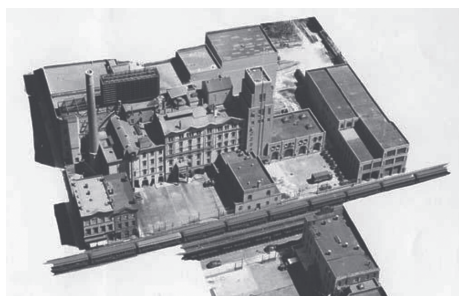




Our Land Use & Zoning Group made Bushwick hip. Well, sort of.

Bushwick may very well be the epicenter of Brooklyn's hipness. Case and point, *Vogue* magazine recently named it the seventh coolest neighborhood...in the world. But before it was hip, Bushwick had a significant amount of land devoted to manufacturing. And its residents? Many were decidedly unhip, beer-loving German immigrants – with a penchant for building breweries.

The Transformation of Bushwick's Rheingold Brewery Site



SOURCE: Brooklyn Public Library

Rheingold was one of the largest breweries in Bushwick, and its brews held a commanding 35 percent share of New York's beer market during the 1950s. But the brewery shut down in 1976, and for many decades the nine block site was underutilized. Over the years the City issued RFPs for developers to take over the property for manufacturing uses. Those failed, in large part because manufacturing was dead in Bushwick, and it wasn't coming back.

A Transformative Rezoning Takes Shape

While the industrial sector has declined, the residential population has substantially increased in Bushwick, leading to greater housing demand. So our client, Read Property Group, had a transformative idea for the site. Rather than keep it as-is, they would rezone the large swath to allow for a vibrant mixed-use community.

But this wasn't a run of the mill rezoning. The rezoning area encompassed six city blocks, totaling more than 620,000 square-feet of land.

The earliest steps involved working with the Department of City Planning (DCP) to address questions regarding open space, density and the street grid. For instance, when Rheingold was built, two public streets were taken off the grid, which created superblocks. Our urban planners brought portions of Noll and Stanwix Streets back onto the map, bringing appropriate scale back to the area. To further enhance accessibility, we converted part of the site into a publicly accessible space for pedestrian and bike traffic.

Affordable Housing Drives the Rezoning

But far and away, affordable housing was the most critical issue for the community. When the project was first proposed, an 80/20 market-rate to affordable ratio was planned, but the community asked for more. So we developed a solution – Read deeded a parcel of the site's land to a non-profit, which could build additional housing based on Bushwick's evolving needs. That brought the total amount of affordable units to 30 percent – a significant figure

