



Background on Two Trees Management's Domino Sugar Factory Site Development Proposal ULURP Process Fall 2013

Since acquiring the Domino Sugar site from CPC in October 2012, Two Trees has been meeting with the community and holding public input sessions to determine the best use of this unique waterfront property. While the plan approved in 2010 can be built as of right, Two Trees has chosen to submit a new proposal for public review to provide an improved alternative that will create a vibrant, mixed-use community on the site.

The Two Trees plan will reconnect South Williamsburg to its waterfront with a new esplanade and acres of new parkland; reactivate the historic Domino Sugar factory to house 2,700 permanent jobs, nearly tripling Williamsburg's existing commercial space and supporting the growth of the neighborhood's tech and creative industries; bring world-class design to the creative neighborhood; and deliver hundreds of units of much-needed affordable housing, a new public school and a recreational facility.

Community Benefits:

- Mixed-use, 24/7 development with places to live, work, shop and recreate
- High-quality affordable housing that will be integrated into all residential buildings
- A new public street network with improved waterfront connections and more street trees
- New office space that will accommodate 2,700 permanent jobs
- New community space, including a new public school and a recreational facility
- Small, independent retail (no big box)
- 5+ acres of new public parkland, including sports fields, lawns, seating options and gardens
- Preservation of the historic Domino Sugar Refinery building
- Creation of an artifact walk, featuring many historic artifacts like cranes and syrup tanks
- World-class design by SHoP Architects and Field Operations
- Fewer cars, more bikes



Approved Plan vs. Two Trees Proposal

	Approved (2010)	Two Trees Proposed (2013)
Affordable Units	440	660
Segregated/Integrated Affordable Housing	Segregated <i>Lower quality construction</i>	Integrated <i>Higher quality construction</i>
Target Affordability	~80% Mean AMI	~70% Mean AMI
Number of Towers	5	4
Open Space	Segregated 4.87 acres	Integrated 6.85 acres
Retail	Big box	Neighborhood oriented retail
Permanent job creation	98,000 sf (~500 jobs)	505,000 sf (~2700 jobs)
Public Transit	More use at peak hours	Less use at peak hours
Flood Protection	Large floor plates/ Buildings closer to waterfront	Smaller floor plates/ Buildings +100 ft. back from waterfront
Maximum Height	350 ft	535 ft

FREQUENTLY ASKED QUESTIONS ABOUT THE TWO TREES PROPOSAL FOR THE DOMINO SUGAR FACTORY SITE

Who is Two Trees?

Two Trees is a Brooklyn-based, family-owned and operated company. Its principals are Jed and David Walentas. Two Trees believes that successful neighborhoods in New York City feature a wide variety of uses and attract diverse groups of people. Our philosophy is founded upon the principle that developers and property owners play a fundamental role in cultivating this environment and that they have a responsibility to support uses that lead to dynamic and sustainable neighborhoods. To this end, Two Trees has a long track record of supporting creative and community-based tenants, integrating affordable housing into our market rate developments, and engaging in public-private partnerships to fund and construct neighborhood infrastructure and amenities – such as schools, parks and cultural space. As developers that seek to own for the long term, we can afford to invest in community amenities that do not have immediate financial returns, but instead add to the vitality and sustainability of a neighborhood over time.

What is Two Trees proposing for the Domino Site?

The Two Trees plan will reconnect South Williamsburg to its waterfront with a new esplanade and 5 acres of new parkland; reactivate the historic Domino Sugar factory and create new office space to house approximately 2,700 permanent jobs, supporting the growth of the neighborhood's tech and creative industries; bring world-class architecture to the neighborhood; and deliver hundreds of units of affordable housing, a public school and a community recreational facility.

While the plan for the Domino site approved in 2010 can be built immediately as of right, Two Trees has chosen to submit this new proposal for public review to provide an improved alternative that will create a vibrant, mixed-use community on the long-dormant site. The new plan is informed by a series of meetings and community input sessions that Two Trees has held in Williamsburg since acquiring the property in October 2012.

What specific changes is Two Trees seeking through the ULURP process?

