Brooklyn Borough President Recommendation
CITY PLANNING COMMISSION
120 Broadway, 31st Floor, New York, NY 10271
CalendarOffice@planning.nyc.gov

INSTRUCTIONS
1. Return this completed form with any attachments to the Calendar Information Office, City Planning Commission, Room 2E at the above address.
2. Send one copy with any attachments to the applicant’s representatives as indicated on the Notice of Certification.

APPLICATION #: SELF-STORAGE TEXT AMENDMENT – 170425 ZRY & 170425 (A) ZRY

An application submitted by the New York City Department of City Planning (DCP) proposing a citywide zoning text amendment to establish a special permit under the jurisdiction of the City Planning Commission (CPC) for all new self-storage development in the proposed “designated areas” (approximately 40 percent of the land area where such use is currently permitted as-of-right).” Such areas are defined by their location within manufacturing districts, largely coinciding with Industrial Business Zones (IBZs), and would be established as text maps.

The primary intent of this proposal is to establish a framework to conduct a case-by-case, site-specific review to ensure that development of self-storage facilities does not occur on sites that should remain available to more job-intensive industrial uses. Existing self-storage facilities within the newly proposed “Designated Areas” would be able to continue operating as legal non-conforming uses. Self-storage would remain as an as-of-right use in C8 zoning districts and in manufacturing districts outside of designated areas (approximately 60 percent of the land area where such use is currently permitted as-of-right).

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<th>BROOKLYN COMMUNITY DISTRICTS NO. 1-18</th>
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**RECOMMENDATION**

- □ APPROVE
- □ APPROVE WITH MODIFICATIONS/CONDITIONS
- □ DISAPPROVE
- □ DISAPPROVE WITH MODIFICATIONS/CONDITIONS

SEE ATTACHED

[Signature]
BROOKLYN BOROUGH PRESIDENT

August 18, 2017
DATE
An application submitted by the New York City Department of City Planning (DCP) proposing a citywide zoning text amendment to establish a special permit under the jurisdiction of the City Planning Commission (CPC) for all new self-storage development in the proposed “designated areas” (approximately 40 percent of the land area where such use is currently permitted as-of-right). Such areas are defined by their location within manufacturing districts, largely coinciding with Industrial Business Zones (IBZs), and would be established as text maps. The proposal’s primary intent would be to establish a framework to conduct a case-by-case, site-specific review to ensure that development of self-storage facilities does not occur on sites that should remain available to more job-intensive industrial uses. Existing self-storage facilities within the newly proposed “designated areas” would be able to continue operating and be enlarged as legal non-conforming uses. Self-storage would remain as an as-of-right use in C8 zoning districts and in manufacturing districts outside of designated areas (approximately 60 percent of the land area where such use is currently permitted as-of-right).

On July 25, 2017, Brooklyn Borough President Eric L. Adams held a public hearing on the proposed zoning text amendment. Four speakers testified on this item: two in support and two in opposition.

Speakers in support represented the Association for Neighborhood and Housing Development (ANHD), the Business Outreach Center Network (BOCNET), and Evergreen. They expressed support for the zoning text amendment because it creates community oversight for self-storage.

The ANHD representative expressed support for New York City’s 2015 “10-Point Industrial Action Plan.” He noted that the Industrial Jobs Coalition supports DCP’s proposal as a foundation for much-needed use group reform in industrial areas and a means to ensure that these areas are preserved for job-intensive uses. This measure would help reduce speculation and thus enable industrial users to afford their spaces.

The representative from BOCNET, the industrial service provider for the Flatlands-Fairfield IBZ, stated that manufacturing businesses are at risk of displacement due to high rents and limited available space within IBZs such as the North Brooklyn IBZ. The representative referenced a 50,000 square foot (sq. ft.) storage facility in the Flatlands-Fairfield IBZ, which had taken over space that had been previously provided more than 20 living wage jobs when occupied by two steel fabricators, a commercial distributor, and a shipping company.

The Evergreen representative noted that by not being a restricted use, self-storage has driven up the cost of industrial land, driving out job-rich small manufacturers. Evergreen believes that the proposal contains a discrepancy between IBZs and designated areas in manufacturing districts (M districts), which led to certain North Brooklyn IBZ blocks being left out of the text.

Speakers in opposition included a developer of self-storage facilities and an industry representative from the New York Self-Storage Association (NYSSA). Among the points expressed by the developer were that the industry serves a wide range of local businesses and it is very difficult to find suitable sites in the C8 districts and M districts outside of the designated areas. The developer expressed support for an alternative that would allow as-of-right storage development in IBZs on sites of 50,000 sq. ft. or less but require that self-storage facilities provide space for manufacturing on larger sites.

The industry representative referenced a finding in DCP’s Draft Environmental Impact Statement (DEIS) that the proposal would prohibit self-storage development in almost half of the feasible areas where
self-storage would be permitted as-of-right. NYSSA intends to provide a report showing that self-storage users include a significant number of small businesses. The NYSSA statement noted that the proposal would provide a disincentive to further self-storage development on sites of more than 4,700 acres where such use is now permitted as-of-right.

