental Issues:

1. Fill material consisting of unregulated material exists beneath the surface of the site.
2. Soil and groundwater beneath the site have been impacted
3. The site is in close proximity to various manufacturing and industrial facilities.
4. A portion of the site was formerly a railroad yard. If trains were serviced in this area, the subsurface may have been impacted.
5. Based on the age of the building, lead-based paint and asbestos containing materials are suspected to exist within the building.

/ Proposed Program

Multi-use facility with community spaces overlooking Bush Terminal Park.

/ Key Assets

1. Proximity to the park together with relatively low rents could be attractive for office tenants.
2. Restaurant/café would be essential to serve the working community.

3. Retail space could be supported by workers and visitors to Bush Terminal Park.
4. Green business incubator would need to provide low rents to be competitive with rents at other City owned properties.

/ Development Value

The site could support redevelopment costs of up to \$72 per square feet and still meet investor's expectations. In the case of higher costs, the gap would need to be addressed through subsidies.

/ Potential Partnerships and Funding Opportunities

1. New York City Economic Development Corporation
2. New York City Department of Buildings
3. Port Authority of New York and New Jersey
4. Cultural institution focusing on environmental education.
5. Local restaurant owner

Federal Funding

1. New Market Tax Credits
2. EB-5 Regional Center low-cost financing
3. EPA site assessment and clean up grants

New York State

1. Brownfield Cleanup Program Tax Credits*
2. NYSERDA New Construction Program

New York City

1. Mayor's Office of Environmental Remediation (MOER) Brownfield Incentive Grants
2. Industrial and Commercial Abatement Program
3. Energy Cost Savings Program

*The Brownfield Cleanup Program Tax Credit expires in 2015.

GREEN EXCHANGE CASE STUDY

The Green Exchange is a private historic adaptive reuse project of a 95 year old former industrial 272,000 sf building. Its size and location in former industrial area provides several similarities to the AM Cosmetics Building and Bush Terminal. Baum Development designed the project following a “triple bottom line” approach (people, profit, and planet). It is mainly a private venture but received a \$500,000 Federal grant.

The project seeks to provide new high-quality jobs in an economically and environmentally sustainable way by attracting a community of green-minded companies. These companies benefit from shared resources, a collaborative environment and shared referrals. The building opened in 2011 and is currently 86 percent leased, hosting a wide range of companies such as Green Choice Bank (a bank that focuses on green investments), Distant Village (a packaging manufacturer that uses recycled materials), and Coyote Logistics (which focuses on reducing carbon emissions by matching load to trucks who would otherwise return empty to their base). The Green Exchange Building is expected to host 1,500 to 2,000 jobs when fully leased. As in conventional real estate projects, the identification of an anchor tenant, in this case Coyote, was key for the financial viability of the project.

Building Characteristics

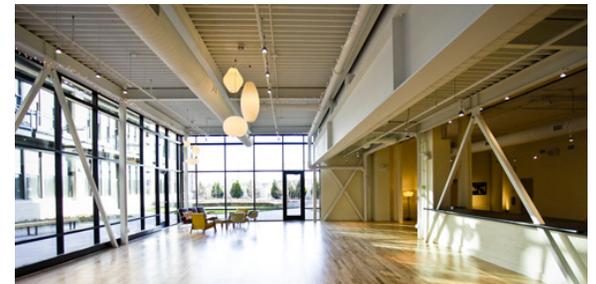
- Four-story 272,000 SF former factory.
- Leadership in Energy and Environmental Design (LEED) Platinum standards.
- Green rooftop and 8,000 SF sky organic garden.
- 41,000-gallon rain cistern and 90 solar panels.
- Three types of spaces available for lease:
 - Small office space: 150SF to 900 SF
 - Office Space: 1,000 SF and up
 - Retail Space: 1,000 to 15,000 SF

Services and Amenities

- On-site restaurant.
- Event Space.
- Shared conference rooms with AV capabilities.
- Energy savings of 22%.
- High-speed Internet access.
- Bike room and showers.
- On-site parking.
- Networking events.

