



**Atlantic Yards
Community
Development
Corporation**

A Subsidiary of Empire State Development

ATLANTIC YARDS COMMUNITY DEVELOPMENT CORPORATION

Meeting of the Directors

Tuesday
July 28, 2020 at 11:00 am

PROPOSED AGENDA

CORPORATE ACTION

1. Approval of the Minutes of the August 12, 2019 Directors' Meeting

FOR INFORMATION

2. President's Report – Corporate Update (Oral Report)
 - a. Community Relations Update
 - b. Construction Activity & Project Update
3. Public Comments – Submitted in writing to AYCDBCdMtg@esd.ny.gov by 4:30 pm on Monday, July 27, 2020

Item 1

Atlantic Yards Community Development Corporation
Meeting of the Directors
Empire State Development
37th Floor Conference Room
633 Third Avenue
New York, NY 10017

August 12, 2019

MINUTES

In Attendance

Directors:

Daniel Kummer, Acting Chair
Shawn Austin
Julene Beckford
John Heyer, II
Jennifer James
Cy Richardson
Ethel Tyus
Gib Veconi

AYCDC Staff:

Elizabeth R. Fine - General Counsel
Elaine A. Kloss - Chief Financial Officer
Marion Philips, III - President
Regina Stephens - Assistant Corporate Secretary
Tobi Jaiyesimi - AYCDC Director

ESD Staff:

Holly Leicht - EVP, Real Estate Dev. & Public/Private Partnership
Greg Lynch - Senior Inspector, Atlantic Yards
Kathleen Mize - Deputy Chief Financial Officer and Controller
Richard Dorado - Senior Counsel
Rachel Shatz - VP, Planning and Environmental Review

Also Present:

Scott Solish - Greenland Forest City Partners
Amir Stein - TF Cornerstone

Members of the Public
Members of the Press

The meeting of the Atlantic Yards Community Development Corporation (“AYCDC”) was called to order at 3:08 p.m. by Acting Chair Daniel Kummer. The Directors were reminded that

the meeting was being webcast and that they had received the written materials in advance of the meeting and were free to ask questions at any time.

Acting Chair Kummer then noted that after each Agenda item is presented and comments from the Directors are received, the Public would be allowed to provide comments. He also stated that the last item on the Agenda is “Public Comments”, during which the Public can speak on non-Agenda related matters.

Acting Chair Kummer then asked whether anyone had any potential conflict of interests with respect to any of the items on the Agenda. Hearing none, he asked AYCDC Director Tobi Jaiyesimi to present the next Agenda item.

Ms. Jaiyesimi presented two modifications to the Atlantic Yards General Project Plan (“GPP”) that were tabled during the July 22, 2019 Directors’ meeting. She explained the first modification amends the description of permitted uses in the Design Guidelines to allow for the development of a 105, 000 square feet indoor recreational facility. She further explained that with this amendment, approximately 96,000 below grade square footage can be leased for the operation of a physical culture establishment at Parcels B12 and B13. She noted the recreational facility will have a fieldhouse of approximately 60,000 square feet and a fitness center of approximately 45,000 square feet and that the recreational facility will have 9,000 square feet of ground floor use which would be part of the facility’s lobby and reception check-

in area. She stated that programming at the recreational facility will include gymnastics, soccer, and a learn-to-swim pool and the fitness center will mirror uses for a traditional gym.

Ms. Jaiyesimi explained that the proposed modification would not result in additional below grade square footage not previously considered in the Project's 2006 Final Environmental Impact Statement ("FEIS"). She reviewed changes to the Project's parking requirements and the below grade space analyzed for the Project. She advised that traffic impacts were analyzed as part of the Technical Memorandum produced by Project staff and consultants. She stated that analysis considered the additional interest for the indoor recreational facilities and person trips expected to be generated during peak and off-peak hours.

Ms. Jaiyesimi discussed the various modes of transportation for the person trips reviewed, including vehicular, taxi and foot traffic. She noted that some AYCDC Directors were concerned with how the recreational facility would impact the street activation and possibly create pockets of isolation. She explained the field house and fitness center will generate foot traffic as they will have separate entrances, in addition to local retail not associated with the recreational facility. She explained that Dean Street between Carlton and Vanderbilt Avenues will have major entryways for the Project's Open Space and that the depth of excavation required for the below grade use would be the same depth that was necessary for B14 and the building's parking garage.