Both speakers discussed the burden associated with the time and resources required to obtain a special permit. They took issue with the proposal singling out self-storage, arguing that the proposal would not achieve its ostensible aim of promoting industrial use because other commercial uses are still permitted as-of-right in industrial areas. Moreover, they claim that industrial businesses and residents rely on self-storage as an affordable alternative to warehouse space.

In response to Deputy Brooklyn Borough President Diana Reyna’s inquiry regarding the reason for the significant spike in the number of storage facilities built in 2016 (within and outside IBZs), the DCP representative noted that the increase represents 10 facilities, containing approximately 1,100,000 sq. ft., but did not offer insight to the cause of such an increase. Deputy Borough President Reyna expressed that, in addition to counting the number of facilities, DCP should study the growth of self-storage by square footage.

In response to Deputy Borough President Reyna’s inquiry as to whether DCP counts existing facilities that have been converted into self-storage, the representative stated that the study only includes self-storage facilities that were built on vacant land or replaced demolished buildings, as it is very difficult to obtain data about conversions.

In response to Deputy Borough President Reyna’s inquiry regarding the distribution of storage units that are rented by residents versus small businesses, the representative stated that such data are not publicly available, though NYSSA has agreed to provide this information to DCP.

In response to Deputy Borough President Reyna’s inquiry regarding what steps DCP has taken to address possible indirect harm to small businesses that rely on self-storage, the representative stated that while DCP has heard testimony from a handful of businesses, it has not collected enough data to study the issue quantitatively. As such, DCP cannot exclude the possibility that the proposed action will indirectly affect small businesses.

In response to Deputy Borough President Reyna’s inquiry regarding the scope of the proposed action, given that in 2015, DCP was also looking to include hotels in its zoning text amendment, the representative stated that when hotels and self-storage were initially combined as a study, it was determined that hotels required a more complex investigation. DCP elected to separate the two projects and intends to begin the ULURP process for the hotel component in the fall.

In response to Deputy Borough President Reyna’s inquiry as to the projected growth of self-storage facilities in areas outside the city’s Industrial Business Zones (IBZs) where they are permitted as-of-right, DCP stated that its analysis points to an overall reduction in storage facilities throughout the city, and a growth rate of eight self-storage facilities per year on a citywide basis outside of the IBZs.

In response to Deputy Borough President Reyna’s inquiry regarding the observed increase in the number of self-storage facilities built in IBZs, and the possibility that this trend is related to the scarcity of other manufacturing-zoned land in New York City, stemming from rezonings in manufacturing areas, DCP stated that its study assumed that the proportion of self-storage development in IBZs to non-IBZ areas would be consistent with what it had been in the past decade. However, DCP acknowledged that more self-storage facilities have been developed in IBZs in the last two years.
Borough President Adams received written statements in support of the zoning text amendment prior to and during the ULURP hearing from the Fifth Avenue Committee (FAC) and the Southwest Brooklyn Industrial Development Corporation (SBIDC). These statements emphasized the need to provide additional protections for the City’s already threatened industrial areas. FAC recommended disclosure regarding the number and quality of the jobs that would be created by a self-storage facility compared to a manufacturing use. SBIDC expressed concern about the proposed special permit, regarding properties that are “suboptimal for modern-day industrial use,” and noted that many successful industrial facilities are not classically optimal.

Subsequent to the hearing, DCP submitted documentation confirming that no blocks were left out of the North Brooklyn IBZ, as per Evergreen’s concern.

Subsequent to the hearing, Borough President Adams received a reference report from NYSSA noting that up to 30 percent of self-storage facilities are occupied by commercial and small business clients. A late-winter 2017 survey confirmed that 27 percent of more than 300 clients were businesses. The survey found that construction and manufacturing businesses represented 20 percent of those sampled; businesses ranged from sole practitioners to firms employing more than 50 persons; 68 percent of businesses visit the facility on a weekly basis, with some visiting daily, and affordability and location are very important to business clientele. Finally, self-storage facilities are often developed on sites that are abandoned, blighted, or generate little revenue.

**Consideration**

Brooklyn Community Boards (CB) 2, 4, 10, 16, and 17 approved or expressed support for the proposed zoning text amendment. CB 5 approved the application subject to a requirement of greater distance between facilities, as well as greater transparency regarding the stored content. CB 6 approved the application subject to self-storage facilities being required to obtain a special permit to locate in any M district (not just designated areas), and other non-industrial uses such as hotels also being regulated by special permit. CB 1 disapproved the proposed zoning text amendment with conditions, seeking further study of the effects that the zoning text amendment would have on businesses and residents who utilize self-storage facilities.