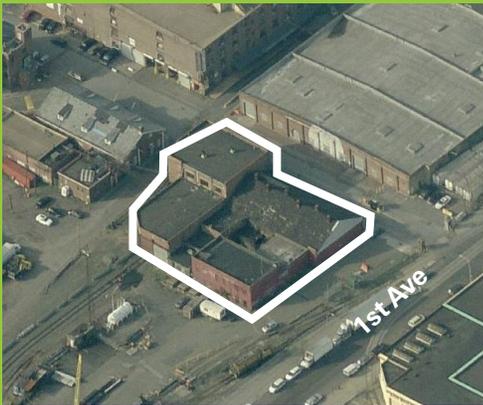
Key lessons for Sunset Park:

- There is demand from businesses to develop sustainable business communities.
- Clustering adds value to sustainable businesses.
- Triple bottom projects can be profitable.
- Former industrial buildings and brownfield sites provide an appealing location for triple bottom developers.
- Identifying an anchor tenant is crucial for the financial feasibility of redevelopment projects.



BUSH TERMINAL

38 43rd Street serves as the gateway to Bush Terminal. Its redevelopment will play a key role in increasing Bush Terminal appeal for business and visitors. The site has the potential to serve as a showcase for local artisanal products that are produced in the building. Such a program would create new jobs as well as serve local workers and visitors. The redevelopment of this site will enhance the connection between the neighborhood and Bush Terminal by creating a hub of activity at the gateway through retail and artisanal uses.



/ Site Characteristics

1. Site area: 407,250 SF
2. Building Area: 25,396 SF
3. Number of Stories: 2
4. Current owner: New York City Department of Business
5. Current State: Vacant
6. Current use: N/A
7. Former use: Warehousing
8. Current zoning: M3-1

/ Potential Environmental Issues:

1. Fill material consisting of unregulated material exists beneath the surface of the site.
2. Soil and groundwater beneath the site have been impacted
3. The site is in close proximity to various manufacturing and industrial facilities.
4. A portion of the site was formerly a railroad yard. If trains were serviced in this area, the subsurface may have been impacted by this use.
5. Based on the age of the building, lead-based paint and asbestos containing materials are suspected to exist within the building.

/ Proposed Program

Small manufacturing center that is part of the gateway to Bush Terminal.

/ Key Assets

1. Site is strategically located at the entrance to Bush Terminal.
2. Building will be exposed to an increased

flow of people when Bush Terminal Park opens.

3. First floor could support artisanal manufacturing. A related retail space targeted to park visitors could also be feasible (e.g., if specialty food is produced a small selling area could be incorporated into the program)
4. Second floor could be used as office or flexible space.

/ Development Value

38 43rd Street could support redevelopment costs of up to \$52 per square feet and still meet investors' expectations. In the case of higher costs, the gap would need to be addressed through subsidies.

/ Potential Partnerships and Funding Opportunities

1. New York City Economic Development Corporation.

Federal Funding

1. New Market Tax Credits
2. EB-5 Regional Center low-cost financing
3. EPA site assessment and clean up grants

New York State

1. Brownfield Cleanup Program Tax Credits*
2. NYSERDA New Construction Program

New York City

1. MOER Brownfield Incentive Grants
2. Industrial and Commercial Abatement Program
3. Energy Cost Savings Program

*The Brownfield Cleanup Program Tax Credit expires in 2015.



Figure 84: Rendering of redevelopment site on 43rd Street

AM COSMETICS

PANYNJ identified the AM Cosmetics building as a potential site on which to establish a green business incubator. The building's generous floor plates provide space to host a large number of small start-ups firms that would share conference rooms and other public areas. A similar project privately developed in Chicago (The GreenExchange) proves that market demand for sustainable office space can be stimulated in the right conditions. The redevelopment of the AM Cosmetics building as a green business incubator would help brand the BOA as a regional hub of green business activity. Over the long term, it could stimulate demand for additional development in the BOA as businesses grow out of the incubator and seek additional space.