The ULURP application certified by the Department of City Planning on 11/4/13 when approved will modify the underlying zoning restrictions. Generally, the modifications seek to reconfigure building lot coverage, heights, and setbacks; allow for the redistribution of floor area among the various buildings; permit the co-location of residential and commercial uses in the same building; liberalize the parking and loading locational criteria; lock in building massing; and allow for enhanced public open space by realigning the public access area and visual corridor requirements.

What is Two Trees allowed to develop under the existing zoning, without the changes that are now being sought? And what happens if the Two Trees plan is not approved?

Two Trees or another developer could develop the site today under the plan created by CPC Resources and approved in ULURP in 2010, which would mean a 440 segregated (“poor door”) affordable units, a significantly smaller commercial office component with less job creation, 60%

less public open space and one additional waterfront tower. The zoning that was approved contains very limited flexibility and the buildings would be segregated from the neighborhood as a private enclave, and be very similar to the previous design. The Refinery building would be developed as condos. The development would be less storm-resilient and the environmental effects, including impact on traffic, shadowing and noise, would be worse.

How many affordable units in the new plan and how affordable will those units be?

The Two Trees proposal calls for 660 affordable units with a mean AMI of about 70%, and an AMI range of 40-125% (see chart). Affordable units will be integrated into each building and will be indistinguishable from the market rate units. Construction of the affordable units assumes receipt of 421a and other available City subsidies (less subsidy than the 2010 plan) that Two Trees has successfully used to build hundreds of units of affordable housing on other projects.

Who will occupy the affordable units?

Two Trees will partner with local community organizations to ensure that the affordable housing is utilized by qualified tenants from the surrounding neighborhoods and according to preferences decided upon by local leaders. About a year in advance of a potential move-in date for the first affordable units, the team will launch an innovative, bilingual marketing campaign that will raise awareness among residents of Community Board 1 of the opportunities and the application requirements. A critical component of the marketing effort will be the development of a bilingual project website, and free credit counseling and financial planning classes. The team will also advertise the project and the opportunity for low-income housing in numerous local publications, and partner with the Community Board and local organizations, including churches, schools and other local non-profit organizations.

Will Two Trees' affordable housing units be segregated like in other recent nearby developments?

No. Two Trees is 100% committed to ending the "poor door" trend in Williamsburg. Affordable housing units will be distributed among the market rate units throughout the buildings where they are located—there will be no special entrances. This has been the case since Two Trees first presented its plan in February 2013. In fact, in all of Two Trees' developments that contain affordable housing, affordable units are identical to the market rate units. The finishes, appliances and amenities are the same. The first site to be developed, Site E, will be 50% affordable because community advocates expressed an interest in frontloading the affordable units in the development sequencing.

Who will pay for and maintain the 5 acres of open space? Is it public?

Two Trees will pay for the construction, maintenance, operation and programming of the 5-acre park. The park will be fully accessible to the public without charge and open at least from 6:00 a.m. until 10:00 p.m. between April 15 and October 31, and from 7:00 a.m. to 8:00 p.m. between November 1 and April 14. The Parks Department must review and approve an annual maintenance and operating budget, and the park must be maintained to a very high standard.

If Two Trees fails to perform any of these activities, the Parks Department may draw down resources from a deposit submitted by the developer.

What will be the effects on neighborhood infrastructure, like public transportation, sewers and water? How do these compare to what the current zoning allows?

According to a Technical Memorandum completed in 2013, reviewed by the Department of City Planning and submitted as part of this ULURP application, Two Trees' plan would not cause additional/new environmental impact compared to development permitted under the existing zoning. In terms of traffic, there will be less overall impact than development under the current zoning due to reduced traffic volumes, and as a result there will be less greenhouse gas and vehicular emissions, and less traffic noise. The remassing of the buildings also means that there will be less shadows and more sunlight on Grand Ferry Park. Based on the shift from residential to commercial space, there will be more energy use, but less water demand and waste water generation. In addition, the entire project will be LEED certified. The reduction of residential and increase in commercial space means that compared to what is permitted under the existing zoning, transit pressure would be reduced into Manhattan during morning rush hour and from Manhattan during evening rush hour because office workers coming to Domino would be moving in the opposite direction. There will be no new transit impacts based on mitigations proposed in the original rezoning, and Two Trees will provide a new shuttle bus to take residents and workers to the Driggs Avenue entrance of the L train. Although it was not explicitly studied, it is worth noting that the East River Ferry has launched in Williamsburg and proven successful since the 2010 rezoning. In the future, a stop at Domino might further reduce pressure on the L train and the JMZ line.

