New York State Urban Development Corporation
d/b/a Empire State Development

1024 FULTON STREET REDEVELOPMENT PROJECT
General Project Plan

Adopted September 17, 2026

I. BACKGROUND

The New York State Urban Development Corporation d/b/a Empire State Development ("**ESD**") is adopting this General Project Plan ("**GPP**") for the proposed 1024 Fulton Street Redevelopment Project (the "**Project**"), located at 1024 Fulton Street, Brooklyn, New York. ESD is sponsoring the Project as a Land Use Improvement Project pursuant to the New York State Urban Development Corporation Act (the "**UDC Act**").

The Project will redevelop a lot consisting of approximately 12,861 square feet ("**SF**") located at 1024 Fulton Street, Brooklyn, New York 11238, Tax Block 2015, Lot 28 (the "**Project Site**" or "**Site**"). The Site is currently owned by the People of the State of New York (the "**State**") acting by and through the New York State Office of Children and Family Services ("**OCFS**"). The Site was used as a Brooklyn Union Gas showroom beginning in 1912 and later served various manufacturing and commercial uses. The City of New York (the "**City**") acquired the site in 1986 pursuant to the foreclosure of a tax lien. In 1996, OCFS acquired the Site from the City with the intent to develop a community center; however, due to structural issues, the building has remained vacant.

The Project is informed by community engagement that occurred during the fall and winter of 2024 and early 2025. ESD, in collaboration with the local Senator, Assembly Member, Council Member, Attorney General, Congressman, and Brooklyn Borough President, hosted a series of community visioning workshops to gather feedback on the future development of the Project Site. Based on this public engagement, ESD developed a Community Visioning Report (the "**CVR**") that summarized key community needs and priorities. The CVR found that the community's top priorities included: (i) high density to address the community's demand for affordable housing; (ii) senior housing and housing for low-income households; and (iii) community-oriented ground floor uses, with the top choice being a community center with older adult and intergenerational programming.

ESD is advancing the proposed Project as part of its strategic focus, consistent with Governor Hochul's Executive Order 30, to address the housing crisis by working with other state entities to repurpose unused and under-utilized state-owned properties for the development of housing, and to create more affordable, diverse, and inclusive neighborhoods in the City and across the State. The proposed redevelopment is anticipated to create approximately 126 income-restricted rental housing units as well as approximately 30,000 SF of community facility space, inclusive of an intergenerational community center operated by Fort Greene Council, a health clinic operated

by One Brooklyn Health, and a workforce and financial empowerment center operated by Bedford-Stuyvesant Restoration Corporation. These types of uses were identified as priorities through the public engagement process that culminated in the CVR. The proposed Project will create approximately 350 temporary construction jobs and approximately 3 new permanent jobs. The Project is anticipated to be completed and occupied by 2030.

The conditionally designated development team, which ESD selected on February 13, 2026 through a competitive Request for Proposals ("**RFP**"), is 100% non-profit owned and composed of Fifth Avenue Committee, Bedford-Stuyvesant Restoration Corporation, and One Brooklyn Health (collectively, together with corporate entities that may be formed and controlled by various of the foregoing, the "**Development Team**"). During the predevelopment and construction period, a joint venture between Apex Building Group and Henge Development will work collaboratively with the Development Team to effectuate development and construction of the Project.

II. LOCATION AND DESCRIPTION OF THE PROJECT SITE

A. The Project Site

The Project Site totals approximately 12,861 SF and is located in the Clinton Hill neighborhood of Brooklyn, New York in Brooklyn Community District 2 on the south side of Fulton Street between Irving Place and Downing Street. The Project Site is in the southeast corner of Clinton Hill, abutting Bedford-Stuyvesant to the east and Crown Heights to the south.

The Site is bounded by Fulton Street to the north, Crispus Attucks playground to the east, and St. John's Church of God to the west. Directly south of the Site are rowhomes with frontage on Lefferts Place.

The Site currently contains an approximately 33,000 square-foot vacant building that is structurally unsound, which will be demolished by the New York State Office of General Services ("**OGS**") prior to conveyance to the Development Team. The Site is in an R7A/C2-4 residential zoning district, with a C2-4 commercial overlay allowing for ground floor retail use.

