

FOR IMMEDIATE RELEASE

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Avery Hall Investments and Community Organizations Sign Agreement Preserving Neighborhood Supermarket and Creating New Affordable Housing at 120 5th Avenue

Elected Officials send letter to HPD and DCP expressing support for the “Cooperation Agreement” and corresponding modifications to the Baltic Street Urban Renewal Plan, which is in place until 2022

Park Slope, Brooklyn - Avery Hall Investments (AHI) and 10 community organizations have come to an agreement on a proposal to modify the Baltic Street Urban Renewal Plan, which will allow the redevelopment of 120 5th Avenue in Brooklyn, New York -- the location of an existing Key Food supermarket, a nearly 35-year community institution.

Early last year, residents of Park Slope, Gowanus, and Boerum Hill were surprised to learn that AHI intended to demolish the 5th Avenue Key Food and replace it with mixed-income rental housing and new retail. Residents quickly organized and, in February of 2016, more than 400 people turned out to a public presentation and made their voices heard: they could not afford to lose their neighborhood’s large, affordable, community-oriented supermarket.

For more than a year, a committed group of community organizations, with the support of local elected officials and attorneys at the Community Development Project at the Urban Justice Center and the pro bono firm of Milbank, Tweed, Hadley, and McCloy LLP, engaged in negotiations with AHI to address the community’s concerns. In November of 2016, the “Community Stakeholder Group” made a public presentation of the results of that negotiation. Now, AHI and the 10 community groups have signed a legally binding agreement to memorialize their commitments. The Community Stakeholder Group was organized by Fifth Avenue Committee (FAC) and New York City Council Member Brad Lander, and is comprised of the Boerum Hill Association, Families United for Racial and Economic Equality (FUREE), Gowanus Houses Tenants Association, 5th Avenue Business Improvement District (BID), Park Slope Civic Council, Park Slope Neighbors, Park Slope North HDFC, Warren Street Houses Tenants Association, the Wyckoff Gardens Residents Association and FAC.

The “Cooperation Agreement” between AHI and the Community Stakeholder Group will now ensure that the mixed-use development will have a 22,000 square foot supermarket -- which is a bit smaller than the current Key Food, but larger than most area supermarkets and twice as big as the 7th Avenue Key Food. AHI also agreed to work with the community to find an operator that’s a good fit, and to offer a 20-year lease. There will be a total of 52,000 square feet of ground floor retail across two buildings in the mixed-use development.

It also will include more deeply affordable housing. The buildings will have 165 units with 25% set aside as affordable housing (41 units out of 165). Of those units, 16 will be set aside for very low-income families (earning no more than 40% of area median income, or AMI, about \$36,000 for a family of 4), with the remainder at a mix of 60%, 80%, and 100% of AMI.

Other provisions of the Agreement include working with neighbors on traffic safety improvements, offering an opportunity to provide feedback on design, and a process for addressing construction impacts.

“The Cooperation Agreement between the Community Stakeholder Group and AHI ensures that future redevelopment of the Key Food site better meets the needs of this diverse community by ensuring access to a full service supermarket and housing affordable to families at a deeper range of incomes. The loss of affordable, full service neighborhood supermarkets is an issue across the city as is the need for deeply affordable housing,” **said Michelle de la Uz, Executive Director of Fifth Avenue Committee.** “Thanks to grassroots organizing and solid pro-bono legal support, strong leadership from our local elected officials and AHI’s good-faith cooperation, we’ve been able to ensure that the community’s needs informed this redevelopment proposal.”

“Avery Hall Investments is delighted to be moving forward with a great mixed use rental project that is attractive, contextual, and responsive to community needs,” **said Brian Ezra, Co-founder & Principal of Avery Hall Investments.** “We worked closely and collaboratively with the Community Stakeholders Group, Councilmember Brad Lander and neighborhood residents in an extensive community consultation process that went well beyond what is required so that we could shape the plans for 120 5th Avenue to best reflect community priorities. After hearing from the community about their needs, we responded by making revisions we believe will be valued by our neighbors and future residents alike. We applaud Councilmember Lander, the Fifth Avenue Committee and every participating civic and community organization for structuring a good-faith, collaborative process that resulted in a big win for balanced development.”

The site located at 120 5th Avenue is governed by the Baltic Street Urban Renewal Plan, which was approved by the City Planning Commission and the Board of Estimate in 1981 and will remain in effect until 2022. The Urban Renewal Plan was the result of years of vigorous community organizing that gave rise to the birth of Fifth Avenue Committee. It established a set of land use controls that were designed to promote the redevelopment of the area for commercial and residential uses -- including the development of affordable homeownership on Baltic Street, as well as the Key Food supermarket, which has provided healthy, affordable food for nearly 35 years and has become a staple for thousands of residents in the surrounding neighborhoods. Modifying the Urban Renewal Plan is a discretionary process that requires

review by the NYC Department of Housing Preservation and Development (HPD), approval by the City Planning Commission (CPC), and input from the surrounding community and its elected officials.

“We’re grateful for the strong cooperation seen in this Collaboration Agreement -- from the willingness and patience of Avery Hall Investments to address community needs, to the Community Stakeholder Group that worked tirelessly on behalf of their neighbors. This is the strong advocacy our communities need and represents a real win/win situation,” **said Council Member Brad Lander.**

“This is a hard won victory for the community to secure a substantial supermarket and deeper affordable housing for years to come,” **said Representative Nydia M. Velázquez.** “I thank all my neighbors and the local leaders who came together to achieve this goal, which will add more deeply affordable housing and healthy food options in the community.”

"Time and again, Brooklynites show what is possible when a community comes together and is united in its commitment to advancing a positive vision for its future," **said Brooklyn Borough President Eric Adams.** “I am proud of my neighbors in Boerum Hill, Gowanus, and Park Slope who organized and strategized toward a better development at 120 5th Avenue through a sensible modification of the Baltic Street Urban Renewal Plan, one that will preserve quality access to fresh food and address the local need for deeply affordable housing."

The agreement signed last week by Avery Hall Investments and those community organizations who participated in the “Community Stakeholder Group” memorializes the above commitments and makes them incumbent on the developer’s successors as well. Local elected officials have sent a letter to both the Department of Housing Preservation and Development (HPD) and the New York City Department of City Planning (DCP) expressing their support of the agreement and urging an expedited review and approval process so that the new supermarket and affordable housing will be available to the community as soon as possible (**attached**).

The project depends upon several regulatory changes being made under a timetable set forth in the agreement: First, a minor modification to the Baltic Street Urban Renewal Plan and amendment to the related Land Disposition Agreement must be approved by the end of year; Second, the now-expired 421-a legislation (a tax abatement program) must be replaced with a program that is comparable to the legislation previously in effect; Third, an HPD regulatory agreement governing the affordable units must be executed no later than March 31, 2018.

Since AHI’s redevelopment plan requires a minor modification to the Urban Renewal Plan, it will require a vote of the City Planning Commission (CPC). It is expected that the CPC will refer the proposal to Brooklyn Community Board 6 for review and comment, prior to CPC action.