How will these buildings and park fare when the next Hurricane Sandy strikes?

Two Trees' proposal has a number of changes that make it more storm-resistant than development under the existing plan. The building footprints have been greatly condensed and moved back from the water's edge and out of the new 100-year floodplain. The new quarter-mile long bulkhead that will replace the dilapidated, existing bulkhead will be raised three feet higher and the waterfront park will be built with storm-resistant materials. The buildings are designed to house the electric and mechanicals on a higher floor, out of the basement and safe from flooding. By reconnecting the street grid and restoring the natural grading, floodwater will better drain from the site and surrounding streets back into the East River.

Will you save the historic Domino Sugar Factory Refinery?

Yes. The Refinery will be restored according to plans that require approval by the Landmarks Preservation Commission. The building will be converted into a commercial building that can accommodate approximately 1,800 new jobs (part of 2,700 new permanent jobs site-wide). These new jobs will help restore employment on the site to levels not seen since the Domino Sugar factory was in full production in the early 20th Century. Historic artifacts found at the site, such as 80-foot tall gantry cranes and syrup tanks, as well as the 425-foot long rail tracks, will be preserved in an elevated "artifact walk" modeled after the High Line. The artifacts will be arrayed

alongside explanatory signs that describe the site's history and sugar refining process to park visitors.

Why are you proposing 1,050 parking spaces?

Two Trees is reducing the number of spaces from 1,500 in the approved plan to 1,050, the minimum required by citywide zoning regulations and a number consistent with the demand for parking identified in the updated environmental review.

Can the buildings be shorter?

No. The tallest building, Site D, was recently reduced from 598 feet to 535 feet. Site B is currently 530 feet and Site A is 435 feet. By eliminating one of the waterfront towers proposed as part of the 2010 project, we have made space for a new 1-acre park – Domino Square – which has opened up access and views to the waterfront. As a result, the density from the eliminated tower had to be redistributed to the other sites, resulting in taller buildings. The new, taller massing results in 60% more open space than the 2010 plan, from 3.3 acres to more than 5 acres. Trading some additional height for open space is something that many community members told us is a welcome gesture because of the area's lack of parkland and a desire to open up access and views to the water.

What is happening now at the site?

Two Trees started prepping the site for development in April, 2013. That process began with extensive asbestos abatement, which concluded in September with zero violations recorded with the relevant City, State and Federal regulatory agencies that frequently inspected the job. In September, Two Trees installed a high-quality barrier around the site's perimeter, and redirected the sidewalk, bike lane and street according to plans produced in coordination with the City's Department of Transportation. In October, demolition began on a two-story building on the corner of Kent and Grand and other buildings will be demolished soon. All work has been permitted by the appropriate regulatory agencies.

What will happen to the park on Site E?

In March 2013, Two Trees selected two operators to program Site E through May 2014, and their efforts, including a bike park, an urban farm and a recreational space have been very popular. If the application is approved, Site E will be the first site that is developed, containing about 400 apartments, half of which will be affordable units. When Two Trees begins work on Site E, the operators will need to move. It is possible that other interim spaces open up across the 11-acre site during the course of development and Two Trees will continue to seek creative, community-driven uses for those spaces.

Is there a guarantee that the buildings will look like the renderings?

The zoning will lock in the shape and size of the buildings according to the SHoP Architects' master plan, guaranteeing that the efforts taken to open the neighborhood to light and air will be delivered.