DCP has stated that self-storage facilities conflict with the City’s objectives of facilitating economic development and growth. Self-storage facilities are identified as a low job-generating use that primarily serves households, as opposed to small businesses. The zoning text amendment intends to impose restrictions on new self-storage facilities within IBZs to ensure that future development sites do not impede opportunities for industrial uses that are more job-intensive. The proposed restrictions would apply to newly established “Designated Areas” in manufacturing regions comprising M1, M2, and M3 districts in the Bronx, Brooklyn, Queens, and Staten Island that overlap with IBZs.

According to DCP, industrial businesses situated within IBZs have accounted for an increase of industrial employment since 2010 and exemplify the most active industrial areas in New York City. Self-storage facilities appear to deter opportunities for employment growth by occupying land that could be utilized by industrial and labor-intensive businesses. Industrial businesses include activities such as construction, distribution, film production, logistics, manufacturing, transportation, utilities, and wholesale operations. According to the DEIS, the proposed zoning text amendment would secure the future availability of sites for businesses within IBZs and thus support the City’s plans for economic growth. Furthermore, the zoning text change was initiated as one of the objectives in Mayor Bill de Blasio and the City Council’s 10-Point “Industrial Action Plan” to advance industrial sector training and workforce development opportunities for New Yorkers.
According to DCP, most self-storage facilities are developed on sites located within IBZ boundaries that provide an appropriate land context for industrial uses. Considering New York City’s density along with its narrow transportation grid, DCP notes that there is a limited supply of land for truck-intensive uses. Most of these “designated areas” are in proximity to truck routes, and are typically located away from conflicting uses such as commercial, community, and residential facilities. Moreover, according to DCP, “Designated Areas” are geographically appropriate for industrial uses as these businesses may produce emissions, noise, odors, or traffic congestion. Finally, proximity to major highways and truck routes is an important location factor for industrial businesses.

With the proposed text amendment, a special permit would be required for a self-storage use in the proposed designated areas in M districts. The special permit would encompass a framework to perform an analysis and review to confirm the development of self-storage facilities does not occur on land that is appropriate for industrial, more job-intensive uses.

Currently, self-storage facilities are characterized in the New York City Zoning Resolution (ZR) as storage offices or warehouses permitted as-of-right in all M districts and the C8 district (Use Group 16D).

Borough President Adams recognizes the need to protect spaces designated for industrial businesses to further Brooklyn’s economic growth and, in turn, generate jobs for the wider community. Though DCP has identified self-storage facilities as potentially hindering land use opportunities for industrial uses, Borough President Adams recognizes that there may be valid concerns related to the impacts of the proposed zoning text amendment on small businesses.

According to information presented, self-storage facilities provide smaller businesses and institutions cost-effective solutions for convenient warehousing. A recent field survey conducted by the Parkside Group interviewed customers at storage facilities located in diverse IBZs in the Bronx, Brooklyn, and Queens. Based on this study, approximately 30 percent of self-storage users are businesses that employ more than 900 people throughout the city. Common business types consist of arts and crafts, construction and manufacturing, merchandise, non-profit organizations, and retail. These businesses rely on self-storage to house equipment and merchandise that are crucial to their operations. For instance, some construction firms depend on self-storage to house tools and equipment that can be accessed by workers. The report claims that self-storage is essential for non-profit institutions that have typically limited capital and require affordable solutions to continue serving community needs. In addition, 47 percent of businesses that were surveyed are owned by minorities and/or women.

While the impact on businesses is more obvious, it is possible that this proposal could impact residential users as well. Given the cost of securing housing in New York City, some households find it more economical to live in smaller spaces while keeping a portion of their possessions at a self-storage facility. Tenants who depend on self-storage services are identified as homeless families and/or families in transition, retirees, soldiers, and students who are most likely to fall into low- and very-low income demographics, and are often rent-burdened. These tenants utilize self-storage as an affordable way to maintain their possessions during a transitional phase of their lives. If the proposed text amendment were to result in a reduction in the growth of the self-storage industry, and a corresponding increase in rental fees based on supply and demand, there could be potential impacts for city residents who depend on such facilities to manage possessions that cannot be accommodated in their apartments.

Moreover, self-storage has not been deemed an appropriate use in areas outside the proposed designated area within the city’s M districts. The resolutions of CBs 5, 6, and 8 discuss further
limiting self-storage beyond the scope of the proposed text amendment. There are areas undergoing zoning discussions where self-storage would not likely remain a desired use. These include Bushwick, the northern section of Gowanus, the area of Crown Heights that is part of CB 8’s manufacturing initiative, known as M-Crown, and stretches of Empire Boulevard and Utica Avenue where there have been discussions about changing the zoning.

In addition, an ongoing ULURP application seeks to upzone a residential district in order to facilitate the demolition and displacement of a self-storage facility in Downtown Brooklyn. This would accommodate residential development on both Prince and Tillary streets by reducing the supply of self-service storage.

Subsequent to Borough President Adams’ public hearing, DCP submitted a modified version of the proposed text amendment for consideration by the CPC. The modified version was issued in response to concerns expressed during the public engagement process. It was noted that removal of as-of-right status in designated M districts could be too restrictive, leading to increased self-storage development in the remaining permitted areas, which are often closer to residential neighborhoods.

