CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND CONCESSIONS

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June 2, 2015

Start: 1:29 p.m. Recess: 2:47 p.m.

HELD AT: 250 Broadway - Committee Room

16th Floor

B E F O R E:

INEZ E. DICKENS Chairperson

COUNCIL MEMBERS:

Darlene Mealy

Ydanis A. Rodriguez

Andrew Cohen Mark Treyger

## APPEARANCES (CONTINUED)

Artie Pearson Director of Land Use Planning Support Services NYC Housing Preservation and Development (HPD)

Gary Sloman
Director of Operations
NYC Housing Preservation and Development (HPD)

Lisa Talma
Assistant Commissioner
Property Disposition and Finance
NYC Housing Preservation and Development (HPD)

Michael Polo
Deputy Director of New Construction
NYC Housing Preservation and Development (HPD)

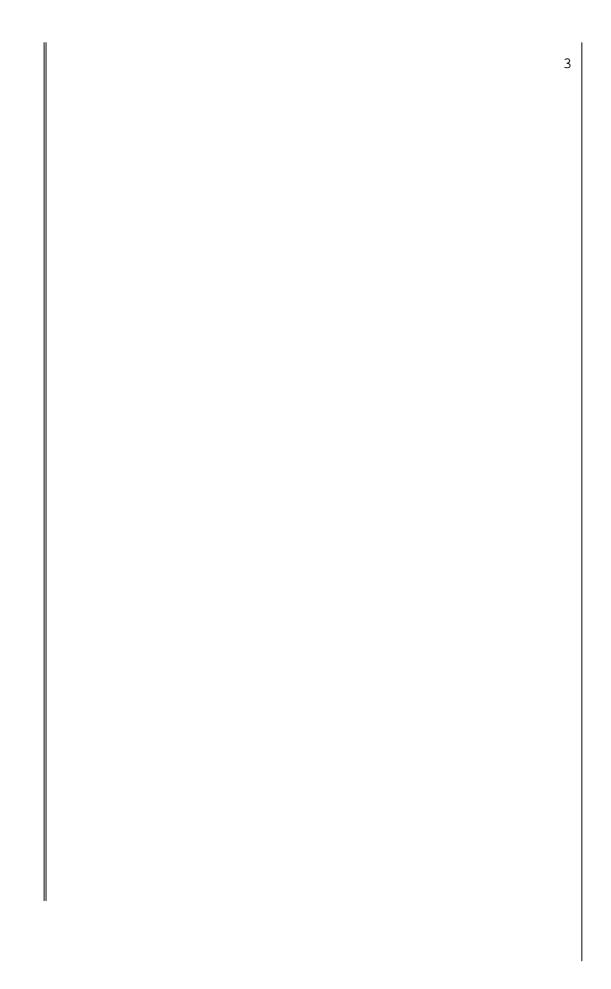
Joe Lynch Attorney Nixon Peabody Representing Omni New York LLC

Gene Schneur Principal Omni New York LLC

Christopher Illum Vice President of Family Services NYC Habitat for Humanity

Mr. Velazquez

JGB Management



[sound check, pause, background comments]

CHAIRPERSON DICKENS: Good afternoon.

I'm Council Member Inez E. Dickens, Chair of the Subcommittee on Planning, Dispositions and Concessions. I would like to welcome everyone to today's hearings, and I want to thank and acknowledge my sergeant-of-arms. I want to acknowledge my Land Use Director Raju Mann; Deputy Direct Amy Levitan, and my attorneys Anne McCaughey and Dillon Casey. I also want to apologize to the members of the public that are here to testify, as well as my colleagues and staff for my lateness, but there was something that had come up in the district. There was a shooting this morning in my district that I attended to. So, apologize to all.

I want to acknowledge my esteemed colleagues, who are members of the Planning Committee who are here. Council Member Andrew Cohen and Council Member Mark Treyger. We have eight items on our calendar today. We will be hearing and voting on five, and deferring three, which will be laid over to a future committee. Except two will be laid over and one we will be voting on at a later date. To start,

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we're laying over the following item: Land Use Item 219, West 140th Street Cluster, seeking an Article 11 exemption for properties located in my district in Manhattan. Land Use Item 233, Small Homes Rehab, NYCHA Program Single-Family Homes Phase 1, seeking a UDAAP and a tax exemption for properties located in Council Member Daneek Miller's district. Please note that we are holding a hearing today, but not voting on Land Use Item 236, the Grand and Rogers Cluster seeing a UDAAP and tax exemption for properties located in Speaker Melissa Mark-Viverito's and Council Members Gibson and Arroyo's district in the Bronx. So we will be deferring that vote. [ringing cell phone]

I am now opening up the hearing for Land
Use Item No. 232, Hunts Point Peninsula Apartments.
This application is submitted by HPD seeking an
Article 11 Tax Exemption for properties located in
Council Member Arroyo's District in the Bronx. We
have to testify Artie Pearson, Director of Land Use
at HPD, and Gary Sloman, Director of Operations also
at HPD. Are there any members of the public to
testify on behalf of that? Please identify
yourselves and begin.

ARTIE PEARSON: Good afternoon, Chair 2 Dickens and members of the subcommittee. 3 I'm Artie Pearson, HPD's Director of Land Use, and I'm joined 4 5 by my colleague Gary Sloman, Director of HPD's Operations and Housing Supervision. Land Use No. 232 6 consists of proposed exemption area containing five 7 8 privately owned multiple dwellings known as Hunts 9 Point Peninsula Apartments located at 893 Hunts Point 10 Avenue; 887 to 97 Bryant Avenue; 890 Bryant Avenue; 11 898 Bryant Avenue; and 854 Bryant Avenue. 12 current owner of the Hunts Point Peninsula Apartments is an Article 5 Redevelopment Company that formed in 13 the early 1980s to provide rental housing for low-14 15 income families. The exemption area will be acquired 16 by a new sponsor, and the building will undergo significant rehabilitation that will include building 17 18 mechanicals, new boilers, new roofs, common area 19 upgrades, upgrades to kitchens with energy-efficient appliances and water saving bathroom fixtures. 20 Additional work will include energy-efficient light 2.1 fixtures, new energy efficient windows, and an 22 23 extensive security system. There are a total of 166 units of rental housing for low-income families. 24 sponsor will enter into a 20-year HAP contract with 25

SUBCOMMITTEE ON PLANNING, DISPOSITIONS 1 7 AND CONCESSIONS HUD that provides project-based Section 8 for all 2 units, and limits the income of new tenants to 60% 3 There is a mixture of units types including 4 5 one, two, three and four-bedroom apartments as well as one community room at 897--excuse me--887 to 97 6 Bryant Avenue. And four occupied commercial spaces 7 8 at 893 Hunts Point Avenue. 9 Today, HPD is before the Planning 10 Subcommittee seeking approval to terminate the 11 Article 5 Tax-exemption, consent to the voluntary 12 dissolution of the current owner and approve the new Article 11 Tax-exemption for a term of 33 years that 13 will coincide with the regulatory agreement in order 14 to maintain the affordability of the rental units. 15 And Council Member Arroyo has been briefed, and has 16 17 indicated her support for the project. And we can 18 answer any questions that you may have CHAIRPERSON DICKENS: Thank you so much 19 to both of you for testifying. Now, you--how many 20 units is in this? 2.1

ARTIE PEARSON:

165.

CHAIRPERSON DICKENS: You said it's

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privately owned.