DOMINO AFFORDABLE HOUSING OVERVIEW

	AMI Range	Mean AMI	Number of Affordable Units
CPC “Goals” (2010)	30% - 130%	70%	660
Current As-Of-Right	80%	80%	440
Two Trees Proposal	40% - 125%	70%	660

- An enforceable commitment to 660 units of affordable housing, 220 more units than is required as-of-right.
- Affordable housing will be fully integrated with market rate housing and all units will have identical high-quality finishes, appliances, etc. There will be no exclusively low-income buildings and no buildings with more than 50% affordable.
- Two Trees will partner with local community groups to do aggressive bilingual advance marketing, credit counseling and application assistance for the affordable housing lottery.
- AMI levels will range from 40% of AMI to 125% of AMI, with approximately the same mean AMI as was promised (not required) in 2010 by CPC.
- Preference in the affordable housing lotteries will be given to CB 1 residents, seniors, and residents displaced since the 2005 rezoning.
- First building constructed (the inland Site E) will contain approximately **200 affordable units** as follows:
 - **SITE E Bedroom Mix**
 25% studios (approx. 50 units)
 45% 1-Bedrooms (approx. 90 units)
 30% 2-Bedrooms (approx. 60 units)
 - **Site E Qualifying Incomes and Rents**

40% AMI - approx. 15 units		
Unit Type	Annual Income	Monthly Rent
Studio	\$ 24,052	\$ 505
1 Bedroom	\$ 25,770	\$ 535
2 Bedroom	\$ 30,924	\$ 653

60% AMI - approx. 85 units		
Unit Type	Annual Income	Monthly Rent
Studio	\$ 36,078	\$ 805
1 Bedroom	\$ 38,655	\$ 857
2 Bedroom	\$ 46,386	\$ 1,039

80% AMI – approx. 100 units		
Unit Type	Annual Income	Monthly Rent
Studio	\$ 41,232	\$ 934
1 Bedroom	\$ 51,540	\$ 1,179
2 Bedroom	\$ 61,848	\$ 1,426

DAILY NEWS

On the waterfront: Domino Sugar factory to get office makeover and more than 2,000 apartments

660 affordable apartments, parks - and a floating pool in the East River

BY [LORE CROGHAN](#) / NEW YORK DAILY NEWS

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BY LORE CROGHAN

Domino Sugar's shuttered factory will come back to life as an office building for tech entrepreneurs in a massive makeover planned for the Williamsburg site.

The iconic landmark of waterfront Brooklyn's industrial past will be the centerpiece of an 11-acre redevelopment project creating a mini-neighborhood that also includes 2,284 apartments, Two Trees Management unveiled to reporters last week.

The century-old factory will retain its signature 40-foot high Domino Sugar sign.

Building more than 600,000 square feet of offices in the \$1.5 billion project will bring 3,500 jobs to the neighborhood, said developer Jed Valentas, who expects workspaces in the revamped factory and a second new building will draw techies, designers, architects and other creative types who live in Williamsburg but now work in Manhattan.

"They won't have to line up for the L train anymore," he said.



Two Trees Management plans to turn Williamsburg's Domino Sugar factory into a mini-neighborhood of apartments, offices and parks with the landmarked factory building as its centerpiece.

Walentas wants to build a public school — residents have asked that it be a middle school or high school — and a YMCA or other community rec facility.

Retail spaces in the mini-neighborhood will be filled by independent entrepreneurs: “No Duane Reades and no Starbucks,” Walentas said.

Two Trees plans five acres of parks with fun features like a floating swimming pool in the East River, a removable winter ice-skating rink like in Bryant Park, a waterfront beer garden and a kayak and canoe launch.

To create easier access to the waterfront, Two Trees wants to extend a city street, River St., through the middle of the property.

Eye-popping apartment buildings 50 stories tall or higher designed by SHoP Architects are also planned — including one shaped like a giant donut and a pair of needle-thin towers connected by a three-story sky bridge.

Of the 2,284 rental apartments, 660 units have been set aside as affordable housing - the same number the site’s previous owners promised community groups and elected officials after fierce debate.

Community Preservation Corp. and Katan Group pledged 30% of the apartments on the site would be set aside for low- and moderate-income families.

Initially community advocates feared Two Trees — which bought the property for \$185 million in October — might decide to build fewer modestly-priced homes.

“We told [Walentas] that 660 units was non-negotiable,” said Rob Solano of Churches United for Fair Housing.

“He never balked; he told us, ‘We’re coming in here as newcomers and want to do what’s respectful to the community and the people who have fought so hard for affordable housing.’”

The project which will take 10 to 15 years to build requires review by the city Planning Department and City Council approval.

Walentas hopes to get the go-ahead by year’s end and start construction next year, with the first building opening in 2016 - an apartment house with 300 of its 600 units set aside as affordable.