The modified proposal would allow self-storage to be developed as-of-right in M districts provided that a minimum specified amount of ground-floor space is set aside for more job-intensive industrial uses. The modification calls for at least 20,000 sq. ft. of ground-floor space in ZR Use Groups associated with industrial use as well as art studios and studios for film production, photography, radio, or television. Other aspects would address ceiling heights, loading and parking requirements, and a floor area exemption in the M1-1 district.

An analysis by the Office of the Brooklyn Borough President indicates that it is possible for new facilities to be constructed on sites of 13,500 sq. ft. or greater. For facilities built in the proposed designated areas within Brooklyn’s M districts, the smallest self-storage site was 18,500 sq. ft. For facilities built outside such areas, the smallest site was 13,545 sq. ft, with several others not exceeding 20,000 sq. ft. Based on available data since 2003, self-storage developers have paid lower prices for vacant land in designated areas in M districts, ranging from $50 to $167 per sq. ft. By contrast, sites in M and C8 districts outside the designated areas within M districts were more expensive, with prices of $47 to $278 per sq. ft.

Borough President Adams is concerned that too many Brooklyn residents are currently unemployed or underemployed. It is his policy to promote economic development to create more employment opportunities. According to averaged data from 2008 to 2012, double-digit unemployment remains a pervasive reality in many of Brooklyn’s neighborhoods, with more than half of our community districts experiencing poverty rates of 25 percent or greater.

Borough President Adams believes that the proposed zoning text change may have a detrimental impact on people employed by small businesses. However, if modified according to the mixed use option, the proposal could assist in addressing this employment crisis through the provision of more floor area for industrial businesses.

It is Borough President Adams’ policy to support land use actions that facilitate utilization of permitted floor area for a wider range of job-generating uses as a means to provide needed employment opportunities for varied skill sets. Borough President Adams supports the development of floor area for manufacturing use groups. He further supports such actions that establish reasonable need-based car parking and truck-loading berth requirements.
Borough President Adams generally supports establishing self-storage as a use and designating areas within M districts to limit certain uses and as-of-right development of self-storage facilities in such designated areas. However, he believes that further modifications to DCP’s proposal are warranted. To the extent that a zoning lot is already developed, these include allowing smaller sites and sites with ground-floor commercial/industrial use to be developed as-of-right, while further restricting allowable use and the extent of accessory use; having adequate oversight measures to confirm such commercial/industrial occupancy, and placing limitations on enlarging non-conforming self-storage facilities. In addition, Borough President Adams believes this is an appropriate opportunity to call for the advancement of zoning changes to support urban agriculture.

**Restricting As-of-Right Development in Designated Areas Within Manufacturing Districts**

Under the DEIS for the proposed zoning text amendment, it is anticipated that 11 new self-storage facilities would be built in the designated areas, and 70 new self-storage would be developed in M and C8 districts outside the designated areas by the build year. In response to concerns that the proposed text amendment might excessively impact the self-storage industry and its user base, providing additional siting opportunities for self-storage would partially mitigate the significant adverse impacts disclosed in the DEIS.

The DEIS provides for two options to minimize such impacts. These include allowing self-storage to remain as-of-right on sites up to 20,000 sq. ft. and for larger sites to be developed as-of-right if the ground floor is utilized primarily for industrial use. Subsequently, DCP issued a modification alternative to the proposal to allow the CPC to consider the mixed use alternative with more specific consideration regarding permitted ceiling heights, loading and parking requirements, and use, as well as a floor area exemption in the M1-1 district.

While providing more as-of-right options might address certain concerns, it does not address the possibility that increasing the number of potential sites in designated areas within M districts might result in the displacement of industrial firms that require reasonably affordable rents, in line with what such tenants would typically pay. As noted, testimony provided during Borough President Adams’ public hearing disclosed an example in which a suitable industrial building in East New York saw its occupancy change from a job-intensive operation to a self-storage facility. Though it has been represented that self-storage facilities are typically developed on underutilized and vacant land, it is clear that the example cited should be prevented. Borough President Adams believes there is a need for protective measures that might preclude the loss of sound industrial business space when a landlord can derive greater profits by renting to self-storage companies.

In order to avoid losing more active industrial buildings to self-storage development, Borough President Adams believes that there should be additional restrictions before considering alternatives that would allow self-storage to retain as-of-right status in designated areas with M districts. Specifically, he believes that sites developed with building improvements in excess of 25 percent of the permitted floor area should not be re-developed for self-storage use.

Therefore, as a condition to continue to allow a limited as-of-right option for self-storage development in designated areas with M districts, Borough President Adams believes the CPC should advance a text modification to the City Council that precludes zoning lots improved to more than 25 percent of the permitted commercial/manufacturing floor area from being considered for any modified as-of-right status.