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1	SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND CONCESSIONS 9
2	GARY SLOMAN: II will get back to you,
3	Chairman.
4	ARTIE PEARSON: [interposing] I can give
5	you a breakdown of the violations. I have that with
6	me.
7	CHAIRPERSON DICKENS: Okay, go ahead.
8	ARTIE PEARSON: In buildinglet's see,
9	this is Block 2740. At 893 Hunts Point, there are
10	two C violations from 2005. They were for lead but
11	were cured. They just did nothave come off the
12	the records.
13	CHAIRPERSON DICKENS: What else is new?
14	ARTIE PEARSON: In 887, there are no
15	violations. In 890, let's see, there are three C
16	violations for lead, but have been cured.
17	CHAIRPERSON DICKENS: But they haven't
18	been legally.
19	ARTIE PEARSON: That's correct.
20	CHAIRPERSON DICKENS: And the owner
21	certified that they should have been moved.
22	ARTIE PEARSON: I'm sure that thethis
23	mostrequest has been submitted. I can double-check
24	that for you.
25	CHAIRPERSON DICKENS: It probably was.

1	SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND CONCESSIONS 10
2	ARTIE PEARSON: Okay.
3	CHAIRPERSON DICKENS: I'll give the owner
4	the benefit of the doubt.
5	ARTIE PEARSON: Okay, and the next
6	building which is 898, there are no violations. And
7	in 854, let's see. There was one C violation issued
8	for a window guard to be certified. It should have
9	been certified this month. It's being corrected. I
10	can double check to see if that has actually come off
11	the system, and then there were three C violations
12	for land back in 2005 that have been cured.
13	CHAIRPERSON DICKENS: Is that it?
14	ARTIE PEARSON: That's it.
15	CHAIRPERSON DICKENS: All right, and you
16	said that all 165 units will be at what? At 60% AMI?
17	ARTIE PEARSON: That's correct.
18	CHAIRPERSON DICKENS: Good. And that's
19	for a term of what, 30?
20	ARTIE PEARSON: Thirty-three years.
21	CHAIRPERSON DICKENS: Thirty-three years.
22	Do any of my colleagues have any questions? Council
23	Member Andy Cohen.
24	

2 COUNCIL MEMBER COHEN: Okay.

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CHAIRPERSON DICKENS: But Edward, would you please give him a paper, please? I'm sorry for pointing. I apologize.

[background comments, pause]

JOE LYNCH: That's--that's what I planned on doing right now.

COUNCIL MEMBER COHEN: All right.

JOE LYNCH: My name is Joe Lynch. I'm an attorney at Nixon Peabody. I represent the owner,

Omni New York LLC. Gene Schneur, who is the

Principal at Omni is here as well. I could just give a couple of follow-up answers to some of the question. I can fill the rest after we're done as not to hold everybody up, if that's okay. The buildings were--actually, the initial Article 5 Tax Exemption was--was enacted in 1977. These are gut rehab buildings. So they were already existing building that went through a gut rehab, and given 100% Section 8 HAP Contracts. And, the current Article 5 exemption is still in place. That's why we're here. Omni plans to acquire the properties,

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CHAIRPERSON DICKENS: Now, this--this is going to be major renovation. Is this going to be a new HVAC system, new heating system, new roofing, new electrical? If so, how are the tenants going to be protected during that time or is it just a checker boarding going to be done? And is this--are there going to be cosmetic changes to the apartments?

this building actually is going through the taxexempt bond financing and is going to be credit
enhanced, it has been looked at and the scope of work
has been looked at by HDC and by the lenders as well.
There are going to be a number of capital
improvements as well. But a lot of the work is going
to be in interior apartments where it's needed
probably the most based on the scope of services.

The tenants will not be relocated. It will be a
checkerboard. Omni has been very successful over the
years working with HPD and working with City Council
on—on a number of these rehabs, as many of you know.
So it's going to follow the course as it has.

CHAIRPERSON DICKENS: And so, the checker boarding, and then they will be ultimately returning to their apartments?

SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND CONCESSIONS

doing everything that you can do in one of these buildings. There's boilers that are being replaced. There are some boilers that have been replaced by the current owner, but most of the boilers are being replaced. You know, we're doing, you know, new--new roofing, new windows, doing brick pointing, redoing the lobbies, redoing the common areas. Inside in the units it's, you know, new kitchen cabinets, new appliances, redoing the flooring, repainting the apartment. Putting in bath fitters, new vanities, new medicine cabinets. You know, pretty much everything you can do, you know, with a--with a

So similar to something we did in your district at Madison and 131st Street.

you know, gut rehabbed in the '70s and early '80s.

building that, you know, that was built, you know,

originally probably in the '30s and '40s, and then,

CHAIRPERSON DICKENS: 131st Street, of course, I remember that one.

GENE SCHNEUR: And then, you know, we're also adding--we're adding about 150 security cameras and also putting a lot of extra lights. We're trying to make it safe for everyone.

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1	SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND CONCESSIONS
2	CHAIRPERSON DICKENS: And then you said
3	newnew doors on the front?
4	GENE SCHNEUR: Yes, newnew doors, new
5	apartment building
6	CHAIRPERSON DICKENS: [interposing] And
7	what's the intercom system that's going to be
8	utilized?
9	GENE SCHNEUR: We're going to make sure
10	it's a working intercom system.
11	CHAIRPERSON DICKENS: No, I mean is it
12	going to be oneis it going to be push button or for
13	TV or is it going to be that you justyou can talk.
14	GENE SCHNEUR: NO, no TV on the intercom
15	system.
16	CHAIRPERSON DICKENS: [interposing] Uh-
17	huh.
18	GENE SCHNEUR: Your traditional intercom.
19	CHAIRPERSON DICKENS: [interposing] Your
20	traditional intercom.
21	GENE SCHNEUR: But it willyou can talk,
22	but you can talk and listen and open the door.
23	CHAIRPERSON DICKENS: Okay. Do any of my
24	colleagues have any more questions? And we've been
25	joined, by the way, with the Land Use Chair of the

1	SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND CONCESSIONS 18
2	Council and that's Council Member and Chair of Land
3	Use David Greenfield. Do any of my colleagues or the
4	Chair of Land Use have any questions? Thank you so
5	much.
6	GENE SCHNEUR: Thank you very much.
7	CHAIRPERSON DICKENS: Thank you for
8	coming up with the clarity. Thank you for
9	testifying.
10	JOE LYNCH: Thank you.
11	CHAIRPERSON DICKENS: I'm closing the
12	public hearing on Land Use Item No. 232. I'm opening
13	the hearing on Land Use Item 229, the Arthur Clinton
14	Cluster seeking a UDAAP and tax exemption for
15	property located in Council Member Cabrera's
16	district. Artie, just facing you and you've been
17	joined by Lisa Talma.
18	LISA TALMA: [off mic] That's right.
19	CHAIRPERSON DICKENS: All right.
20	ARTIE PEARSON: No, these are just fine.
21	CHAIRPERSON DICKENS: Property Asset
22	Disposition and Finance. Okay.
23	LISA TALMA: [off mic] That's right.
24	[background comment, pause]

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CHAIRPERSON DICKENS: Please re-identify yourself for the record.

