

Gowanus Canal Community Advisory Group – Real Estate Committee

April 5, 2011 – Meeting Summary

Attending: Michelle de la Uz, Nathan Elbogen, Andrew Jackson, David Meade, Katia Kelly, Brendan Aguayo, Deb Scotto, Lucy DeCarlo, David Krieger

Guests: John Shapiro, Natalie Loney

Support: Jeff Edelstein (facilitator), Beth Bingham (notetaker)

Jeff Edelstein opened the meeting with a brief agenda overview. A list of questions that had been sent to the NYC Department of City Planning (DCP) and returned with answers was circulated. General impressions and follow-up questions and issues were then discussed.

Natalie Loney from EPA pointed out that with regards to question #10, whether the SF process is affecting the ability of property owners to obtain financing or insurance, both FHA and HUD may have some information regarding these issues.

DCP and the Rezoning

As a general comment, one CAG member suggested the community should develop a strategy to handle the holding pattern that DCP has established with regards to the Gowanus-wide rezoning that the City had been moving towards. Many committee members felt that by putting the rezoning on hold, land will lie fallow and vacant while developers wait for a decision from DCP. One proposed strategy is to pursue and support the development of remediation businesses that may come to area and serve the cleanup activities. There is a fear that the hold on rezoning has created a speculative environment that may hinder private investment, as developers and/or property owners wait for a zoning change that may not come for 15 years. If the City would clarify the timeframe, by agreeing to a determined period before revisiting the zoning, some members of the committee felt that private investors would feel more confident investing in some types of development.

Another concern with the rezoning concerns the scope of the original study and decision. The framework used by DCP in 2005 did not take the contamination of the site or other environmental issues into account. One committee member indicated that the DCP may be interested in revisiting some aspects of the Rezoning Plan including: the 4th Avenue commercial overlay, the lack of inclusionary zoning (resulting in a net loss of affordable housing) and the loophole that allows for hotel development.

In the past Christos from EPA has claimed that the remediation work will be impacted by land uses or the possible rezoning. Natalie again reiterated that the EPA's only concern with upland sites is with those that are re-contaminating the canal. The PRPs and DEC will be taking care of the remediation required to prevent recontamination.

It was agreed that DCP does not take the contamination, or any environmental issues, into account when considering the rezoning. As evidence, the Toll Brothers site was used by DCP as the model for developing the framework for the entire Gowanus area. Many in the group are interested in knowing why the rezoning was halted. Some pointed to the DCP's fear of being sued if the residential uses go through now that the environmental issues are better known.

The group would like to submit some follow up questions to DCP, then invite DCP to come in for a meeting. Some on the committee would like Christos to be in attendance, should DCP agree to a meeting. In the meantime, Jeff will meet again with DCP to continue to explore DCP's involvement with the CAG. Possible questions:

Q: Can DCP provide more specifics about why it is waiting to finalize the rezoning, such as how any Superfund decisions would have an impact on the rezoning?

Q: As DCP's preferred advocacy tool is zoning, is there another precedent for treating an area in transition, like the Gowanus?

Q: Now that the health concerns and dangers of the area are known, is there a more appropriate rezoning to consider? Will the original zoning be the only plan revisited? Can DCP open the process to the community?

Q: Can some parts of the rezoning move forward, like the 4th Avenue piece?

Q: What legal liability would the city have should the residential uses move forward, particularly on the Public Place site?

EPA and Upland Sites

The upland sites requiring remediation will not be directed by EPA, but where there is interplay of upland contamination with the canal, EPA will be involved in the remediation design to that end. EPA is interested in seeing that DEC and National Grid stop or stem recontamination of the canal from the Public Place site. EPA will also push DEC and National Grid to do more with the cleanup because of the proposed residential end use. Selection and implementation of the remedy will differ between industrial and residential sites – largely due to exposure paths – but the end result is the same.