**Smaller Site Exemption**

Borough President Adams acknowledges that there is concern that, as initially proposed, the self-storage text amendment might result in an increased frequency and number of highly visible self-
storage facilities developed in proximity to residential areas. The DEIS disclosed that the proposed text amendment may increase the rate of self-storage development in M districts outside the designated areas within M districts, and in C8 districts, which communities may find undesirable for aesthetic reasons. An enhanced probability that self-storage developers would be more aggressive in securing sites in both types of districts rather than risk an attempt to obtain a special permit resulting in disapproval is a valid concern. While self-storage facilities provide a useful service, the buildings tend to be a point of concern for residential neighborhoods because of the way their typical building exteriors stand out and detract from a neighborhood’s streetscape. Self-storage has been or might be highly visible along stretches of Atlantic Avenue, Coney Island Avenue, Empire Boulevard, McDonald Avenue, New Utrecht Avenue, Third Avenue, and Utica Avenue — major corridors that could end up with more self-storage facilities if the proposal were adopted without modification.

In addition, Borough President Adams has heard concerns that a reduced development pace of self-storage facilities in what have been proposed as designated areas with M districts might have indirect impacts on small businesses that require access to conveniently located self-storage facilities to support their operations. There is a lack of understanding, on the City’s part, of the indirect effect on the small businesses that are allegedly increasing their dependency on proximate affordable storage as part of their business plan. The potential impacts on small businesses of limiting the number and location of self-storage facilities have not been adequately evaluated or understood. If self-storage grows too slowly or within a limited geography, the result may be an increase in operational costs for small businesses that could lead to failure and a loss of jobs. This calls for careful consideration of potential impacts of restricting as-of-right status for self-storage facilities in the designated areas within M districts.

To some extent, the small site option in the DEIS would provide an outlet for self-storage facilities to remain as-of-right as for new development in the designated areas within M districts. Borough President Adams would support limiting zoning lots in designated areas to 20,000 sq. ft. or less, provided that any such zoning lot is not already developed to more than 25 percent of the allowable floor area, as noted in a previous section. Two such sites exist in the proposed designated areas within M districts in Brooklyn.

Therefore, in order to continue to allow a limited as-of-right option for self-storage development in designated areas with M districts, Borough President Adams believes that the CPC should advance a text modification to the City Council that allows zoning lots improved to no more than 25 percent of the permitted commercial/manufacturing floor area to remain as-of-right when such zoning lot does not exceed 20,000 sq. ft.

**Mixed-Use Alternative**

In addition to the concerns raised above, Borough President Adams acknowledges that restricting self-storage facilities in designated areas within M districts does not guarantee that such zoning lots would otherwise be developed for industrial occupancy or use. There would remain many lucrative as-of-right options for self-storage facilities.

One especially appealing aspect of the Mixed Use Alternative is the requirement to develop floor area for specific commercial and industrial uses. The allowance would achieve at least 20,000 sq. ft. of floor area on a ground floor to be limited to occupancy use groups listed in ZR 12-10 as defined for an industrial ground floor. Under the Mixed Use Alternative, the DEIS projects that up to 20 sites in Designated M Areas would be redeveloped with mixed industrial and self-storage facilities by the build year. In that case, nearly 200,000 sq. ft. would be established for commercial/industrial use according to the industrial ground-floor use limitation. Moreover, though some additional development may shift
to more optimal sites in M and C8 districts outside of Designated Areas, the DEIS projects that this would happen at a very small number of sites.

The DEIS assumes that this option may result in fewer sites being available for larger scale construction, transportation, and wholesale businesses. It also assumes that the type of industrial tenants most compatible for such space would be smaller scale, less truck-dependent manufacturing uses. The text modification includes a reduction in loading and parking requirements, as well as the length of such loading berths to better suit establishments expected to occupy the designated industrial ground floor. While such a modification to the text proposal might diminish siting opportunities for larger industrial businesses, Borough President Adams believes that this would be outweighed by the potential to create new space for smaller scale industrial and light manufacturing businesses.

Therefore, in order to continue to allow a limited as-of-right option for self-storage development in designated areas with M districts, Borough President Adams believes the CPC should advance a text modification to the City Council. Such modification would allow zoning lots improved to no more than 25 percent of the permitted commercial/manufacturing floor area to remain as-of-right when a zoning lot contains a designated industrial ground floor as per ZR 12-10, where such use-restricted area is no less than 20,000 sq. ft. As further modified, ground-floor use would be restricted to industrial use, but for lobby and vertical circulation and permitted ground-floor industrial use, including accessory retail, subject to regulatory oversight, including compliance and recordation.

**Appropriate Industrial Ground Floor Use for a Mixed-Use Self-Storage Option**

The proposed section, ZR 12-10, provides a definition for an industrial ground floor when part of a self-storage facility, and lists the permitted use groups. By establishing a list of permitted uses, the proposal appears to draw from the recently established Industrial Business Incentive Area (IBIA) as part of ZR Section 74-961’s zoning text, which promotes opportunities for listed manufacturing uses to compete more effectively in the real estate market and secure space in the designated areas within M districts.