ARTIE PEARSON: Artie Pearson, Director of Land Use and I'm joined by Lisa Talma the Assistant Commissioner for Property Disposition and Finance. Land Use No. 229 consists of one city-owned multiple dwelling located at 62 West Tremont Avenue containing 90 residential units, and is known as TBX 907B, Arthur Clinton Cluster. The property was originally sold through one of HPD's former rehabilitation programs in the mid-1990s, and was subject to an enforcement mortgage. Over time, the owner's failure to comply with program guidelines, as well as providing essential services, which was mainly heat and hot water, and make required tax payments, HPD pursued a mortgage foreclosure. judgment was obtained in 2014, and HPD then entered into a net lease agreement with the proposed sponsor to manage the property. 62 West Tremont Avenue will be added to the Arthur Clinton Cluster, which is a set of three buildings previously awarded to the sponsor under the Third-Party Transfer Program Round IX, back in 2011. There is a mixture of studio, one, two and three-bedroom apartments, and 2, 262 square

SUBCOMMITTEE ON PLANNING, DISPOSITIONS 1 AND CONCESSIONS 21 to the Clinton Avenue--to the Tremont Avenue, which 2 3 are 90 units. How many now will be here? 4 ARTIE PEARSON: 193 altogether. 5 CHAIRPERSON DICKENS: And they will all be at 30% AMI? 6 7 ARTIE PEARSON: That's correct. 8 CHAIRPERSON DICKENS: And was these any 9 extensive work done at the TPT time in 2011? Was 10 there any rehab work done, as frequently happens with 11 a TPT. 12 ASSISTANT COMMISSIONER TALMA: 13 rehab work has been done at this point in time. rehab work will--will be subsequent to the closing 14 15 for the--all four properties. 16 CHAIRPERSON DICKENS: And what--are there 17 any violations. ARTIE PEARSON: At 62 West Tremont, the 18 city-owned building is currently still city-owned. 19 There are five lead violations that were cured. It 20 hasn't come off the record. 21 CHAIRPERSON DICKENS: Well, I would just 22 23 like to hear. Can you tell me about how they were cured--24

1	SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND CONCESSIONS 22
2	ARTIE PEARSON: [interposing] They were
3	cured
4	CHAIRPERSON DICKENS:and that you all
5	[sic] never took them off. Go ahead.
6	ARTIE PEARSON: Well, that's it. That's
7	what happens.
8	CHAIRPERSON DICKENS: Yeah, I know. I
9	know. I know what happens. Go ahead. I'm
10	listening.
11	ARTIE PEARSON: There arethe building
12	is partially occupied. So it'sI'm not sure if we
13	have the breakdown of where the violations are in the
14	occupied versus the
15	CHAIRPERSON DICKENS: [interposing] So
16	how many
17	ARTIE PEARSON:vacancies.
18	CHAIRPERSON DICKENS:units are vacant,
19	and why are there so many units vacant?
20	ASSISTANT COMMISSIONER TALMA: I think
21	there are aboutlet's see. Thethe majority of the
22	building is vacant.
23	CHAIRPERSON DICKENS: Really?
24	ASSISTANT COMMISSIONER TALMA: Yes.

pipeline, if there are vacancies, we--

so--

1	SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND CONCESSIONS 26
2	CHAIRPERSON DICKENS: Uh-huh. Retail
3	means down on the first floor there abutting a
4	street?
5	ASSISTANT COMMISSIONER TALMA: I don't
6	know. I can't remember whether it is located on the
7	first floor. I don't believe it is.
8	CHAIRPERSON DICKENS: But it's not
9	abutting aa commercial strip or abutting the street
10	entrance there? It's not on the first floor?
11	ASSISTANT COMMISSIONER TALMA: I don't
12	believe that it is
13	CHAIRPERSON DICKENS: [interposing] Okay,
14	that's okay.
15	ASSISTANT COMMISSIONER TALMA: but
16	that's working from my memory.
17	CHAIRPERSON DICKENS: All right. Do any
18	of my colleagues have any questions?
19	COUNCIL MEMBER GREENFIELD: [off mic] One
20	question.
21	CHAIRPERSON DICKENS: Chair Greenfield.
22	COUNCIL MEMBER GREENFIELD: Thank you,
23	Madam Chair. I just want to follow up on something
2.4	you mentioned. You said that you brought an action

1	SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND CONCESSIONS 27
2	against theagainst landlord to take over, right?
3	So there was a technically foreclosure action or?
4	ARTIE PEARSON: It was a mortgage
5	foreclosure.
6	COUNCIL MEMBER GREENFIELD: A mortgage
7	foreclosure. Okay, and that was because of?
8	ARTIE PEARSON: The owner did not adhere
9	to the enforcement mortgage guidelines, andplus
10	there were some problems with providing him providing
11	heat and hot water to the tenants. So it' was a
12	combination.
13	COUNCIL MEMBER GREENFIELD: How long did
14	that take? I mean how long from the time the
15	complaints were done until the time you were actually
16	able to get it? I think you said it was 2014. You
17	were actually able to get the foreclosure? How long
18	was that process?
19	ARTIE PEARSON: Between 2008 and 2014
20	because the owner was actively to fight against the
21	foreclosure.
22	COUNCIL MEMBER GREENFIELD: Wow, six
23	years.
24	ARTIE PEARSON: Yes.

## SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND CONCESSIONS

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2 COUNCIL MEMBER GREENFIELD: Is that 3 standard?

ARTIE PEARSON: I--I honestly don't know.

COUNCIL MEMBER GREENFIELD: So, I

understand obviously for a regular—for a regular individual who's losing their home that's a good thing. We don't want it to be very quick. But HPD it takes them six years to knock out a bad landlord with multiple complaints?

ARTIE PEARSON: I don't know the particulars of the case. I can certainly try to get you some more details.

COUNCIL MEMBER GREENFIELD: If there's any way you can--you can have the agency send us some more information about that. Just in general, I'm curious about how long does it take to foreclose on a bad landlord. Six years seems like a very long time.

ARTIE PEARSON: Sure.

COUNCIL MEMBER GREENFIELD: Thank you.

CHAIRPERSON DICKENS: Foreclosures

generally take--going through the normal court

action, will generally-- And if the owner contests

it, a foreclosure can take--and Commissioner, you can

tell me if this is so--can take four years or longer.

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assistant commissioner talma: Yes, my understanding is that a foreclosure process can take multiple years, and it does depend on different court filings. Sometimes someone might file for bankruptcy, and then the issue goes into bankruptcy court. You have to get out of bankruptcy court to order to then resume with the foreclosure process. So when all of those things are combined, and I'm not certain of the details of this particular situation, but when all those things are combined, you can be looking at multiple years.

CHAIRPERSON DICKENS: However, when--when tenants are in occupancy, then the HPD or DOB, for that matter, can go in and do emergency repairs. Is that also correct? Even though you have not actually gotten ownership vested back into either HPD, the City or into another owner.

ARTIE PEARSON: That is correct, and in this case, since there was a problem with the heat and hot water, HPD did pick up the fuel bill and provide heat to the tenants.

CHAIRPERSON DICKENS: Okay. Do any of my colleagues have any other questions? Seeing none,

I'm closing the public hearing on Land Use Item 229.

SUBCOMMITTEE ON PLANNING, DISPOSITIONS 1 AND CONCESSIONS 31 Deputy Director of New Construction. Land Use No. 2 230 known as Mermaid/West 16th Street consists of a 3 4 proposed amendment to a previously approved 5 disposition of five vacant city-owned parcels of land located at Block 7014, Lots 52 and 53; Block 7048, 6 Lot 6; Block 7021, Lot 16; and Block 6978, Lot 22. 7 8 On May 28th, 2008, the Mermaid West 16th Street 9 project was approved for disposition under HPD's then 10 New Foundations Program. The sponsor selected 11 through a competitive process proposed the 12 construction of 18 units for homeownership for lowincome purchases plus two commercial spaces. 13 However, the project stalled given the economic 14 15 downturn in the homeownership market. Currently, HPD 16 is proposing to amend the project by allowing further 17 construction of seven three-family homes totaling 21 units under the new Infill Homeownership 18 19 Opportunities Program. There will be multiple affordable tiers with homes marketed to households at 20 80 to 90%, 90 to 110% and 111 to 130% AMI levels. 2.1 The sales prices will range between \$396 and \$608,000 22 23 based on market conditions at the time of sale. 24 we're available to answer any questions that you may 25 have.