Ms. Jaiyesimi noted the recreational facility's operator was committed to providing discounted rates for building residents and that there will be opportunities to establish partnerships with community organizations and schools. She further noted that the operator has a scholarship fund to provide training programs, athletic trips and camps for underserved children.

Ms. Jaiyesimi clarified that while the modification was presented as commercial use during the July 16, 2019 Quality of Life meeting, it was contemplated that the Project's space would be commercial office space and the modification was reframed to allow for a recreational facility instead of commercial use.

Director Veconi then provided comments about the proposed modifications, noting that in 2009 when a modification of the GPP was made and an environmental review was not required with a Tech Memo to substantiate that, there was a lawsuit filed which ruled in favor of the community. He wanted to be confident that this review was done transparently and in good faith. He raised concerns with how the clarification was being framed, suggesting that it should be considered a new use and new square footage. It was noted that the amendment is being made to the Project's Design Guidelines in a section that does not talk about floor area and there is no amendment of the Project's 36,000 square feet of commercial space and 247,000 of retail.

Director Veconi disagreed with the exchange of parking for additional below grade use and took issue with the Tech Memo being utilized for the modifications. He noted that information was not made available about the consultants whose professional judgment informed decisions made about impacts to the neighborhood character and change to land use.

Director Veconi then spoke about the traffic analysis, noting that he was surprised that the trip count for the recreational facility would not necessarily be greater on average. He raised concerns with the methodology for the traffic analysis and the prospective tenant's role in informing the data used to make conclusions for the Tech Memo. He further questioned whether the public was getting a fair benefit by allowing the developer to get new floor area without concessions. He mentioned the developer's interest in providing discounts to the buildings' residents but thought that a revenue producing venture should provide more benefits to the public. He also mentioned his concerns with the developer's ability to meet the Project's 2025 affordable housing deadline.

Following Director Veconi's comments, Acting Chair Kummer noted that the Technical Memorandum referred to was made available to all Directors for review. Director Tyus lent her support to most of what Director Veconi shared and added that the modifications deserve an Environmental Impact Statement. She asked about the number of vehicular trips per evening and the recreational facility's traffic impact to the community. Ms. Jaiyesimi explained that 2,900 trips were expected per evening for the entire project and 88 person trips during the

hours of 7pm and 8pm for the recreational facility. Director Tyus responded that the additional trips from the recreational facility would be noticeable to residents. She stated she believed the gym to be a wonderful addition but was unsure about how many people in the area would be able to afford it. Director Richardson cosigned the earlier remarks.

Acting Chair Kummer then asked Ms. Jaiyesimi to call up members of the public wishing to make public comment on the recreational facility use modification.

The first speaker was David Tewksbury representing Chelsea Piers management. Mr. Tewksbury provided information about existing Chelsea Piers locations; the organization's vision and programming for the Pacific Park fitness center and field house; and the available scholarship fund. Acting Chair Kummer asked about the discounted rates to be made available to the buildings' residents. Mr. Tewksbury explained that membership rates for the health club range from \$135 to \$185 a month, \$135 for seniors. Residents of B12 and B13 will be eligible for 50 percent off the going rate for the facility's membership in perpetuity and that this discount is available to both affordable and market-rate residents.

Keith Smart also spoke on behalf of Chelsea Piers and noted that prior to joining the organization, he was an Olympian. He spoke about his childhood experience of having to travel over an hour each way to have access to a fencing club and expressed his excitement for the

local children with athletic goals having a facility in their neighborhood. He further noted that Chelsea Piers was laser focused on being a great community neighbor, and described the different partnerships already established in the community.

Michael Edelman a Boerum Hill resident, spoke about his experiences as a football and basketball coach. He stated he was looking forward to having an indoor recreational facility within walking distance of his home.

Anthony Bryant spoke about the benefits of having a Chelsea Piers gym in his building on Bond Street, and how having access to the facility at a discounted rate has helped with his weight loss goals.