/ Site Characteristics

1. Site area: 48,800 SF
2. Building Area: 374,240 SF
3. Number of Stories: 8
4. Current owner: 22-26 Bush Terminal/ Industry City Associates/Arthur Matney Co.
5. Current State: Partially Occupied
6. Current use: Manufacturing/Warehousing
7. Former use: Manufacturing
8. Current zoning: M3-1

/ Potential Environmental Issues:

1. Fill material consisting of unregulated material exists beneath the surface.
2. Operations at the site has been reported to release acetone into the air, which may continue.
3. The site is listed in the NYSDEC PBS
4. The site has operated as a manufacturing center for a number of years.
5. Based on age of the building, lead-based paint and ACM are suspected to exist within the building

/ Proposed Program

Sustainable and green business cluster. Given the partially occupied status of the building, the proposed program is designed for 50% of the building.

/ Key Assets

1. PANYNJ has identified the property as a potential venue for the establishment of a green business incubator.
2. Such a project would provide subsidized

rents to businesses focusing on green and sustainable practices.

3. The location is large enough to allow for on-site business growth.
4. Companies located at the facility would benefit from shared spaces and networking opportunities.

/ Development Value

Given the subsidized rents required to install a green business incubator, AM Cosmetics, could support redevelopment costs of up to \$48 per square feet and still meet investor's expectations.

/ Potential Partnerships and Funding Opportunities

1. NYCEDC
2. PANYNJ
3. Foundations and investment firms focusing on encouraging green business.
4. Baum Development, developer of Chicago's Green Exchange Building.
5. Small Business Services

Federal Funding

1. New Market Tax Credits
2. EB-5 Regional Center low-cost financing
3. EPA site assessment and clean up grants

New York State

1. Brownfield Cleanup Program Tax Credits*
2. NYSERDA New Construction Program

New York City

1. MOER Brownfield Incentive Grants
2. Industrial and Commercial Abatement Program
3. Energy Cost Savings Program

*The Brownfield Cleanup Program Tax Credit expires in 2015.

MOORE McCORMACK

The Moore McCormack property includes open space with direct access to 3rd Ave. These characteristics make it ideal for combining community uses with retail and office programs. The first floor of the building could accommodate retail fronting 3rd Avenue. The back side and open space would be available for community uses. The top floors could be redeveloped into flexible spaces targeted towards office and niche manufacturing uses. The redevelopment of this property for commercial uses with community space would provide another waterfront access point to Sunset Park residents.

In June 2012 NYCEDC released a rolling RFP for proposals to lease the site with the goal of supporting the growth and retention of industrial businesses.



/ Site Characteristics

1. Site area: 808,022 SF
2. Building Area: 70,000 SF
3. Number of Stories: 3
4. Current owner: New York City Department of General Services
5. Current State: Vacant
6. Current use: N/A
7. Former use: Manufacturing / Chemical Bulk Storage
8. Current zoning: M1-2

/ Potential Environmental Issues:

1. Fill material consisting of unregulated material exists beneath the surface.
2. Site may have been used in electric generation activities associated with the New York Power Authority.
3. The site is adjacent to what appears to be an active power plant.
4. The site is in close proximity to various manufacturing and industrial facilities.
5. Lead-based paint and asbestos containing materials are suspected to exist in building.

/ Proposed Program

Waterfront facing, medium scale commercial and community space. The proposed program incorporates demolition of 3 warehouses (15,000 SF total) located at the back of the site to make it available as community open space.

/ Key Assets

1. Access to water and available open space makes the location ideal for establishing a

- community/educational facility on the first floor of the front building.
2. Zoning regulation allows only for a small amount of first floor retail facing 3rd Avenue.
3. Upper floors could be used for manufacturing or offices activities.

/ Development Value

The Moore McCormack building, could support redevelopment costs of up to \$77 per square feet and still meet investors' expectations. In the case of higher costs, the gap would need to be addressed through subsidies.