2 CHAIRPERSON DICKENS: Mr. Polo, do you

3 | have anything that you want to add?

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MARCO POLO: [off mic] No. [on mic]
No, nothing right now, but I'm here to answer
questions. Thank you.

CHAIRPERSON DICKENS: Thank you so much.

I'm going to ask my colleague, Council Member

Treyger.

COUNCIL MEMBER TREYGER: Thank you, Chair. So I've--I've had I would say extensive conversations with HPD, and I'm very thankful as well to this committee staff as well. There's no question that our city, and certainly my community certainly is still in need of additional housing. Certainly, Mermaid Avenue, in my opinion, has been historically neglected by the City of New York. And I do appreciate that sum from HPD toward my district and toward Mermaid Avenue. But historically, whoever mapped out how you build a community forget--they forgot how you have, of course, housing, but you also have your retail strips. And Mermaid Avenue is a mishmash of housing and--and retail, and people in my district want to see Mermaid Avenue restored to its days of having a commercial corridor. Having said

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that, we're also facing an issue where you have empty lots that are just sitting there for--for far too long. And, I have a commitment on this project from the builder that he will be working with the local community on local hiring. I also have a commitment with HPD to make sure that we have a plan to restore the commercial strip on Mermaid Avenue. This is a top priority of mine because as we certainly need to build additional housing. It's not rocket science that we also need to make sure that we have retail because in my district, people don't even have a local clothing store to go to in Coney Island right now. We are in need of bakeries. We're in need of basic necessities. So, it just--it has to be a coordinated comprehensive plan, and I think we--we've worked with some of the issues here. Certainly, these are homes that can be purchased by teachers in the community, by nurses in the community, transit workers, nurses and so on. But, we also need to make sure that we have a plan in place to restore Mermaid Avenue to its glory days of -- of commercial and retail space. So, Chair, having said that, many of my questions and issues have been heard, and addressed by HPD. And I believe that this is the beginning of

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Chair.

more conversations moving forward because there are more HPD owned sites in my district, and I will be very much engaged in making sure my community gets exactly what it deserves and needs. Thank you,

CHAIRPERSON DICKENS: Thank you, Council Member, and I want to commend you on the hard work. I know that this was a difficult situation, and because of the neglect that has occurred in your district, in your area and particularly since Sandy, I am very happy to see that the city and HPD are able to work with you in order to facilitate bringing jobs back to the community badly community commercial space. Hopefully at an affordable price that will allow them to remain open particularly after having been wiped out. So I commend you, and I think you for your hard work, and I'm very pleased that the staff, the Land Use staff was able to work with you in order to facilitate that, and that HPD was willing to work with you. So I think them for that. So, now this is going to be the 73 families, is that what I understand? As well as the commercial

ARTIE PEARSON: No commercial. Just 700--just the homeownership units.

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Of my colleagues have any questions? Seeing none,

I'm closing the public hearing on Land Use Item 230.

I'm now opening up the hearing for Land Use Item 234,

the Small Homes Rehab NYCHA Programs Single-Family

Homes Phase 1 seeking a UDAAP and tax exemption for

properties located in Council Member's Richard's

district in Queens. Artie Pearson is continuing to

testify, and Lisa Talma. Are there any members of

the public wishing to testify? Okay.

ARTIE PEARSON: Artie Pearson, HPD's Land
Use Director and Lisa Talma, Assistant Commissioner
for Property Disposition and Finance. Land Use No.
234 consists of five small properties located in
Queens that are slated for redevelopment under HPD's
Small Homes Rehab/NYCHA Program. The properties are
located at Block 129, Lot--12934, Lot 127, Block
13101, Lot 32; Block 13128, Lot 4; Block 12977, Lot
4; and Block 12934, Lot 129. The five properties are
currently vacant single-family homes.

ASSISTANT COMMISSIONER TALMA: [off mic] Is one of them occupied.

ARTIE PEARSON: I'm sorry. Four vacant and one possibly occupied unit that were foreclosed

1	SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND CONCESSIONS 36
2	upon by FHA over 20 years and were managed and owned
3	by NYCHA. In 2013 and 2000in 2012 and 2013, the
4	sponsored acquired the properties from NYCHA with
5	approval from HUD, and they are undergoing gut
6	rehabilitations through HPD's Small Homes Rehab
7	Program. Which is a homeownership program for one to
8	four families. Upon completion of the
9	rehabilitation, the sponsor will convey the
10	properties to low to moderate families earning
11	between 50 and 80% of AMI. HPD is currently before
12	the subcommittee seeking UDAAP findings in order to
13	allow the properties to assessaccess Reso A funding
14	that will close the budget gap, and provide a tax
15	exemption for 20 years. And Council Member Richards
16	has indicated support for this project.
17	[pause]
18	CHAIRPERSON DICKENS: Thank you so much
19	for your testimony. Let me ask you. You said small
20	homes. What does that mean, one family or one to
21	fours? What are small homes ranging.
22	ARTIE PEARSON: It's a single-family

house.

CHAIRPERSON DICKENS: Single-family and you said there's possibly one that is occupied? Why is it possible? We don't know?

ARTIE PEARSON: We're--we're unclear at this moment because of the homes may have their occupants already residing, and I at this--I'm not clear if it's this district or a different district, but we'll clarify that for you shortly. There are two--there are two Queens Clusters. One of the clusters has some occupancies and the other one doesn't.

CHAIRPERSON DICKENS: All right, so the ones that are--well, you know which cluster has occupants and which doesn't?

ASSISTANT COMMISSIONER TALMA: I'm afraid, unfortunately, I can't remember which building in particular is currently occupied. There are—there are 13 buildings throughout the cluster, but there are five in this particular district.

you don't know whether they're occupied or vacant?

ASSISTANT COMMISSIONER TALMA: No, all of them are vacant except for one, and I just couldn't

remember which district.

CHAIRPERSON DICKENS: [interposing] And

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1	SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND CONCESSIONS 39
2	through an appraisal? Wasis that based upon income
3	of the family. How did you determine \$200,000 to
4	\$300,000 was appropriate?
5	ASSISTANT COMMISSIONER TALMA: That's
6	based upon the incomes that we're aiming for to be
7	affordable to. So aiming for an affordability to 50%
8	to 80% of AMI, we will look at the income and then
9	price accordingly. So that folks are paying a third
10	of their income towards housing.
11	CHAIRPERSON DICKENS: But no more than
12	one-third?
13	ASSISTANT COMMISSIONER TALMA: But no
14	more than one-third.
15	CHAIRPERSON DICKENS: And are these homes
16	inwhat kind of shape are these homes in, and are
17	they buying the as is?
18	ASSISTANT COMMISSIONER TALMA: They're
19	not buying the as is. These homes are rehabilitated.
20	They primarily got rehabilitations, and so we have
21	the rehab
22	CHAIRPERSON DICKENS: [interposing] Were
23	they gut rehabs or were they partial or moderate
24	rehabs? What would that be?