Unlike the IBIA, the proposed text contains the opportunity to have showrooms for automobile, boat, motorcycle, or trailer sales. Such uses, when not supported by a service department, might be more financially lucrative for landlords and, as a result, deny others listed in ZR Section 12-10 the opportunity to occupy floor area achieved through the mixed-use alternative. In addition, technological improvements have transformed certain traditional manufacturing space into office-like space. Certain firms now limit production to the digital format product supported by desktop computer work stations, similar to office space, and are thus able to compete with more traditional office uses when renting floor area. As a result, occupancy by digital format producers would also deny other listed ground-floor uses the opportunity to occupy restricted floor area.

Given the possibility that the City Council and CPC would approve modifications to the self-storage amendment to allow circumstances in which such facilities would remain as-of-right based on a mixed-use development option, it is important that the list of ground-floor uses be improved in order to guarantee that the building’s floor area is set aside for permitted ground-floor uses. As digital format production facilities are more akin to commercial uses and capable of paying office rents, it would diminish the benefit of the industrial ground-floor use restriction to include these showrooms and digital production among the permitted uses.

Therefore, should the City Council and CPC modify the text to allow self-storage to be permitted as-of-right when a development includes required industrial ground-floor area, Borough President Adams believes it is appropriate to modify the ZR Section 12-10 definition of an industrial ground-
floor permitted uses to exclude showrooms for automobile, boat, motorcycle, or trailer sales from Use Group 16, and processes limited exclusively to digital production from Use Group 17, in order to maintain the availability and integrity of such spaces for industrial businesses.

**Extent of Accessory Retail as Part of an Industrial Ground Floor Use**

One of DCP's alternatives that would allow self-storage to remain as-of-right in the designated areas within M districts calls for the provision of industrial use of the ground floor. Having such ground-floor use becomes less useful in advancing floor area for industrial use without placing limitations on accessory use that may also utilize such floor area. There has been a trend toward certain uses listed in Use Groups 11A, 16, 17, and 18 — beverage producers or breweries — in which an accessory section is set aside for retail or dining establishments. For example, the Chelsea Market has an interior retail street where one can purchase freshly-baked goods from a small accessory retail section off the main baking production area. There are also breweries that contain accessory beer halls and/or restaurants. With the ongoing trend of artisanal food and beverage production, an accessory sales component often provides important synergy and financial viability. However, other manufacturing uses, such as metal fabrication and woodworking, do not lend themselves to accessory retail. This places such uses at a disadvantage because the permitted uses profit from accessory retail, eating, or drinking components, and would likely be able to pay higher rents with these additional revenue sources. Furthermore, if such accessory retail and/or eating and drinking floor space were of excessive size, it would seem to undermine the amendment's intent to establish opportunity for industrial ground-floor occupancy. Should the proposed zoning text amendment permit as-of-right status in which the ground floor is essentially required to accommodate the permitted uses in the defined industrial ground floor, additional clarification would be needed regarding the extent to which such accessory operations could occupy portions of ground-floor area intended for permitted industrial use.

Recognizing this potential concern, Borough President Adams seeks to clearly define the extent that floor area would be allotted for supporting accessory retail operations. He believes that it is appropriate to apply a modified proposed ZR Section 12-10 industrial ground floor, as a mechanism to limit the accessory retail operations of the permitted uses, specifically for Use Groups 6A, 6C, 7B, 7D, 8B, 8C, 10A, and 12, by permitting up to 100 sq. ft., without regard to the size of the Required Industrial Use floor area, though not more than 1,000 sq. ft. based on such uses occupying not being more than 10 percent of floor area per establishment.

Therefore, should the City Council and CPC modify the text to allow self-storage to be permitted as-of-right when a development includes provided industrial ground floor as per ZR 12-10, further modified by recommendations provided in this report, Borough President Adams believes the amendment should adequately restrict further floor area of any accessory retail use (Use Groups 6A, 6C, 7B, 7D, 8B, 8C, 10A, and 12) to 100 sq. ft. without regard to the size of the floor area in an industrial ground floor. However, this restriction should be no more than 1,000 sq. ft., based on such retail area comprising no more than 10 percent of floor area per establishment.

**Non-Conforming Self-Storage Facilities in Designated Areas Within Manufacturing Districts**

Typically, when zoning changes result in legal uses no longer being permitted, the resulting non-conforming uses are not permitted to be enlarged as-of-right. The proposed self-storage zoning text amendment would allow non-conforming self-storage facilities to be enlarged in the designated areas within M districts provided that such facilities exist on the date of the zoning change based on filed documentation that is satisfactory to the New York City Department of Buildings (DOB) and that enlargement would not create or increase non-compliant building bulk.
Borough President Adams notes that many manufacturing districts in Brooklyn warrant a reconsideration of the allowable density as a means to increase opportunity for industrial use floor area. Many such districts are mapped solely to allow the development to match the lot size. Brooklyn’s other M districts are limited to development double the lot size due to low Floor Area Ratio (FAR).