/ Potential Partnerships and Funding Opportunities

1. NYCEDC
2. NYC Department of Buildings
3. PANYNJ
4. Cultural institution focusing on environmental education.
5. Local restaurant owner
6. NYC Small Business Services
7. New York Power Authority

Federal Funding

1. New Market Tax Credits
2. EB-5 Regional Center low-cost financing
3. EPA site assessment and clean up grants

New York State

1. Brownfield Cleanup Program Tax Credits*
2. NYSERDA New Construction Program

New York City

1. MOER Brownfield Incentive Grants
2. Industrial, Commercial Abatement Program
3. Energy Cost Savings Program

*The Brownfield Cleanup Program Tax Credit expires in 2015.

PRIORITY SITES REDEVELOPMENT AND ALIGNMENT WITH REDC GOALS

	Bush Terminal 5201 1st Ave.	Bush Terminal 38 43rd St.	AM Cosmetics Building	Moore Mc Cormack Site
Improving Quality of Life				
Public Safety _____	X	X		
Education _____	X	X		
Parks and waterfront _____	X	X		X
Cultural institutions _____	X			X
Sanitation _____				
Clean air and waterfront _____				
Diverse and thriving neighborhoods _____	X	X	X	X
Create a Pro Growth, Pro Jobs Environment				
Treating businesses like customers _____				
Neighborhood and commercial revitalization _____	X	X	X	X
Supporting small businesses _____	X	X	X	X
Supporting strategic industries _____	X		X	
Invest in the Future				
Transportation _____				
Housing _____				
Commercial real estate _____				X
Distribution networks _____				
Other infrastructure _____	X		X	
Supporting human capital and development _____	X		X	
Foster Innovation and Inter-Regional Cooperation				
Real estate _____	X	X	X	
Access to early stage capital _____				
Talent _____	X		X	

/ REDC Alignment

The redevelopment strategies for each of the priority sites described above is closely aligned with the goals of the Regional Economic Development Council (REDC), which supports and develops long-term strategic plans for economic growth by putting in place community based bottom up approach. The council can provide a critical source of capital and planning funds for the redevelopment opportunities in the BOA and was identified as one of the Opportunity Zones in the initial 2011 5-year plan. Recently, the REDC approved \$600,000 to develop the Sunset Park Upland Connector, connecting the upland community and the Sunset Park to the waterfront (see Figure 85 on page 118). This funding is leveraging an additional \$600,000 in funding from local city council member to DOT. The total \$1.2M grant will go toward streetscape improvements and will establish pedestrian and bicycle connectivity to the Bush Terminal Park and the Brooklyn Waterfront Greenway.

The four priority sites and their alignment with the REDC goals is detailed below.

- 1. Bush Terminal- 5201 1st Ave:** The proposed programming for 5201 1st Ave aligns with all four of the overarching Regional Economic Development Council (REDC) goals. The proposed multi-use facility program will “improve quality of life” by providing education and cultural space; “create a pro-growth pro-jobs environment” by supporting small businesses and

strategic industries; “invest in the future” through the development of human capital; as well as “foster innovation and inter-regional cooperation” by redeveloping real estate and attracting innovation.

2. **Bush Terminal- 38 43rd St:** The redevelopment of the 38 43rd St property aligns with the REDC goal to create a pro-growth, pro-job environment. The proposed artisanal manufacturing center and showroom will support small businesses and lead to further neighborhood and industrial revitalization.
3. **AM Cosmetics Building:** The proposed redevelopment of the AM Cosmetics Building as a green incubator space aligns with the REDC goals of investing in the future, creating a pro-growth pro jobs environment, as well as fostering innovation and inter-regional cooperation. The proposed green industry clusters will support small businesses, human capital development and attract talent for further neighborhood and industrial revitalization.
4. **Moore McCormack Building:** The redevelopment of Moore-McCormack aligns with the REDC goal of improving quality of life. The proposed program will provide additional cultural space, and access to the waterfront for a diverse and thriving neighborhood.