SUBCOMMITTEE ON PLANNING, DISPOSITIONS 1 AND CONCESSIONS 40 ASSISTANT COMMISSIONER TALMA: I believe 2 these were all gut rehabs. Either all--yes, they're 3 4 all gut rehabs. 5 CHAIRPERSON DICKENS: Okay, all right. So they got all new roofs, et cetera? 6 ASSISTANT COMMISSIONER TALMA: I don't 7 8 have the details on the scopes. So I can't say for 9 sure whether they're all new roofs. 10 [pause] 11 ARTIE PEARSON: I can do that. 12 ASSISTANT COMMISSIONER TALMA: I can 13 check back on the scopes for you. 14 ARTIE PEARSON: Uh-huh. Yes. CHAIRPERSON DICKENS: All right. 15 16 thank you so very much. Do any of my colleagues -- I 17 know that my Chair pointed out something to out to me, but do any of my colleagues have anything to say 18 19 before my Chairperson. 20 COUNCIL MEMBER GREENFIELD: I have a few questions. 21 22 CHAIRPERSON DICKENS: I know you do. I want to make sure. Don't tell me. Council Member 23 Treyger. I'm sorry, Land Use Chair. 24

COUNCIL MEMBER GREENFIELD: Thank you,

Madam Chair. Just a quick question. Do you post or

do you have--can you share with us sort of the--the

range of AMIs and what the corresponding costs is.

Do you have that either on your website or are you

able to share that with us in terms of when you look

at projects that are being sol? Because I know it's

that that common that you are doing projects that are

for sale.

ARTIE PEARSON: I--I--I guess I'm not clear about what you are asking.

COUNCIL MEMBER GREENFIELD: So--so we understand that, you know, you're targeting 50 and 80%. Some of them are \$200 and \$300,000. But I know posted on your website you can find information for rentals, right, the equivalent at 50% how much rent you're paying. At 80% how much rent you're paying and 30% how much rent you're paying. I'm curious if you have a similar list when it comes to sales.

ARTIE PEARSON: You mean approximately how much of a mortgage payment they will be making?

If--if somebody--if somebody is paying--purchasing a house at \$200,000, are you asking how much their

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SUBCOMMITTEE ON PLANNING, DISPOSITIONS 1 AND CONCESSIONS 42 payment would be on a monthly basis? I'm still not 2 3 sure. COUNCIL MEMBER GREENFIELD: No, what I'm 4 5 asking is that HPD has--has a list that says for rental that at 50%, this is how much--this is how 6 much we would pay in rent at 50% AMI. This is how 7 8 much we would pay at 80% AMI. I'm curious if you 9 have a comparable list for sales that says at 50% you 10 pay \$200,000; at 80% you pay \$300,000 and so on and 11 so forth? 12 ASSISTANT COMMISSIONER TALMA: 13 don't have a comparable list on our website to my knowledge, but we do run calculations when we're--14 15 COUNCIL MEMBER GREENFIELD: [interposing] 16 Okay. ASSISTANT COMMISSIONER TALMA: 17 --we're working on this list, yes. 18 19 COUNCIL MEMBER GREENFIELD: Well, I suspect that because was looking for it the other day 20 and I couldn't find it. 2.1 ASSISTANT COMMISSIONER TALMA: 22 Yeah. 23 COUNCIL MEMBER GREENFIELD: So I'm 24 curious as whether you mind sharing that with us sort of the range whether it's from 30% to 130 or whatever 25

SUBCOMMITTEE ON PLANNING, DISPOSITIONS 1 AND CONCESSIONS 43 your range, traditional range is just so that we 2 would have that information. I think it would be 3 useful information for our colleagues especially 4 5 committee information to have because these projects don't come up that frequently. But as they do, it 6 certainly would help us sort of have a bearing of 7 8 what these--what these apartments or homes usually 9 sell for. So would you mind getting us a copy? 10 ASSISTANT COMMISSIONER TALMA: Sure, we 11 can get that to you. 12 COUNCIL MEMBER GREENFIELD: All right, 13 thank you so much. Thank you, Madam Chair. CHAIRPERSON DICKENS: Well, in fact, what 14 15 I'm going to ask is that -- now that the Chair has 16 asked that, is that something that could be a--a web page or could that be included when you're discussing 17 the possibility of sales and different programs that 18 are available. So that we could look it up or anyone 19 could look it up? No? 20 ARTIE PEARSON: I'll find out. 2.1 22 CHAIRPERSON DICKENS: All right, and 23 would you get back to us to let us know? ARTIE PEARSON: Yeah, definitely. I will 24 definitely will. 25

SUBCOMMITTEE ON PLANNING, DISPOSITIONS 1 AND CONCESSIONS 44 CHAIRPERSON DICKENS: Chair, is that okay 2 3 with you? COUNCIL MEMBER GREENFIELD: Perfect. 4 5 Thank you. 6 CHAIRPERSON DICKENS: Uh-huh. Any other questions? All right, I'm going to close the public 7 8 hearing on Land Use Item No. 234, and open it up to 9 Land Use No. 235. Again, the Small Homes Rehab-NYCHA 10 Program, Single-Family Homes Phase 1 seeking a UDAAP 11 and tax exemption for properties located in Council 12 Member Rose's district. And again, we have--13 ARTIE PEARSON: [interposing] Yes. CHAIRPERSON DICKENS: --Artie Pearson and 14 Lisa Talma. 15 16 ARTIE PEARSON: Yes, Artie Pearson, Land Use--Director of Land Use at HPD, and I'm joined by 17 Lisa Talma again. Land Use 235 is very similar to 18 the project that we just talked about or Land Use No. 19 234. It is a single house located at Block 122, Lot 20 37 in Staten Island. It's one of the Small Homes 2.1 Rehab NYCHA Programs. This is a--like I said, this 22 23 is a single-family house, and it's--it's very similar to the project that we just talked about. In 2013, 24 25 the house was acquired by NYCHA with the approval

property. They acquired the property from NYCHA.

SUBCOMMITTEE ON PLANNING, DISPOSITIONS 1 AND CONCESSIONS 46 CHAIRPERSON DICKENS: Well, they were--2 3 these are the ones that are actually selling the 4 properties? 5 ASSISTANT COMMISSIONER TALMA: That is correct? 6 CHAIRPERSON DICKENS: In both Council 7 8 Member Richards and Council Member Rose's districts? 9 ARTIE PEARSON: That's correct. 10 ASSISTANT COMMISSIONER TALMA: That's 11 correct. 12 CHAIRPERSON DICKENS: Uh-huh, and are any of these occupied or have these all be gut rehabbed 13 and brand new and nobody is in them? 14 ASSISTANT COMMISSIONER TALMA: Well, 15 16 this--17 CHAIRPERSON DICKENS: [interposing] Except the one that we don't know where it's located. 18 ASSISTANT COMMISSIONER TALMA: The--the 19 one that is occupied is in Queens. I just wasn't 20 sure which district. This one in Staten Island is 21 not occupied. It's still under construction. It is 22 23 going under rehabilitation, and it is approximately 90% complete with the rehab. 24

1	SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND CONCESSIONS 47
2	CHAIRPERSON DICKENS: Okay and whatwhat
3	will be the AMI and the equivalent dollar amount that
4	they are being sold for?
5	ARTIE PEARSON: [off mic] It's the same.
6	ASSISTANT COMMISSIONER TALMA: It'sit's
7	in the same price range. This one is in the high
8	\$200,000s in terms of its sales price.
9	CHAIRPERSON DICKENS: In the high
10	\$200,00s, but not going into the \$300,000s?
11	ASSISTANT COMMISSIONER TALMA: Not going
12	into the \$300,000s.
13	CHAIRPERSON DICKENS: So what is the AMI
14	on this, andand theythe purchaser will not be
15	paying any more than one-third?
16	ASSISTANT COMMISSIONER TALMA: That's
17	correct. In fact, let me just see. I think the
18	purchaser hereinin my memory I believe the
19	purchaser here is around 53% AMI.
20	[pause]
21	ASSISTANT COMMISSIONER TALMA: I need to
22	make aa correction to what my statementI was just
23	corrected. The house is actually being sold at below
24	\$200,000. I was incorrect.
25	[pause]