John Hollandberg, a Dean Street resident, was looking forward to having a recreational facility close to home that he could take his family to for swimming lessons and other programming.

Benjamin Pastor shared about his experience with winning the affordable housing lottery for 33 Bond Street and having access to the building's Chelsea Piers facility.

Elizabeth Martin, a Carlton Avenue resident, believed that this was the wrong location for a recreational facility. She raised concerns with the traffic analysis and potential impacts to the neighborhood. She further suggested that more parking spaces for the police and firemen, and more affordable parking rates would be needed.

Robert Witherwax, Chair of the Prospect Heights Neighborhood Development Council, spoke about the additional square footage introduced by the recreational facility, the lack of environmental review, the public benefit to the community, and the Project's 2025 affordable housing deadline.

Bora Lee, Chief of Staff at the Fifth Avenue Committee, urged for an environmental review of the proposed modification and a detailed plan for public benefits.

Assemblymember Jo Anne Simon asked whether the proposed modifications triggered an environmental review. She noted her support for additional recreational space but called for detailed technical analysis. She also commented on the developer's ability to meet the 2025 affordable housing deadline.

Mr. Phillips explained the purpose of the Tech Memo, how the analysis was conducted and the review process. He noted that the modification provided for recreational use and had

no impact on the commercial square footage for the Project. He noted that Chelsea Piers is a high-end gym, but the discount will make it more affordable for residents, with rates comparable to other gym operators in the area. He noted the public benefits of the Project, and refuted arguments about the modification's one-sided benefit to the Developer. He reiterated the State's commitment to the Project's 2025 affordable housing deadline.

Director Austin asked for clarification on the difference between a Tech Memo and an Environmental Impact Statement ("EIS"). Ms. Shatz explained that a Tech Memo is done when there are changes presented in a project that were not anticipated at the time an original environmental study was conducted. She noted the Project's Environmental Impact Statement was originally certified in 2006 and in 2014 a Supplemental Environmental Impact Statement ("SEIS") was completed. She advised the Tech Memo reviewed Project changes that were not already addressed or identified as having impact. She stated that these changes did not create any different or worse impacts and that the Tech Memo's review supported the determination that another SEIS was not needed. She explained that a Tech Memo is considered by Agency staff, and if it determined an SEIS is not needed, then that is the completion of the environmental review.

Director Veconi echoed Assemblymember Simon's comments, noting that his concerns were not with the type of facility being proposed or with the suggested operator. He stated he

believed the Tech Memo functioned to obviate the need for an Environmental Impact Statement which would be an expense to the Developer in terms of time and cost.

Ms. Jaiyesimi noted that the Developer is responsible for all costs related to the Tech Memo and the work is conducted objectively by the Agency's consultants and staff.

Director Veconi clarified that a Tech Memo avoided the cost of an EIS and then pointed out that the parking is a requirement to accommodate new Project residents. During his review of the Tech Memo, Director Veconi learned that the average overnight use for the 535 Carlton Avenue garage was 200 spaces, with 47 spaces utilized by residents living in the building. He suggested that the parking reduction was saving, not costing the Developer money. He noted that the parking provided on Dean Street seemed more than enough for the Project and neighborhood demand.

Ms. Jaiyesimi explained that a Tech Memo is not done instead of an environmental study. She further explained that at the end of the analysis done for a Tech Memo there is a determination made about whether a SEIS is needed and that the Tech Memo is not a cost saving option; it is a necessary step before determining whether additional environmental review is required. Ms. Shatz added that it is not a decision made by the Developer but is instead a decision made by ESD as the Lead Agency.

Director Richardson asked for an overview of the procedural requirements. Ms. Shatz explained that as an Agency ESD is required to adhere to the State Environmental Quality Review Act (“SEQRA”). She further explained that SEQRA requires any Agency before it funds or approves or takes an action, to conduct environmental review. She advised that sometimes a project is small, providing grants to allow for people to continue to do business and such items do not require environmental review. She noted some projects are Unlisted Actions, falling between a gray area of Type I and Type II and these may also be so small that they do not require a potential EIS, but they cannot be dismissed outright. She said an Assessment Form is completed and a determination is made whether or not additional review is required. She said there are then projects classified as Type I which are clearly identified in the regulations and an environmental review must be carried out because it is a project of the requisite magnitude. She advised that it’s possible, at the Lead Agency’s judgment, to do an Environmental Assessment, which may be more expanded than typical assessments, but not a full EIS and that such actions do not need to go through the public review process.