In addition to the priority sites, the six goals determined by the community for the Sunset Park BOA also further REDC’s long term vision. These goals have formed the basis for the area wide redevelopment framework and strategies that are detailed in the following pages.

AREA WIDE REDEVELOPMENT FRAMEWORK AND ALIGNMENT WITH REDC GOALS

Community Goal	Alignment with REDC Goal:
Increase job opportunities for local residents especially through the encouragement of sustainable industry and green jobs.	Creates a pro-growth, and pro-jobs environment, as it seeks to attract innovative industries to assist in industrial and community revitalization.
Decrease environmental hazards and facilitate the remediation and redevelopment of key brownfield properties in the BOA study area.	Improves quality of life; it aims to encourage and support redevelopment of industries that will in turn support a diverse and thriving neighborhood.
Work with area businesses, the City and the State to develop environmentally friendly business practices.	Fosters innovation and inter-regional cooperation, as well as investing in the future by establishing clusters of innovative industries through the reuse of existing real estate that will draw upon concentrations of talent.
Create public access links to BOA waterfront.	Improves quality of life, as it aims to increase access to recreation and green space, and options in transportation for residents, workers as well as visitors.
Preserve existing affordable housing and encourage new housing development on brownfield sites where appropriate.	Invests in the future, as it seeks to ensure lifestyle assets through the development and preservation of infrastructure for generations to come.
Build for greater climate resiliency	Improves quality of life by creating a more sustainable and clean environment.

1/

INCREASE JOB OPPORTUNITIES FOR LOCAL RESIDENTS ESPECIALLY THROUGH THE ENCOURAGEMENT OF SUSTAINABLE INDUSTRY AND GREEN JOBS

/ Key Findings

1. Despite a substantial decline in jobs in the health care and traditional industrial sectors, overall employment in the BOA stayed relatively stable due to incremental growth in a range of other non-industrial sectors, including professional services and education.
2. The BOA will benefit from substantial government investment in the Brooklyn Army Terminal, South Brooklyn Marine Terminal, Bush Terminal Park, and the rail line extension.
3. The BOA has several strong anchor institutions and businesses that can support additional growth through suppliers and/or customers.
4. Future employment growth in the BOA is dependent upon the re-use and re-positioning of industrial real estate that may need to be reconfigured for growing, modern businesses.
5. The Sunset Park community values its status as a “live-work” neighborhood, but many residents still commute to higher paying jobs in Downtown Brooklyn and Lower Manhattan. Maintaining and growing a live-work neighborhood requires the development of new employment opportunities at a range of skill levels.

/ Key Recommendations

- A. Facilitate skill development in neighborhood residents to meet the needs of growing industries in the BOA.
- B. Define and market the key assets within the BOA.
- C. Facilitate exchanges among existing businesses to identify potential new businesses for the BOA.
- D. Encourage new economic opportunities within the existing building stock.
- E. Explore zoning mechanisms that allow property owners, including the City, to realize the full development potential of their investments while bringing economic benefit to the BOA.

DETAILED RECOMMENDATIONS

A. Facilitate skill development in neighborhood residents to meet the needs of growing industries in the BOA.

While the BOA will continue to be an important industrial center through its designation as an IBZ, the distribution of employment within the BOA nonetheless reflects macroeconomic trends with diversification away from primarily industrial uses. In order to continue to be known as a “walk to work” community, the skill levels in the neighborhood must evolve to meet the skills required by new industries in the BOA. This can best be accomplished by the establishment of workforce development programs as well as supporting existing programs that help Sunset Park residents gain skills to match future job demands. There are a number of existing workforce development programs available to people of a range of backgrounds and ages, including programs specific to youth. These help employees learn computer skills, create resumes, learn job search techniques, and learn specific job skills, such as health care record management. The local employment base for residents could be enhanced if existing programs expanded opportunities for apprenticeships with local businesses and specialized skills training. In addition to connecting potential employees with businesses, these types of programs provide tailored training that is difficult to obtain in a general classroom setting.