B. Neighborhood Context

Clinton Hill is characterized by rowhomes and historic brownstones ranging in height from 3 to 5 stories, with typical multifamily buildings up to 11 stories and several taller multifamily buildings at heights up to 24 stories. Fulton Street includes mixed-use residential developments with predominantly ground floor retail uses. The corridor and surrounding streets have recently seen larger new construction developments up to 17 stories.

The Site is well-served by public transit. It is approximately two blocks from the C and S subway lines at the Franklin Avenue Station and approximately ten blocks from the G subway line at the Classon Avenue Station. New York City Transit bus lines B25, B26, and B48 are each accessible to the Site. The Site is also within walking distance of several public and private schools.

Directly to the south of the Site, the City of New York completed the Atlantic Avenue Mixed Use Plan ("**AAMUP**") neighborhood rezoning. Approved by the New York City Council on May 28, 2025, AAMUP rezoned portions of Atlantic Avenue and blocks to the south that were previously zoned for manufacturing use to permit as-of-right mixed-use residential use. On wide mixed-use corridors, maximum building heights up to 17 stories are allowable. The proposed 1024 Fulton Street project was included as part of AAMUP's Points of Agreement as a key public site to be leveraged for affordable housing.

III. PROJECT DESCRIPTION

The redevelopment will consist of a 17 story mixed-use building that includes: (i) approximately 126 residential units that will be income-restricted to households earning up to eighty percent (80%) Area Median Income ("**AMI**"), with the income mix subject to change upon HCR's review and approval of the development team's underwriting; (ii) approximately 30,000 SF of community facility space, presently anticipated to include: an intergenerational community center operated by Fort Greene Council, a health clinic operated by One Brooklyn Health; and a workforce and financial empowerment center operated by Bedford-Stuyvesant Restoration Corporation. A site plan for the proposed Project is attached hereto as **Exhibit A**.

To implement the Project, ESD must override the New York City Zoning Resolution and other local laws and requirements as applicable, in accordance with the UDC Act and as discussed in Section VII below. As discussed in Section VII below, the GPP incorporates design controls ("**Design Guidelines**") that will specify the parameters for permitted development of the Project in lieu of zoning or other local laws or requirements that are inconsistent with the Project. In addition, the Deed Restriction will be extinguished in cooperation with the City using the process set forth in Section 14(2) of the UDC Act.

As further described in Section VIII, the Project has been determined by ESD to be a "qualified action" exempt from review under the State Environmental Quality Review Act and its implementing regulations set forth in 6 NYCRR Part 617 (collectively, "**SEQRA**"), pursuant to the SEQRA reform legislation signed into law by Governor Hochul on May 27, 2026.

IV. PURPOSE AND NEED FOR THE PROJECT

The Project is anticipated to address substandard conditions at the Project Site, further described in Section VI, the critical need for affordable housing in New York City and the Project area, and community-identified needs for both housing and community facility uses as set forth in the CVR.

The severe shortage of affordable housing in New York City is well known and documented. The New York City 2023 Housing and Vacancy Survey Select Initial Findings (the "**HVS Report**"), based on data collected by the US Census Bureau on behalf of the City of New York, indicated that New York City has historically low vacancy rates. In 2023, less than 1.41% of units were vacant citywide, and only 30% of those vacant units were affordable to families earning less than $70,000 per year, which was the median income for renters in New York City; in Brooklyn, the vacancy rate was 1.27%.

Moreover, due to wage stagnation for the City's renters over the past two decades, increases in the average monthly rents for apartments, and the costs of land and construction for residential developments in the private marketplace, a significant portion of renters are rent burdened. According to the HVS Report, in 2023, 18% of renter households were moderately rent-burdened paying more than 30% and less than 50% of their income on housing each month, and 25% were severely rent-burdened, paying more than 50% of their income on housing each month. In Clinton Hill, the shortage of housing that is affordable to low-income families is acutely felt, as the neighborhood has experienced significant displacement due to gentrification. According to the 2024 Housing Risk Chart published by the Association for Neighborhood & Housing Development, Brooklyn Community District 2 showed the largest increase in median rent citywide during the period of 2017-2022 at 32%.