SUBCOMMITTEE ON PLANNING, DISPOSITIONS 1 AND CONCESSIONS 48 CHAIRPERSON DICKENS: Would you excuse us 2 3 a bit with this for just a moment, please? [pause] 4 5 CHAIRPERSON DICKENS: I apologize. apologize. Do any of my colleagues have any 6 questions as it relates to Land Use Item No. 235? 7 8 Council Member Mealy. COUNCIL MEMBER MEALY: [off mic] Council 9 10 Member Mealy. 11 CHAIRPERSON DICKENS: Council Member 12 Mealy. [coughs] 13 COUNCIL MEMBER MEALY: Yes, I want--I apologize. I had to check on something else. 14 did Habitat for Humanity get this property again. 15 16 -when I walked in here I was talking about it. [background comments] 17 ASSISTANT COMMISSIONER TALMA: 18 these are FHA foreclosed homes that were in the 19 ownership of NYCHA, and these are homes that NYCHA 20 had originally put through an auction that were not 21 sold through the auction. Habitat in working with 22 23 NYCHA was able to acquire the homes to be preserved 24 for affordable homeownership.

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COUNCIL MEMBER MEALY: So how do HPD--do they give Habitat for Humanity vacant land also?

[background comments]

ARTIE PEARSON: Within this program?

This is—this is a small homeownership program, and

HPD's role here is just to seek the UDAAP findings so

that we—so that the—the sponsor can acquire UDAAP

approvals so that they can access Reso A to help fill

the budget gap. And then just—and to also get tax

exemption further that will be passed onto the

homeowners.

COUNCIL MEMBER MEALY: Well, I'd just like it to go on record Habitat for Humanity is saying that HPD is giving the vacant land in my district. And the RFP has not went out as of yet, and they are talking to my pastor saying that they are getting the land. So, I would love to know how this is happening. Just wondering for the record.

ARTIE PEARSON: Okay. I'll--I'll look into it--

22 COUNCIL MEMBER MEALY: [interposing] All 23 right.

ARTIE PEARSON: --when I get back into the office.

SUBCOMMITTEE ON PLANNING, DISPOSITIONS 1 AND CONCESSIONS 50 CHAIRPERSON DICKENS: I would appreciate 2 3 it, Artie, if you would get back to this committee as well as to the council members so that we are 4 5 assured--6 ARTIE PEARSON: [interposing] Absolutely. 7 8 ARTIE PEARSON: --that she's--9 ARTIE PEARSON: [interposing] Yes. 10 CHAIRPERSON DICKENS: --fully cognizant 11 and secure in--in what she has to do in her district. 12 ARTIE PEARSON: Will do. CHAIRPERSON DICKENS: Thank you. Do any 13 of my colleagues have any--any questions? 14 15 closing the public hearing on Land Use Item 235. the beginning of the hearing, I had indicated that we 16 were laying over Land Use 233, Small Homes Rehabs 17 18 NYCHA Program Single Family Homes, Phase 1 seeing a 19 UDAAP and tax exemption for properties located in Council Member Miller's district. However, at the 20 council member's request and because we agree with 2.1 22 that, and my Chair has agreed with that, we are now 23 going to hear testimony. Are you prepared to give 24 testimony on that?

ARTIE PEARSON: Yes, I am.

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CHAIRPERSON DICKENS: But we will not be voting on it.

ARTIE PEARSON: Yes.

CHAIRPERSON DICKENS: Proceed.

ARTIE PEARSON: Artie Pearson, Director of Land Use, and again I'm joined by Lisa Talma, HPD's Assistant Commissioner for Property Disposition. Land Use No. 233 consists of a total seven small properties located in Queens and is slated for redevelopment on HPD's Small Homes Rehab NYCHA Program. The properties are located at 11165, lot 28; Block 10318, Lot 17; Block 12736, Lot 38; Block 11137, Lot 146; Block 12622, Lot 29; Block 10848, Lot 5; and Block 11141, Lot 88. The seven properties are currently vacant single-family homes that were foreclosed upon by FHA over 20 years ago, and have been managed and owned by NYCHA. 2012 and 2013, the sponsor acquired the properties from NYCHA with approval from HUD. And each will undergo a gut rehabilitation through HPD's Small Homes Rehab NYCHA Program, which again is a homeownership program for one to four-family homes. Upon completion of the rehabilitation, the sponsor will convey the properties to low and moderate-income

seeking Council approval for any sort of action.

1	SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND CONCESSIONS 54					
2	COUNCIL MEMBER MILLER: So, would you say					
3	that me being informed for the first time last week					
4	is appropriate?					
5	ARTIE PEARSON: You should have been					
6	informed much sooner than that, and I would agree.					
7	COUNCIL MEMBER MILLER: And whose					
8	responsibility is that to inform the members?					
9	ARTIE PEARSON: Well, we always ask the					
10	sponsor to reach out to the council member first.					
11	It's the first thing they should do, and then let us					
12	know once they have done that.					
13	COUNCIL MEMBER MILLER: So, okay, when					
14	HPD, when these houses were given to Habitat, were					
15	there other not-for-profits involved or requesting					
16	these properties?					
17	ASSISTANT COMMISSIONER TALMA: I believe					
18	there were. These properties were not given by HPD.					
19	However, they were given					
20	COUNCIL MEMBER MILLER: [interposing]					
21	Okay.					
22	ASSISTANT COMMISSIONER TALMA:given by					
23	NYCHA. So, I'm notI'm not privy to their fully					
24	process I know that it goes through a Section 18					

SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND CONCESSIONS

approval process at our disposition. I believe there were other non-profits, but I don't know how many.

COUNCIL MEMBER MILLER: And was there an MOU on the--how the properties would be disbursed including the AMI and the--and any other provisions with HPD?

ASSISTANT COMMISSIONER TALMA: No, there's no meeting with HPD.

COUNCIL MEMBER MILLER: My notice says clearly that it was--that they would be seeking the ten-year exemption, and that up to 120--120% of the AMI is the official document that I received.

ARTIE PEARSON: So, just to sort of clarify that for the entire program for the Small Homes Program, its sale can go up to 100% AMI. But, in this particular cluster, the sponsor has chosen to stay within the 50 to 80% cluster. I'm sorry, AMI.

COUNCIL MEMBER MILLER: Okay, and so again, at—at what point if—if all things being perfect, at what point would the sponsor receive any information pertaining to this so that we could be sufficiently informed, and—and—and vote properly.

ARTIE PEARSON: Ideally, when we're putting together the package to submit to the City Council, that's the ideal time.

COUNCIL MEMBER MILLER: And when would that occur?

ASSISTANT COMMISSIONER TALMA: We were—we were working on that package within this calendar year in the recent months. This is a more recent program. So, the—the template format for producing a UDAAP package for this had to be created. It took a bit more time than—than it usually would.

COUNCIL MEMBER MILLER: So--so, you know, just--so--so for transparency and we can kind of get this out here. I--I had the privilege of working in three of these homes in 2013, and they were pretty much completed, and at the end of 2013-2014. And, I now field many calls from constituents and residents of these blocks wanting to know why these houses remain vacant.

ARTIE PEARSON: Uh-huh.

COUNCIL MEMBER MILLER: And, you know, we--we have no answer, and then on Friday I get this. And so, I need some answers before we move forward.