B. Define and market the key assets within the BOA.

The BOA is one of few dedicated industrial areas in New York City with waterfront, rail, and road assets. In addition, it has strong community amenities with the new Bush Terminal Park, Medical Center, and adjacency to a thriving neighborhood. Finally, it benefits from significant government investment in SBMT, BAT, and the Brooklyn Greenway. However, many people outside of the immediate area are not aware of the neighborhood’s significant assets. The redevelopment of at least one priority site, in conjunction with other marketing efforts, could help start to brand the BOA as an innovative location for business growth.

C. Facilitate exchanges among existing businesses to identify potential new businesses for the BOA.

A dialogue between the community, existing businesses and with business outside the BOA can promote partnerships and growth opportunities. Discussions with existing businesses can help tease out opportunities for customers or suppliers to locate in the BOA. These conversations can also identify how existing businesses can promote growth through shared resource networks. Sims recycling presents growth opportunity that should be explored further. Sims produces plastic material from old bottles, but all of this material is shipped out of state. The BOA could support additional businesses that use the material to produce new products. Entities such

as SBIDC could play a role in helping develop new businesses by understanding the growth needs of existing businesses and space/asset needs of new ones.

D. Encourage new economic opportunities within the existing building stock.

The market-based studies for the BOA show an increasing demand for small niche manufacturing, food production and design spaces. Existing historical warehouses offer good potential space for these businesses. Furthermore, these new kinds of businesses can potentially be developed in connection with retail space or showrooms. This hybrid approach of niche manufacturing and showroom can increase foot traffic in the area and further improve public realm and amenities that will help draw businesses into these spaces. Federal Building 2, currently under development, is exploring a similar kind of approach.

E. Explore zoning mechanisms that allow property owners, including the City, to realize the full development potential of their investments while bringing economic benefit to the BOA.

Zoning accommodates retail around Lutheran Medical Center through a C1-3 commercial district. Current zoning regulations would also allow for more retail uses in the M1 districts between 2nd and 3rd Avenues. Within limitations that support the goal of maintaining and growing industrial jobs, commercial uses can add amenities, jobs and accessibility to the Sunset Park waterfront industrial area.

PRIORITIES

ACTIONS

1. Increase awareness about the diverse industrial assets in the BOA by:
 - Compiling and updating a handbook of existing real estate, funding opportunities, contacts, and information on nature of business
 - Conducting workshops, tours and forums for business owners interested in locating within BOA
 - Conducting a study of building typologies and their reuse potential
2. Work with municipal agencies to provide incubation spaces and encourage green industries to locate within the BOA.
3. Partner with major investors and provide early input on large scale industrial developments like potential Bush Terminal industrial campus to ensure that these investments also represent needs of BOA residents.
4. Form a community coalition that includes BOA investors and developers to catalyze key redevelopments and ensure balance between needs of industries and residents and workers.
5. Connect Sims Recycling with BOA manufacturers who can use recycled materials.

PROJECTS

1. Reuse of Bush Terminal and A M Cosmetics strategic sites as incubators to provide low-cost start up space for small scale industries.
2. Partner with East of Hollywood Studios to determine feasibility of redevelopment of E. W. Bliss Building and secure funding for clean up.
3. Develop hybrid niche manufacturing / showroom spaces in A M Cosmetics and Bush Terminal gateway sites at 43rd Street.

FUNDING and PARTNERSHIPS

FUNDING

Federal

1. New Market Tax Credits
2. EB-5 Regional Center low-cost financing

New York State

1. NYSERDA New Construction Program

New York City

1. Industrial and Commercial Abatement Program

POTENTIAL PARTNERSHIPS

1. New York City Economic Development Corporation
2. Port Authority of New York and New Jersey
3. Cultural institutions focusing on environmental education
4. Local businesses looking to expand
5. Local resident community and workers
6. Cultural and arts institutions like Groundswell

2/

DECREASE ENVIRONMENTAL HAZARDS AND FACILITATE THE REMEDIATION AND REDEVELOPMENT OF KEY BROWNFIELD PROPERTIES IN THE BOA.