Facilitated by this GPP, the Project Site will be redeveloped into a 100% income-restricted housing development with an intergenerational community center, a health clinic, and a workforce and financial empowerment center in the building's lower levels with direct street frontage.

The Project is also estimated to create approximately 350 temporary construction-related jobs, as well as approximately 3 new permanent jobs at the Site. The Development Team will endeavor to retain workers from the local community through subcontractor hiring, local outreach, and relationships with local community organizations. The development team will endeavor to partner with Fifth Avenue Committee's Brooklyn Workforce Innovation training program Brooklyn Woods to source environmentally responsible cabinetry where feasible. This collaboration champions local green-collar workforce development by ensuring that project delivery directly invests in Brooklyn's skilled workers and sustainable manufacturing.

V. SUMMARY OF ESSENTIAL BUSINESS TERMS

A. Property Acquisition and Disposition of the Project Site

In a closing (the "Closing") timed to coincide with the closing of the Project financing, ESD will acquire fee title from the State to the Project Site and convey the Project Site by quitclaim deed to the Development Team or to entities controlled by the Development Team. Additionally, the deed restriction imposed by the City in the existing deed from the City to the State will be extinguished by the City in a quitclaim deed to ESD. ESD will seek approval from the Public Authorities Control Board for the acquisition from the State.

The Development Team will accept the Project Site in "as is, where is" condition, with no representations by ESD, OCFS, OGS, or the State (collectively, the "**Public Parties**") of any kind or character whatsoever, whether express or implied, oral or written, past, present or future.

B. Restrictive Declaration

The Development Team will execute a Restrictive Declaration that will be recorded against the Project Site and run with title to the land. The Restrictive Declaration will provide covenants by the Development Team, which will be enforceable by ESD, to ensure that the Project is constructed in accordance with the GPP, Design Guidelines, and other applicable Project requirements.

C. Regulatory Agreement

HCR, in connection with its provision of Project financing, will enter into a Regulatory Agreement with the Development Team, which will outline the terms and conditions under which the new residential building on the Project Site can operate as income-restricted housing, including affordability criteria, construction and maintenance standards, and resident protections.

D. Financial Terms

1. Purchase Price

It is intended that the Project Site will be conveyed to the Development Team for nominal consideration.

2. Cost Agreement and Imprest Account

The Development Team will fund all out-of-pocket, third-party expenses incurred by ESD in connection with the Project, including consultant and counsel expenses. The Development Team has executed an agreement with ESD obligating the Development Team to fund these expenses (the "**Cost Agreement**") and has maintained an imprest account with ESD per the Cost Agreement.

3. Project Financing

The Development Team will be solely responsible for making its own arrangements for all Project-related funding. It is anticipated that HCR will provide financing for the Project.

4. Estimated Project Costs and Proposed Funding Sources

The following chart is for illustrative purposes only. Actual project costs and funding sources are subject to change.

Use of Funds			Permanent Sources of Funds		
Land Costs	$1	0%	**HFA First Mortgage**	$13,480,000	12%
Hard Costs	$75,037,046	68%	**HFA NCP + other HCR/HFA Subsidy**	$19,542,964	17.5%
Soft Costs	$22,879,689	21%	**Community Facility Mortgage**	$6,330,000	6%
Developer Fee	$12,150,000	11%	**Tax Credit Equity**	$46,113,959	41.5%
Reserves	$1,003,005		**Community Facility Grants***	$14,283,135	13%
-	-	-	**Sustainability (NYSERDA + Sponsor Loans)***	$6,758,000	6%
			Deferred Developer Fee	$3,402,399	3%
			Other	$1,159,284	1%
Total	$111,069,741	100%	**Total**	$111,069,741	100%

*Competitive grant funding has not yet been officially committed to the project.