Borough President Adams believes that, to the extent that rezoning to permit more density is appropriate, it may be possible to create a significant amount of acreage for allowable uses in these M districts. However, if such rezoning were to be adopted in the designated areas within M districts without further text modification, existing self-storage facilities could be significantly enlarged as-of-right without providing opportunities for floor area with use restrictions in the defined industrial ground floor.

Borough President Adams believes that, in order to advance public policy and leverage zoning changes that result in additional commercial/industrial floor area, there should be instances in which such enlargement results in floor area with use restrictions in an industrial ground floor. Specifically, where a self-storage facility has an existing building footprint or enlargement on the same zoning lot that would result in a ground floor of at least 20,000 sq. ft., ground-floor occupancy should limit self-storage use to lobby and vertical access, while restricting ground-floor occupancy to those use groups noted in the definition of industrial ground floor.

Therefore, should the City Council and CPC modify the text to allow self-storage to be as-of-right when a development includes a designated industrial ground floor, Borough President Adams believes the proposed ZR Section 52-47 Non-Conforming Self-Storage Facilities in Designated Areas Within Manufacturing Districts should add a subsection that addresses enlargement rights obtained through a zoning map change subsequent to the effective date of adoption, as a means to secure floor area for an industrial ground floor.

**Regulatory Oversight of Uses in an Industrial Ground Floor**

The mixed use alternative would allow self-storage to remain as-of-right in the designated areas within M districts as long as there would be the provision of uses as listed in ZR Section 12-10 for an industrial ground floor. There is a precedent in the ZR to require compliance and recordation as a mechanism to ensure the integrity of such industrial ground-floor use based on the recently established Required Industrial Use space. ZR Section 74-962 (d) was established as part of the City Council’s approval of land use actions that facilitated office development at 25 Kent Street in the Williamsburg section of Brooklyn Community District 1 (CD 1).

Borough President Adams believes that regulatory oversight, through compliance and recordation standards, is an essential requirement to achieve stringent enforcement and provide adequate monitoring of Required Industrial Use floor area. Any modification to the self-storage zoning text proposal to allow such use to remain as-of-right in designated areas within M districts should be conditioned on the establishment of monitoring and reporting procedures, as well as signage, prior to permitting legal occupancy of self-storage floor area.

The special permit that defines and requires Required Industrial Use largely succeeds in setting appropriate standards to utilize for self-storage. One aspect of that section deals with compliance by a designated third-party reporting agent. Borough President Adams believes that such third-party reporting agent should be retained to select uses permitted to occupy an industrial ground floor and ensure zoning conformance for those tenants.

Brooklyn has several well-established non-profit organizations that provide business solutions in the borough’s IBZs. These include BOCNET, Evergreen, the Greenpoint Manufacturing and Design Center (GMDC), the North Brooklyn Development Corporation (NBDC), SBIDC, and the Local
Development Corporation of East New York (LDCENY). These non-profit organizations would be appropriate candidates for such third-party reporting roles as self-storage developers seek to comply with the permitted uses for an industrial ground floor.

Therefore, should the City Council and CPC modify the text to allow self-storage to be permitted as-of-right when a development includes an industrial ground floor, Borough President Adams believes that the amendment must adequately provide for regulatory oversight of the permitted use within the industrial ground floor. Such oversight should include compliance and recordation standards as per ZR Section 74-962 (d), further modified to require the third-party reporting agent be involved in the selection process to ensure zoning compliance for potential occupants who meet the definition of Required Industrial Use.

**Promoting Urban Agriculture Use**

Borough President Adams and Council Member Rafael L. Espinal Jr. recently introduced legislation at the City Council calling for DCP to create a comprehensive urban agriculture plan for the city. This bill proposes to catalogue existing and potential urban agriculture spaces; identify potential land use policies to promote the expansion of these practices across the city, and analyze the zoning resolution, building code, and fire code to promote the industry, among other actions.

While DCP’s application to regulate self-storage development in IBZs is an appropriate step toward expanding opportunities for industrial employment, Borough President Adams believes that it is equally appropriate for DCP to advance zoning regulations that might lead to greater employment in urban agriculture. Advancing urban agriculture can be achieved through utilization of the extensive number of properties featuring flat roofs with unimpeded access to sunlight for greenhouses, and by best leveraging community facility floor area in M districts.

The ZR identifies agricultural use as an open use community facility, Use Group 4B, which includes uses such as greenhouses, nurseries, and truck gardens. When otherwise enclosed, per Use Group 17C. Miscellaneous Uses, urban agriculture is listed as agriculture, including greenhouses, nurseries, or truck gardens. As a Use Group 17C use, enclosed urban farming remains in direct competition with other uses permitted as-of-right in M districts, which might be a deterrent to the growth of enclosed urban agriculture.

Currently, state-of-the-art urban farming practices include, but are not limited to, aeroponics, aquaponics, and hydroponic farming. In addition, enclosed vertical farms are no longer just vertical strands of crops but now include horizontal stacked trays with integrated lighting on the bottom of a tray serving the crops being grown in the tray directly below. Such horizontal trays appear to be capable of being stacked to significant heights with service aisles functioning as lifts to provide access to the crop trays.