/ Key Findings

1. Approximately 91 parcels are underlain with historic fill material, which may contain PAHs and metals.
2. Several strategic sites are known or suspected to have contaminated structures as well as soil and groundwater containing varying concentrations of VOCs, SVOCs, PCBs and metals.
3. Unknown costs associated with clean up of brownfield sites poses a barrier to redevelopment.
4. Heavy freight movement dependent on conventional fuel sources degrades the air quality and risks incidence of respiratory disorders for BOA workers and residents.
5. Contaminated surface runoff may be degrading the water quality of New York Harbor.

A. Partner with local developers, key municipal organizations and interested owners to spur key catalytic redevelopment opportunities.

While the BOA contains a number of assets, redevelopment is still financially challenging due to the age of the building stock and the possible and / or confirmed presence of environmental contamination. Thus, it is challenging for any

/ Key Recommendations

- A. Partner with local developers, key municipal organizations and interested owners to spur key catalytic redevelopment opportunities.
- B. On strategic sites, determine nature and extent of contamination and quantify costs for remediation through Phase I and Phase II investigative work.
- C. Explore more sustainable environmental remediation techniques for cleanup
- D. Encourage the use of transportation and energy with the lowest environmental impact in the area.
- E. Implement stormwater mitigation techniques to reduce contaminated stormwater runoff (see Recommendation 6)

organization to “go it alone” in undertaking redevelopment efforts. There should be a dialogue between private sector organizations demonstrating interest in the BOA and agencies such as NYCEDC, PANYNJ, and the DOS to understand how the public sector can enhance private sector redevelopment efforts.

DETAILED RECOMMENDATIONS

B. On strategic sites, determine nature and extent of contamination and quantify costs for remediation through Phase I and Phase II investigative work.

A preliminary evaluation of the strategic sites indicates the confirmed presence of a wide range of contaminants on several sites (including PCBs, SVOCs and metals) and the suspected presence of contamination (petroleum and urban fill related) on other sites. However, potential remediation costs have not been quantified and must be for redevelopment to move forward. Phase I ESAs will be required for all redevelopment sites followed by Phase II ESAs where necessary to define the nature and extent of contamination and issues of concern. A Brownfield remediation program should be developed based upon information obtained from Phase I and Phase II ESAs and the end-use/redevelopment scenarios for each site. Redevelopment strategies such as hybrid uses and alternative zoning mechanisms described in Goal 1/ can potentially be used as incentives and help reduce overall re-development costs.

C. Explore more sustainable environmental remediation techniques for cleanup.

Traditional remediation techniques can be energy intensive and create significant carbon footprints and cause environmental degradation even as soil and groundwater contamination are cleaned up. Where possible, more sustainable remediation techniques that seek to reduce energy consumption (by using wind and solar power) and green house gas emissions and

incorporate water conservation measures should be considered.

D. Encourage the use of transportation and energy with the lowest environmental impact in the area.

The Sunset Park rail spur is benefiting from a major City investment. Future development in the area should seek to leverage this asset to reduce highly polluting truck traffic. City agencies should continue to support and advocate for maritime dependent industries at the Sunset Park waterfront. There is also the possibility of increasing the use of alternative energy through the potential development of a new anaerobic digestion plant at Sims and the installation of wind turbines on industrial buildings.

PRIORITIES

ACTIONS

1. Conduct a Phase I ESA and determine nature and extent of contamination and need for regulatory oversight of investigation/remediation activities on all sites scheduled for redevelopment.
2. Develop cost-effective remediation programs based on the nature and extent of contamination as well as the end-use for each site.

PROJECTS

1. Determine schedule for cleanup of E W Bliss Building and analyze feasibility of employing alternative remediation techniques to preserve the site.
2. Determine need for additional remediation on Bush Terminal site.
3. Conduct Phase I ESA on strategic sites and determine need for Phase II ESA
4. Advocate for electric vehicle (EV) charging station at Verizon site and encourage Verizon to utilize their new electric vehicles at this facility. Create additional sites for EV charging (e.g. Bush Terminal and SBMT).