5. Taxes

Any applicable New York State and local taxes payable with respect to the transactions herein shall be paid by the Development Team (except as otherwise exempted and/or abated). The Project is anticipated to apply for tax benefits under Section 420-c of the New York State Real Property Tax Law.

E. Demolition and Construction

To support redevelopment, it is anticipated that demolition of the existing structure will be completed by OGS prior to Closing. Shortly after Closing, the Development Team is anticipated to commence construction of the Project, with Substantial Completion anticipated to occur approximately three years after Closing.

VI. UDC ACT SECTION 10(c) and 10(g) FINDINGS; PUBLIC PURPOSE

ESD, pursuant to Section 10 of the UDC Act, makes the findings set forth below.

A. Land Use Improvement Project Findings: UDC Act Section 10(c)

(1) The area in which the Project is to be located is a substandard or insanitary area or is in danger of becoming a substandard or insanitary area and tends to impair or arrest sound growth and development of the municipality.

The Project Site is currently occupied by a dilapidated and unusable building, the condition of which can be expected to worsen over time, impacting the safety of the community and its attractiveness to residents and businesses. The conclusion that the Project Site is substandard or insanitary, as those terms are used in the UDC Act and have been interpreted by New York case law, is supported by that certain Structural Condition Assessment Report prepared for OGS by CHA Consulting, Inc., dated October 25, 2022, which found that the building is in extremely poor condition. Among other conditions, the report documented a partial collapse of the roof of the building and a partial collapse of the third floor with missing structural members. ESD staff have visited the site and observed that, from the street, the building is visibly vacant and damaged.

(2) The Project consists of a plan or undertaking for the clearance, replanning, reconstruction and rehabilitation of such area and for recreational and other facilities incidental or appurtenant thereto.

As described in Sections II and III, the Project will clear, replan, reconstruct, and rehabilitate the Project Site, replacing the existing dilapidated and structurally unsound building with a new building containing income-restricted housing and appurtenant community facility space anticipated to be occupied by an intergenerational community center, health clinic, and workforce and financial empowerment center.

(3) The plan or undertaking affords maximum opportunity for participation by private enterprise, consistent with the sound needs of the municipality as a whole.

The Project will be constructed by a private developer and consultants, and the new residential space and community facilities will be operated and managed by private entities. As described in Sections I and IV, the Project has been planned with input from the community and elected officials to ensure that it is consistent with the sound needs of the surrounding neighborhoods and the City as a whole.

B. <u>UDC Act Section 10(g)</u>

There is a feasible method for the relocation of families and individuals displaced from the Project area into decent, safe and sanitary dwellings, which are or will be provided in the Project area or in other areas not generally less desirable in regard to public utilities and public and commercial facilities, at rents or prices within the financial means of such families or individuals, and reasonably accessible to their places of employment.

The Project Site currently consists of a vacant, unused and closed building and there are no residential occupants on the Site. Consequently, no residential relocation is required under UDC Act Section 10(g).

VII. OVERRIDES OF ZONING AND OTHER LOCAL REGULATION; DESIGN GUIDELINES; APPLICATION OF NEW YORK CITY CONSTRUCTION CODES

It is not feasible or practicable to construct the Project in accordance with existing zoning, which would restrict the Project from delivering an optimal amount of income-restricted housing, community facilities and other amenities necessary to fulfill the Project's stated public purpose and need. Therefore, in order to implement the Project, ESD will override all inconsistent provisions of the New York City Zoning Resolution ("**ZR**") and other inconsistent local laws and requirements, as applicable, in accordance with the UDC Act and implement development and design controls (known as "**Design Guidelines**") and other requirements in lieu of local zoning. The Design Guidelines will address, among other things, use, bulk, and dimensional parameters that will be applied to the proposed redevelopment in lieu of zoning.

Currently the Project Site is zoned R7A/C2-4. R7A zoning districts are medium-density residential districts that allow a maximum Floor Area Ratio (FAR) of 5.01 for affordable housing. The maximum base height is 85 feet with a total height limit of 115 feet and 11 stories. Dormers are permitted above the setback on up to 40% of the street frontage. Because the Project Site is in a Transit Zone, no parking is required for income-restricted units.