One means to maximize opportunity for such modern practices is to modify Use Group 4B when applicable to community facility use in M districts, to allow such use to be enclosed. There is a significant amount of underutilized community facility FAR available in M1 and M2 districts, including the FAR of 6.5 in the M1-4. Consideration given to redefine agricultural uses as an enclosed use would then permit the utilization of additional floor area for community facility use when limited to urban farming use. As such stacking systems do not have standard floor height limitations, as is the case for stacked automated garage parking systems, consideration would need to be given to determine how much vertical stacking would be defined as a floor for zoning.
floor area purposes. For the M3 districts, there should be consideration to modify rooftop greenhouses as a permitted obstruction pursuant to ZR Section 75-01 (b) to expand the use beyond the cultivation of plants, to also include aquaponics cultivation.

In order to promote appropriate urban agriculture use — inclusive of aeroponics, aquaponics, and hydroponic technologies — pursuant to its maximum community FAR, DCP should undertake an initiative to modify the ZR, as warranted, to amend Section 22-14 Use Group 4B. Open Uses, Section 42-10 Uses Permitted As-Of-Right, Section 43-122 Maximum Floor Area Ratio for Community Facilities, and Section 75-01 (b) Greenhouse Certification. Furthermore, the DOB should issue a Zoning Determination to clarify zoning floor area calculations for stacked vertical indoor urban farming systems.

**Recommendation**

Be it resolved that the Brooklyn borough president, pursuant to sections 197-c of the New York City Charter, recommends that the City Planning Commission (CPC) and the City Council approve this application with the following conditions:

1. That New York City Zoning Resolution (ZR) Section 32-25 and Section 42-12 Uses Permitted As-Of-Right, Use Group 16D. Heavy Service, Wholesale, or Storage Establishments, as it pertains to designated areas within M Districts, and self-storage facilities should be given consideration to remain as-of-right if the following conditions are met:

   a. That such zoning lot is improved to no more than 25 percent of the permitted commercial/manufacturing floor area and that such zoning lot:

      i. Not exceed 20,000 square feet (sq. ft.), or

      ii. Contain a designated industrial ground floor as per ZR Section 12-10, where such use restricted area is no less than 20,000 sq. ft. with no other ground-floor zoning floor area except for lobby and vertical circulation, as further modified:

      1. To preclude from the ZR Section 12-19 definition of industrial ground-floor permitted uses, showrooms for automobile, boat, motorcycle, and trailer sales from Use Group 16, and manufacturing processes in Use Group 18 when limited to product of exclusively digital format.

      2. To further restrict accessory retail use (Use Groups 6A, 6C, 7B, 7D, 8B, 8C, 10A, and 12) to 100 sq. ft. without regard to the size of the permitted use within the industrial ground floor, though no more than 1,000 sq. ft. based on such use occupying no more than 10 percent of floor area per establishment

2. That proposed ZR Section 52-47 Non-Conforming Self-Storage Facilities in Designated Areas Within Manufacturing Districts include a new subsection (c) that such enlargement rights obtained through a zoning map change subsequent to the effective date of adoption of Use Group 16D's establishment of self-storage facilities, where such existing building footprint or enlargement on the same zoning lot would result in a ground floor of at least 20,000 sq. ft., that ground-floor occupancy restrict self-storage use to the lobby and vertical access and otherwise restrict industrial ground-floor occupancy as defined in ZR Section 12-10 as further modified:
a. To preclude showrooms for automobile, boat, motorcycle, or trailer sales from Use Group 16, and manufacturing processes in Use Group 17 when limited to product exclusively of digital format.

b. To further restrict accessory retail use (Use Groups 6A, 6C, 7B, 7D, 8B, 8C, 10A, and 12) to 100 square feet without regard to the size of the floor area contained in an industrial ground floor, though no more than 1,000 sq. ft. based on not being more than 10 percent of floor area per establishment.

3. That as a means to adequately provide regulatory oversight of industrial ground-floor use for as-of-right self-storage facilities with ground floors in excess of 20,000 sq. ft., there be a compliance and recordation requirement as per ZR Section 74-962 (d), as further modified, requiring the qualified third-party reporting agent to play a role in the occupant selection process and confirm zoning conformance for such potential occupant being a Required Industrial Use.

Be It Further Resolved:

That in order to promote appropriate urban agriculture use — inclusive of aeroponics, aquaponics, and hydroponic technologies — the New York City Department of City Planning (DCP) should undertake an initiative to modify the ZR, as warranted, to amend ZR Section 22-14 Use Group 4B. Open Uses, Section 42-10 Uses Permitted As-Of-Right, Section 43-122 Maximum Floor Area Ratio for Community Facilities, and Section 75-01 (b) Greenhouse Certification. Furthermore, the New York City Department of Buildings (DOB) should issue a Zoning Determination to clarify zoning floor area calculations for stacked vertical indoor urban farming systems.