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So I need to--

So that's kind of where we are here. So anything that you can contribute, would be appreciated.

ARTIE PEARSON: Absolutely.

ASSISTANT COMMISSIONER TALMA: I just wanted to add on the--there are--the homes that are completed at this point in time the letters of completion were only received on those in the earlier part of this year. So that is part of the reason for--the--the--these home are not only recently completed. Some of these homes. The others are still in construction.

COUNCIL MEMBER MILLER: [off mic] I'll—

I'll be very specific about the property on—[on mic]

I'll be very specific about the property on 198th

Street, the two properties on 112th Road I know for a matter of fact have been completed for more than a year, well over a year.

ASSISTANT COMMISSIONER TALMA: Okay. I—I have to look into this further then because the records I was given indicate that the letter of completion on 198th Street was received in February of this year. And the letter of completion on 112th Road, right, was received in April of this calendar.

1	SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND CONCESSIONS 58				
2	COUNCIL MEMBER MILLER: There's two				
3	properties on 112th.				
4	ASSISTANT COMMISSIONER TALMA: Oh, 212, I				
5	have that as letter of completion in May of this				
6	year, this calendar year. So I need to				
7	COUNCIL MEMBER MILLER: [interposing]				
8	And when would those				
9	ASSISTANT COMMISSIONER TALMA:to look				
10	into that further for you.				
11	COUNCIL MEMBER MILLER:and when would				
12	those letters comebe generated?				
13	ASSISTANT COMMISSIONER TALMA: I believe				
14	these would have been from DOB, Department of				
15	Buildings.				
16	COUNCIL MEMBER MILLER: Okay.				
17	CHAIRPERSON DICKENS: Are you done?				
18	COUNCIL MEMBER MILLER: Yeah.				
19	CHAIRPERSON DICKENS: When you say letter				
20	of completion, are you referring to the C of O?				
21	ASSISTANT COMMISSIONER TALMA: I'm				
22	CHAIRPERSON DICKENS: [interposing]				
23	Because even a single-family house				
24	ASSISTANT COMMISSIONER TALMA:				
25	[interposing] I think these were				

of completion stands at what would be equivalent to a

24

SUBCOMMITTEE ON PLANNING, DISPOSITIONS 1 60 AND CONCESSIONS Certificate of Occupancy. That's all I was 2 3 confirming. CHAIRPERSON DICKENS: All right. 4 5 I will ask the question again that Council Member Miller asked and that is, is it normal for 6 construction to be completed in say the end of 2013, 7 8 and it takes more than a year and a half for a 9 Certificate of Occupancy to be issued? And the -- the -10 -the letter of completion comes from DOB. Is that 11 correct? 12 CHRISTOPHER ILLUM: Yes, you are correct. It does come from the Department of Buildings. 13 actually am not privy as to what would be normal and 14 15 not normal necessarily. 16 CHAIRPERSON DICKENS: [interposing] Well, 17 you should know. You tell me. ARTIE PEARSON: I actually, don't have an 18 answer to that question, council member. I'd have to 19 get the information on how it takes between a 20 building actually finishing completion, and actually 2.1 getting the documentation that verifies that it's 22 23 complete. CHAIRPERSON DICKENS: 24 The reason I raised that issue to--in support of Council Member Miller is 25

SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND CONCESSIONS

because in the private sector that would not ever be allowed that you first build in 2013 and then two years later you're just issuing a Certificate of Occupancy unless something was wrong during construction. Council Member, was there anything wrong that you're aware of.

COUNCIL MEMBER MILLER: Not to my knowledge. The--the--the homes were complete and in good repair, and--and total rehabbed and ready for occupancy more than a year ago.

CHAIRPERSON DICKENS: And the reason that I assume that the council member is raising this issue is because his community was left with two things. One, the lack of--of affordable housing to be purchased in his district, and the second thing is that it's left as a blank. And--and it also invites vandalism. Is that correct?

COUNCIL MEMBER MILLER: That is correct.

We also have a--a real problem with folks who assume properties that aren't their own, squatters pretty much and--and--and I am very, very surprised that these houses have not fell under squatters at this point--

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CHAIRPERSON DICKENS: [interposing]

3 | Well, I'm--

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COUNCIL MEMBER MILLER: --considering that they weren't locked up or anything.

CHAIRPERSON DICKENS: Well, thank you so I'm going to ask that--that HPD please provide much. the council member and this committee with information on the -- how long it usually takes to get a C of O once the construction is complete. That's number one. The second thing I'd like answered is why did it take so long to be in touch with the council member as to who was going to give--have control, site control of the property? Who was going to do the construction, et cetera. Because it would seem that since you were going to be coming to the Council seeking a UDAAP that certainly the council member should be made aware of what exactly is going on in her or her district. So I'm going to ask that you please provide some of that information, and that we begin to work together in order to change that. Because this administration has--has fostered that it is transparent and that it acts quickly. was not in the spirit that his administration certainly was served.

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ARTIE PEARSON: Well, we'll certainly get you the information that you look for, and we'll do a better job of making sure that all council members are made aware of the projects in their districts long before we get to a Council meeting.

CHAIRPERSON DICKENS: Thank you so much and I want to note also for the record, that we were only hearing Council Member on this Land Use. We will not be voting on it at this time.

COUNCIL MEMBER MILLER: That is correct. Thank you.

CHAIRPERSON DICKENS: Thank you. Do you have anything else you want to add.

COUNCIL MEMBER MILLER: No, I'm fine.

Thank you so much, Madam Chair--

CHAIRPERSON DICKENS: [interposing] Thank you so much.

COUNCIL MEMBER MILLER: --and thank you to our panel.

CHAIRPERSON DICKENS: I'm closing the public hearing on Land Use Item 233, and I'm finally now going to open up the hearing for Land Use No. 236, Grand and Rogers Cluster. This application is submitted by HPD seeking a UDAAP and tax exemption

2 for property located in Speaker Melissa Mark-

3 | Viverito, and Council Members Gibson and Arroyo's

4 district in the Bronx. Again, please not that we

5 | will only be holding a hearing for this item, and we

6 | will be deferring the vote. I'd like everyone to

7 | identify themselves please.

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ARTIE PEARSON: Artie Pearson, Director of Land Use at HPD. I'm joined by Lisa Talma, Assistant Commissioner and Mr. Velazquez from JGB Management. Land Use No. 236 consists of an amendment to a project previously approved by the Council in October 2013. The amended project is located at 384 Grand Concourse, 238 Rogers Place, 1129 Morris Avenue, 1183, 1177 and 1202 Clay Avenue and know as the Grand and Rogers Cluster. These six city-owned properties are proposed for development under HPD's Multi-Family Preservation Loan Program. In 2013, the Council approved four of the properties for disposition, which were 384 Grand Concourse, 1038 Rogers Avenue, 1129 Morris Avenue and 1202 Clay Avenue for disposition and rehabilitation. because of funding delays, these projects were not conveyed to the sponsor. Subsequently, 1171 and 1183 Clay Avenue, have been added to the Cluster bringing

SUBCOMMITTEE ON PLANNING, DISPOSITIONS 1 AND CONCESSIONS 65 it to six buildings, and together there will be 88 2 units in total. They're a mixture of unit types 3 4 including studios, one, two and three-bedroom 5 apartments with rents affordable to families at 60, 80 and 100% AMI. There are no commercial spaces 6 within the property, and the council members for this 7 8 particular project who are the Speaker, Council 9 Members Gibson and Arroyo have all indicated support 10 for the project. And we can answer any questions 11 that you have. 12 CHAIRPERSON DICKENS: Thank you. 13 Velazquez and Ms. Talma, do you have anything you want to add? 14 ASSISTANT COMMISSIONER TALMA: 15 I don't have anything to add at this point in time, but happy 16 17 to answer any questions. MR. VELAZQUEZ: I don't have anything to 18 19 add, but I'd be happy to answer any questions. CHAIRPERSON DICKENS: All right, thank 20 you for your testimony. Now this is -- tell me how 2.1 many units are we talking about, because is three 22

23

districts. So quite a bit.