Zoning overrides, including but not limited to overrides of the following sections of the ZR, will be implemented to support redevelopment of the Project Site in accordance with this GPP and the Design Guidelines:

- ZR Section 23-22: Floor Area Regulations in R6 through R10 Districts for Qualifying Affordable Housing.

This section of the ZR permits a maximum FAR of 5.01 on the Project Site; the override will allow for a maximum FAR of 8.93 (7.31 Residential FAR plus 1.62 Community Facility FAR).

- ZR Section 23-432: Height and Setback in R6 through R12 Districts for Qualifying Affordable Housing

This section of the ZR permits a maximum building height of 115 feet on the Project Site; the override will allow for a maximum building height of 185.5 feet and 17 stories on the site.

- ZR Section 23-413(b)(1)(ii): Permitted Obstructions: Dormers

This section of the ZR permits a maximum width of dormer of 40 percent of the street wall, without decrease in width as the height increase; the override will allow for a maximum width of dormer of 44'-0" which is equivalent to 42.1 percent of the street wall. Such dormers need not decrease in width as the height increases.

The City of New York, through the Department of City Planning, has been advised and has provided input on the proposed Project, pursuant to the UDC Act Section 16(1).

Subject to the Design Guidelines and any applicable zoning overrides implemented by ESD, the New York City Building and Construction Codes will apply to all construction, buildings, structures, and infrastructure to be developed and maintained on the Project Site. The permitting authority for the purposes of the Building Code is the New York City Department of Buildings.

To the extent the GPP involves disposition of property interests by the City, it is anticipated that such disposition will be performed pursuant to Section 14(2) of the UDC Act and therefore will not be subject to local laws otherwise related thereto, including Chapter 8 of Title 25 of the Administrative Code of the City of New York (i.e. Local Law 176 of 2016). Instead, the disposition will be subject to compliance with the requirements of Section 14(2), including a formal request to the City to be made by the President of ESD and mayoral approval after a public hearing to be held by the City upon at least ten days' public notice.