Director Richardson asked for an example of a project the would meet the threshold. Ms. Shatz described a project that was not going to generate traffic that would require mitigation or would have minimal or no effect on the neighborhood character and she noted an Environmental Assessment Form would be completed, including a traffic analysis, and a declaration at the end of the process. She explained that there was an Environmental Impact Statement when the Atlantic Yards Project was first introduced, and a 2014 SEIS. She noted

that there have been modifications to the General Project Plan and there is a determination on what kind of environmental review is appropriate. The Tech Memo recommends to the ESD Directors that no SEIS is needed. Director Veconi asked about the genesis of the 2014 SEIS. Ms. Shatz explained that it came about as the result of a number of things including a lawsuit which lead to a court order.

Director Tyus then asked about state code and regulations for determining whether a project would require an EIS; highlighting that there was something that would encourage or attract a large number of people. Ms. Jaiyesimi and Ms. Shatz explained how the types of trips expected to be generated for the recreational facility compared to what was previously studied for the site, and why additional environmental review was not necessary.

Acting Chair Kummer then asked Ms. Jaiyesimi to present the second item for consideration. Ms. Jaiyesimi presented the modification which allows for ventilation structures as permitted obstructions in the B11/B12 and B13/B14 Open Space North-South Walkway Zones. She advised the vent structures have always been contemplated as part of the Project's Open Space, especially when considering the development over the LIRR yards. She noted the idea of lanterns and volleys were presented to the AYCDC Directors when the Project's Open Space Design Guidelines were modified in 2015. She described the purpose and location of the vent structures, emphasizing that the structures would not diminish the function and public utilization of the Open Space. She explained how the proposed locations were analyzed, noting

that the analysis, which followed EPA modeling procedures, found that the proposed locations for the vent structures would not result in any adverse air quality impacts. She advised that in response to requests from the AYCDC Directors, the programming of the Open Space will be changed, and the location of the playground moved away from the vent structure.

Director Tyus asked if there was any way to run the vent structures from the side of the building instead of at ground level and it was explained that two vents already exhaust from the building at 15 to 20 feet above ground.

There was then a discussion about how to vote on and consider the actions brought before the Directors. Director Veconi suggested breaking the modifications into separate votes. He then put forth a motion that the AYCDC Directors withhold support for the recreational facility use modification pending further environmental review. There was a tied vote and the motion did not pass. Director Austin then put forth a motion that the AYCDC Directors recommend the modification for the recreational facility use. There was a tied vote and motion did not pass. The Directors then considered the modification for the vent structures in the Open Space. Hearing no additional comments from the Directors, upon motion duly made and seconded, the following resolution was unanimously adopted:

ATLANTIC YARDS COMMUNITY DEVELOPMENT CORPORATION - Brooklyn (Kings County) – Atlantic Yards Land Use Improvement and Civic Project - Authorization to Recommend that ESD Directors Approve Amendments to the Modified General Project Plan; and Authorization to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation (the “Materials”), the Corporation hereby recommends that the ESD Directors approve the proposed modifications regarding ventilation as set forth in the Materials; and be it further

RESOLVED, that the President is authorized and directed in the name and on behalf of the Corporation, to take any and all such actions as may be necessary or appropriate to effectuate the foregoing resolutions, including making report to and submitting materials to the ESD Directors.

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Acting Chair Kummer then asked Ms. Jaiyesimi to transition to the Public Comment period of the meeting.

Ms. Martin spoke about the operations of the garage at 535 Carlton Avenue, suggesting the need for self-parking garages and raising concerns about patrons retrieving their cars after major events at the Arena.

Hearing no further business, the meeting was adjourned at 4:33 p.m.

Respectfully submitted,

Regina Stephens
Assistant Corporate Secretary