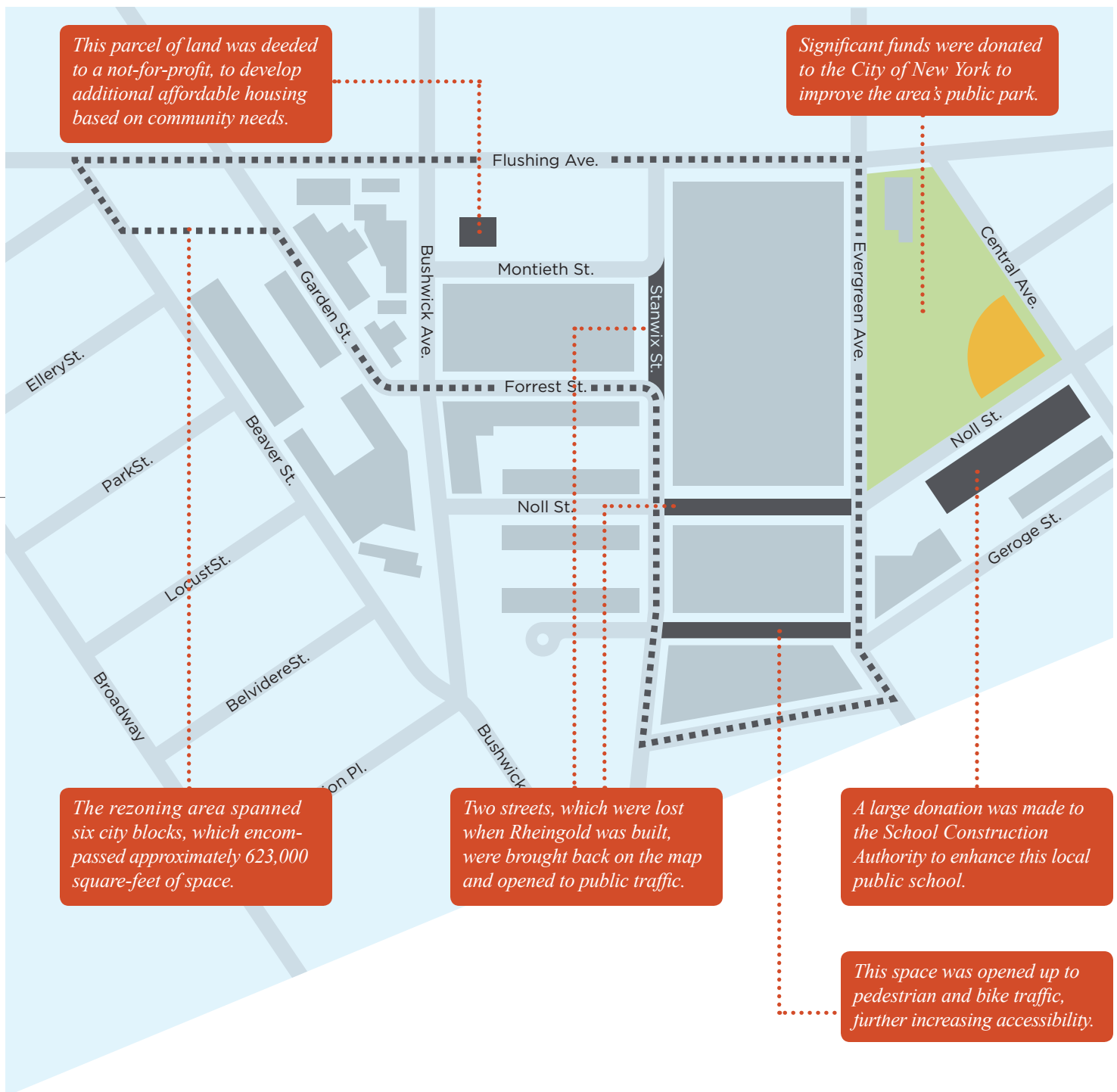
at a time when affordable housing was not mandatory under New York City's Inclusionary Housing Program.

The Public Review Process Begins

In June of 2013, DCP certified our Uniform Land Use Review Process (ULURP) as complete, which kicked off a formal review by Community Board 4, Borough President Marty Markowitz, the City Planning Commission, and finally the New York City Council. During that time we navigated through the political process and addressed the concerns of highly-engaged community organizations.

Community Relations Take Center Stage

To better understand the community's concerns, Herrick Land Use & Zoning members spent hundreds of hours meeting with residents, community groups, Community Board 4 and then local councilmember Diana Reyna. It was not always easy. In fact, it was contentious at times. But when the City Council unanimously approved the rezoning in December 2013, numerous community concerns had been incorporated into the rezoning.



Read's Vision Pays Dividends

Read Property Group came to our Land Use & Zoning Group at a time when Bushwick wasn't Vogue's seventh coolest neighborhood, and it certainly wasn't on every developer's radar, like it is today. In fact, they began the process in 2010, when the New York City real estate market was in the doldrums, and the Rheingold site lay barren and underutilized.

Read had the vision to position themselves, in a downturn, for a multi-year rezoning process which would bear fruit when the market turned. Working together with our lawyers and urban planners, Read rezoned a manufacturing site into a fully-approved mixed-use site – and the industry took notice. Crain's New York Business called Rheingold "one of the biggest development projects in Bushwick," while The Real Deal called it Bushwick's "gamechanger."

Read Property Group's hard work and vision came to fruition 2014, when it sold one of Rheingold's parcels to Rabsky Group, and another to All Year Management. In honor of Rheingold's past, the new developers plan to include an urban rooftop farm with a hop yard for growing ingredients for local brewers.

About Herrick's Land Use & Zoning Group

Our Land Use and Zoning Group has a strong track record of helping clients manage complex real estate development matters and obtain critical government approvals. Our legal and government relations capabilities span the entire development process — from zoning changes, special permits, variances and related entitlements to development rights transfers and matters involving historic and landmark preservation issues. Clients also benefit from the holistic perspective we offer on related finance, tax, transactional and litigation matters, drawn from Herrick's 90-year pedigree in the real estate industry. Members of our group have previously served as officials with the New York City Board of Standards and Appeals, the New York City Council, the Department of City Planning, the Landmarks Preservation Commission and other city and state entities.

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