FUNDING and PARTNERSHIPS

1. Office of Environmental Remediation
2. NYC Department of Environmental Protection
3. New York State Environmental Facilities Corporation
4. EPA grant program: Community Action for a Renewed Environment (CARE)
5. EPA Site Assessment and Cleanup Grants

3/

PROMOTE ENVIRONMENTALLY FRIENDLY BUSINESS PRACTICES

/ Key Findings

1. Green businesses include both those that develop and market green products as well as those that use green business practices.
2. The City and State have undertaken several environmental policy initiatives that could support development efforts in the BOA.

/ Key Recommendations

- A. Brand the area as a green business cluster.
- B. Work with City and State governments to promote environmentally friendly business practices.

DETAILED RECOMMENDATIONS

A. Brand the area as a green business cluster.

The Sunset Park neighborhood benefits from several major and growing green businesses with SIMS recycling and AXIS automotive. The BOA may also be home to the world's largest rooftop farm that is planned atop the renovated Federal Building #2. The success of these businesses and plans for the future demonstrates the potential for green business growth. Further, this growth could be accelerated if the PANYNJ advances its plans to develop a green business incubator. This type of facility would support the BOA's green brand and attract new businesses. Further a broad definition of green business should be embraced; it should include businesses that manufacture green products and businesses that utilize green processes that can be shared with others. For example, within the BOA neighborhood Verizon could develop a green vehicle charging center for both its vehicles and others.

B. Work with City and State governments to promote environmentally friendly business practices.

Both New York City and New York State governments have undertaken a number of initiatives that spur the growth of green businesses. For example, the City adopted a greener greater buildings plan that requires large buildings to annually benchmark their energy performance. Across industries, owners and tenants are realizing the value of energy efficiency measures. As the BOA is home to a number of construction firms, these firms could benefit by adopting green construction practices, installing energy efficiency measures, and promoting green design practices. Building owners in the BOA could install solar panels and benefit from state and federal tax incentives. Finally, buildings in the BOA could support wind turbines, which are now permitted under a recent zoning change to promote green uses.

PRIORITIES

ACTIONS

1. Encourage the conversion to alternative fuel trucks and support alternative fuel stations and charging infrastructures.
2. Support the initial stages of an eco-industrial park that starts with practical steps such as area-wide stormwater management approaches, coordinated waste management, and coordinated truck movements where possible.
3. Support the evaluation of existing facilities to understand how to make them more energy efficient through improvements, such as:
 - (a) Rationalized industrial processes
 - (b) Retrofits to existing buildings
 - (c) Addition of renewable energy technologies.

PROJECTS

1. Coordinate free energy audits of existing businesses.
2. Encourage NYCEDC, as a key landowner of Bush Terminal and South Brooklyn Marine Terminal, to take the lead on an area-wide stormwater management approach.
3. Support the growth of businesses related to anchor tenants such as SIMS recycling and AXIS automotive. This will encourage green business clusters within the BOA which in turn will help attract more green businesses to the area.
4. Work with PANY/NJ to promote green incubator at AM Cosmetics Building.

FUNDING and PARTNERSHIPS

FUNDING

Federal

1. US DOE Energy Efficiency and Renewable Energy Program
2. EPA Pollution Prevention Grants
3. National Science Foundation

New York State

1. NYSERDA Industrial and Process Efficiency Program
2. NYSERDA Existing Facilities Program (for Small Simple Equipment Changeouts and Large Custom Improvements)
3. FlexTech Program
4. NY Truck Voucher Incentive Program
5. Green Jobs-Green New York Program
6. Green Innovation Grants (New York State Environmental Facilities Corporation)
7. Industrial Finance Program (New York State Environmental Facilities Corporation)

New York City

1. New York City Energy Efficiency Corporation Programs
2. Energy Cost Savings Program (NYC Dept. of Small Business Services)