Information Gathering Proposal

Though the contamination of the canal was known before the SF listing, the question of whether there is a stigma due to the listing is still unknown. Likewise the impacts to insurance, financing, and development are not known. The Furman Center at NYU was named as a potential partner for the Information Gathering Proposal. The Furman Center would be able to execute the on-the-ground survey needed to establish the baseline data. The hope is that the data collected would not just be timely, but would describe something new about SF sites, yielding a critical new study.

Some committee members said that the cleanup would be beneficial to long-term develop, as now investors know that in ten years the canal will be clean. One committee member recently spoke with local developers that were taking a long-term and holistic approach to the future of the canal, who expressed concern about certain unknowns that now exist, such as possible regulatory involvement with bulkheads, upland sites, etc.

Some impacts on general development in Gowanus area described:

- Zoning stopped
- Regulatory confusion
- Perception issue (insurance, financing, buying and renting)
- Brownfield cleanups may now take longer because of the SF process

Some questions that merged in the discussion were:

How can this community educate developers to promote cleaner, healthier, more sustainable developments?

How can the CAG leverage the positive impacts of the SF cleanup to the area, in order to minimize any negative impacts? Is this a goal for the full CAG or this committee?

How can the RE Committee gain acceptance from the larger CAG for the Information Gathering Proposal? (This may require some further definition or refinement of the proposal by this group)

Pratt Planning Studio Proposal

John Shapiro, Chair of the Programs for Sustainable Development and Planning at Pratt Institute spoke to the group about a possible academic partnership. His proposal is to develop a multi-disciplinary studio that would utilize up to 20 students over a 10-week period to explore planning and design issues for the Gowanus area, within the context of the economies of the community. The studio could have the CAG and/or the RE Committee as the client, with the goals for the studio jointly developed between the CAG, Pratt faculty and the students.

The conflict between the various uses – both existing and planned – appeals to John who is interested in zoning innovations that are “outside of the box.” He mentioned the naturally occurring arts district, the natural resources, and horizontal landscape of the Gowanus as being important factors that could be addressed by innovative zoning, but that would require a whole new thinking. One committee member urged the group to not squander the pause that the halted rezoning has created, but rather to take advantage of this unique moment when so many disparate stakeholders have been brought to the table, in order to begin to plan again.

John explained that the studio would take place in the fall of 2011 or the spring of 2012, and that he is still in discussions with other faculty to see when it would work best. A

decision about whether the CAG wants to have Pratt proceed with this is not needed until mid-May.

There was no discussion about making a decision whether to do the project, since it is still in the exploratory stage. There was general agreement that John brings some good thinking to the CAG and that it is worth continuing to explore this opportunity.

Committee Next Steps

Information-gathering proposal: Michelle de la Uz will follow up with Vicki Beem at the Furman Center to discuss the Information Gathering Proposal. More information about the scope of the proposal will likely need to be developed by the RE Committee. If the Furman Center is interested and once the proposal is more complete, it would be presented to the full CAG, in accordance with whatever CAG decision-making procedures are in place.

Time-sensitive issues: Issues like bulkheads and upland sites will be taken up for discussion at the next RE Committee meeting and/or at the May CAG meeting, when Christos Tsiamis will be presenting about the Feasibility Study, which may have some bearing on these issues.

DCP: The Committee will finalize a follow-up list of questions to be submitted to DCP. Jeff will meet with DCP to continue to discuss the involvement of DCP with the CAG. The Committee will invite DCP to meet with it, and will consider inviting/asking Christos to be in attendance.

Pratt Proposal: The Committee will explore possible goals for the project and assess the pro's and con's of doing it. Preliminary input from the full CAG will be sought.

Committee mission: The committee will continue to explore the various issues that it might pursue, with the goal of arriving at a clear mission statement in the coming months. Jeff recommended a movie, "Growing Together," an EPA-funded film that may be of interest to the group as it defines its mission. He will look into scheduling a movie night.