“It meets all the community’s major needs — affordable housing, jobs and open space,” said Community Board 1’s Jason Otano. “I think it’s a winner.

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Editorial: A sweet design for Domino

Developers in Dumbo took their cues from community residents and designed a project likely to flourish, even as it casts a slightly longer shadow.



SHoP Architects

A March 2013 rendering of the proposed development at the Domino Sugar site.

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Development projects in the city generally follow a tedious script. First, a developer shows up with fancy renderings, maybe even a model. Critics howl that it's too big, too exclusive and too expensive for locals. They say they weren't consulted and that fat cats are ramming a monstrosity down their throats. The area's City Council member demands size reductions, affordable housing, local hiring and grants for community programs. If the economics of the project manage to survive this tortured process, eventually it gets built.

But now, Brooklyn-based Two Trees Management has found a better way. Its planned redevelopment of the Domino Sugar refinery site in Williamsburg, Brooklyn, is a paradigm that others would be wise to adopt. First, Two Trees met with the community and did its homework before proposing anything. Rather than pitch something with excessive profit built in to withstand inevitable demands for concessions, it sought to integrate its project with the neighborhood and incorporate the desires of community members—especially those in undersize, dingy apartments.

To do so, Two Trees did something bold. It proposed building higher than the local councilman, Steve Levin, had consented to for a previous Domino plan (which endured such a tortured history that its developer abandoned it and sold to Two Trees). While the company knew heights had been cut to win Mr. Levin's vote, it also knew that extra floors would pay for more affordable housing and parks, the community's top priorities. Open space is far more useful on the ground than in the sky.

We hope Mr. Levin sees that the taller heights substantially improve the project, and forsakes any outdated notions that shorter is better. The rationale is clear: Building higher maintains the previous plan's economics—notably its promise of 660 affordable units, which is 30% of the total—while allowing for the removal of a bulky building that would have impeded community access to the waterfront.

The new design provides ample open space for Two Trees' tenants and community members alike to relax, with views of the harbor and Manhattan skyline. The plan also adds offices so more of north Brooklyn's talented entrepreneurs can launch and grow businesses where they live.

No doubt a few privileged homeowners will complain that Two Trees' towers will cast evil shadows and mar the landscape. But when 400 working-class residents met recently about the project, not a single one said it was too tall. They had more practical questions, like whether it would allow them to stay in Williamsburg and enjoy its waterfront. Their prevailing conclusion was that it will do exactly that. The City Council should take its cue from them.

NEW YORK POST

Developer: New Domino project could weather another Sandy

- By RICH CALDER
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Even a future Hurricane Sandy can't sour plans to bring Brooklyn's biggest waterfront project to the former Domino Sugar plant in Williamsburg.

Two Tree Management Co. says it plans to build four new apartment and office towers for the \$1.5 billion project more than 150 feet back from the riverfront.

Under an earlier design by developer CPC Resources -- which pulled out of the 11-acre project last year because of money troubles -- apartment towers would've been built 50 feet from the East River despite being in a storm-unfriendly "Zone A" evacuation area.

"This project will prove that we can continue to do waterfront development in the city and not have to run from the water," said Vishaan Chakrabarti, a principal at SHoP Architects, which is designing the project for Two Trees' father-and-son principals, David and Jed Walentas.

Chakrabarti said the redesign raises front-door entrances up another three feet -- above new flood plains recently set by the feds following Sandy -- by adding some stairs and moving the project more uphill.

Cul-de-sacs once planned between buildings have been removed -- not only to improve neighborhood waterfront access, but also to avoid potential flooding from pooling water runoff during storms. The sloping streets would instead allow storm water to flow into the river.

The project's open space has been expanded by 60 percent to 5.3 acres. Chakrabarti said the new parkland will use little pavement and "act as a sponge" for heavy rains.

Other storm-friendly new features include moving the heating, ventilation and power systems out of the basement. They will be placed at least two-stories above ground and out of danger from Mother Nature.

Jed Walentas said Two Trees – best known for its projects in Dumbo -- remains “100 percent committed to waterfront development post-Sandy.”

"Our vision for the Domino site shows that with smart planning we can make it work and keep it safe," he added.

Domino's landmarked refinery building – which will be converted into office space for the development – is already located out of the flood plain.