VIII. ENVIRONMENTAL REVIEW

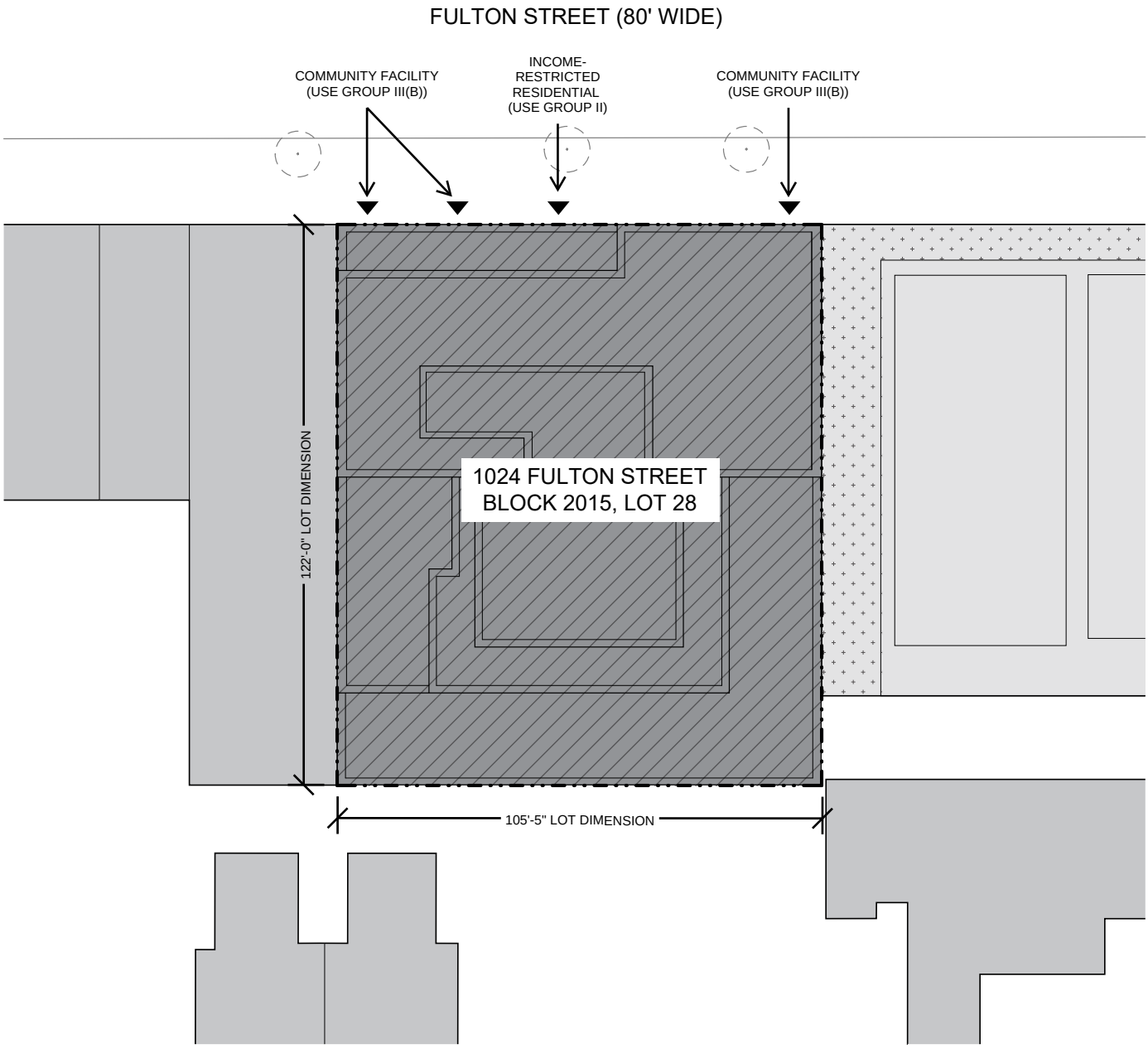
Pursuant to SEQRA, ESD staff has considered the Project as a whole and has determined that the Project meets the criteria for a "qualified action" exempt from the requirements of SEQRA. Therefore, no further environmental review is required in connection with the Project.

IX. NON-DISCRIMINATION AND CONTRACTOR AND SUPPLIER DIVERSITY REQUIREMENTS

HCR's Office of Economic Opportunity & Partnership Development will be the central entity managing compliance of goals for the Project related to utilization of Minority and Woman-Owned Business Enterprises ("**MWBE**") and Service-Disabled Veteran-Owned Businesses ("**SDVOB**"). The Development Team will be required to include minorities and women in any job opportunities created, to solicit and utilize MWBE and SDVOB for any contractual opportunities generated in connection with the construction of each Project phase, and to use Good Faith Efforts (pursuant to 5 NYCRR §142.8 and 9 NYCRR § 252.2) to achieve an overall MWBE participation goal and SDVOB participation goal related to the total value of hard costs and soft costs of such construction. HCR will establish specific goals, which will be detailed in a *Minority and Women-Owned Business Utilization and Service-Disabled Veteran-Owned Business Agreement* that the Development Team will enter into with HCR at the financing for each phase.

X. ATTACHMENTS

Exhibit A: Site Plan



MIXED USE RESIDENTIAL AND COMMUNITY FACILITY

MAX BUILDING FOOTPRINT

PROPERTY LINE

STREET TREE

PRIMARY BUILDING ENTRANCES
(ADDITIONAL SERVICE ENTRANCES AND POINTS OF EGRESS NOT INDICATED)

NOTES:

1. PROPOSED BUILDING FOOTPRINT IS ILLUSTRATIVE AND SUBJECT TO CHANGE.
2. LOCATIONS OF BUILDING ENTRANCES ARE APPROXIMATE AND SUBJECT TO CHANGE.
3. LOCATIONS AND SIZE OF STREET TREES ARE APPROXIMATE AND SUBJECT TO CHANGE.

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0' 8' 16' 32'

Curtis + Ginsberg Architects

SK-01 | EXHIBIT A. SITE PLAN

2025.09 1024 Fulton Street

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Rev:

Date: 08/28/26