1	SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND CONCESSIONS 66				
2	ARTIE PEARSON: I'm sorry. I have to				
3	make a correction to my statement. The Speaker has				
4	not indicated support for this project just yet.				
5	CHAIRPERSON DICKENS: Oh. What about				
6	Council Members Gibson and Arroyo?				
7	ARTIE PEARSON: Yes.				
8	CHAIRPERSON DICKENS: They'rethey're in				
9	support of it?				
10	ARTIE PEARSON: Yes.				
11	CHAIRPERSON DICKENS: Tell me whatwhat-				
12	-what's in each onewhat's in Council Member				
13	Gibson's and Council Member Arroyo's, what's in				
14	Council Member Speaker Mark-Viverito's district.				
15	ARTIE PEARSON: 384 Grand Concourse is in				
16	the Speaker's district.				
17	CHAIRPERSON DICKENS: Uh-huh. How many				
18	units is that?				
19	ARTIE PEARSON: Twenty-six altogether.				
20	CHAIRPERSON DICKENS: And what's going to				
21	be done with those? It's a UDAAP I see.				
22	ARTIE PEARSON: Yes, they'll be rehabil				
23	rehabilitated, yes.				
24					

SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND CONCESSIONS 67				
CHAIRPERSON DICKENS: Uh-huh, substantial				
rehab, gut rehab, moderate rehab? What kind of				
rehab?				
ARTIE PEARSON: They're all gut rehab.				
All the units will be gut rehabbed. 1083 Rogers is				
in Council Member Arroyo's district and she has 26				
units. And then the other four properties, which are				
1129 Morris Avenue, 1202 Clay, 1171 Clay and 1183				
Clay are in Council Member Gibson's district.				
CHAIRPERSON DICKENS: And what will be				
the AMIs.				
ARTIE PEARSON: These buildings are 60,				
80 and 100% AMI.				
CHAIRPERSON DICKENS: I got you.				
ARTIE PEARSON: Okay				
CHAIRPERSON DICKENS: [laughs] And are				
there any vacancies currently in any of the units				
any of the buildings.				
ARTIE PEARSON: Let's see. Vacancies.				
Yes, there are a number of vacancies.				
CHAIRPERSON DICKENS: This is the process				
that HPD tries to keep them vacant. That used to be				
called warehousing.				
[pause]				

ARTIE PEARSON: Yes, you could take that question. [laughs]

ASSISTANT COMMISSIONER TALMA: Well, I know that we already spoke about this, but yes the vacant units are seen as an opportunity to help with the rehabilitation. So some—in some cases there's checker boarding of tenants so that the rehabilitation can occur. It's deemed as a short—term time frame. It's—it's not like—it's not as if we're trying to keep the units vacant for a very long term. But it, we are—we do have the aim to finance the project so that we could bring those vacant units online and into use for affordable housing.

CHAIRPERSON DICKENS: Now, this is just for transparency sake, does that mean that in the private sector that would be allowed to warehouse.

Just a question. You don't really have to answer.

ASSISTANT COMMISSIONER TALMA: I honestly don't--

CHAIRPERSON DICKENS: [interposing] You don't have to answer.

ASSISTANT COMMISSIONER TALMA: --can't speak to that.

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CHAIRPERSON DICKENS: That's okay. I just thought I'd ask the question of that were going to be allowed in the private sector that—that is being done—warehousing being done by HPD. Just though I'd ask. Now, are—are—I assume, and maybe I'm correct for assuming or incorrect for assuming are there any violations in these properties. That's number one. The gut rehab I assume will include a new roof and new heating system and an upgrade of the electrical.

ARTIE PEARSON: As far as—as far as violations are concerned, there are some violations that are still on the record. They're very old and at this—at this point it's very difficult to say whether or not they actually know it's still there. Because what happens is when a tenant calls in a complaint, HPD will go in do the work and make the repair. But the violation that is on the system, you know, from a long time ago doesn't necessarily come off. So we're talking about violations that went on in like in the early '70s and the '90s. There is no way for us to really tell if those violations are still are there. [sic]

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then they don't get removed.

CHAIRPERSON DICKENS:

[interposing]

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Yeah, I am going to chastise you--you all about that because violations are put on properties and then owners assert -- do the corrections and certify it and

ARTIE PEARSON: That is correct.

CHAIRPERSON DICKENS: And then years later someone comes in and they want to do some work and they want to get a UDAAP, or they want to get a tax exemption then the Council in it's--in it's--it's infinite wisdom jumps on--on the owner when it was really the City's fault. Hello.

ARTIE PEARSON: I'm not sure how to address that because like I--like you said the violations do--will go on the building, and oftentimes they -- an owner will correct them but they won't request a dismissal.

CHAIRPERSON DICKENS: And sometimes they do. Frequently they do request a dismissal.

ARTIE PEARSON: And sometimes they do.

CHAIRPERSON DICKENS: And you either don't get out there and -- and dismiss them or they--you come and it is never dismissed off the

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record. Thank you. Any--do any of my three colleagues have any questions? No.

COUNCIL MEMBER MEALY: I pass.

CHAIRPERSON DICKENS: Thank you so much.

All right, thank you so much for your testimony, and

I will--I am closing the public hearing on Land Use

Item No. 236.

[background comments]

CHAIRPERSON DICKENS: Yeah, I am now putting up, the items that we have today up for a vote except for Land Use Item No. 236 and 233, which we are deferring the vote to a later date, and laying over Land Use Item No. 219. I note for the record that the applications that we are voting on today have the full support of the local council members and I support as well. I will now call on my counsel to the roll for a vote to approve.

[background comments, pause]

CHAIRPERSON DICKENS: While we're waiting, I just want to note for the record that I've been informed that the Speaker is holding up on support of this because she has the same issue that Council Member Miller has and that's in the lack of transparency and notification in a timely fashion.

SUBCOMMITTEE ON PLANNING, DISPOSITIONS 1 72 AND CONCESSIONS [background comments, pause] 2 CHAIRPERSON DICKENS: Counsel. 3 LEGAL COUNSEL: Chair Dickens. 4 5 CHAIRPERSON DICKENS: I vote aye on all. LEGAL COUNSEL: Council Member Mealy. 6 7 COUNCIL MEMBER MEALY: May I explain my 8 vote? 9 CHAIRPERSON DICKENS: Please. 10 COUNCIL MEMBER MEALY: I do have a 11 problem the same as the Speaker. There's not enough 12 transparency in this project. I know NYCHA is doing a lot with Habit with Humanity, and HPD is doing a 13 whole lot, and everything is coming at the last 14 minute. And I really feel it's very inappropriate 15 16 for Habitat for Humanity to be going out to the community talking to pastors in my community in 17 regards to our property of vacant land on Rouse [sic] 18 19 Avenue, Atlantic and Herkimer. And here it is now these properties are coming up before this body, and 20

half the council members do not know of it, and lack

transparency is not here, and they need to do better.

of transparency, and informing them in a timely

manner. And I definitely agree with our Speaker

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1	SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND CONCESSIONS 73				
2	So I will be voting no on 234 and Land Use Item 254				
3	and aye on everything else.				
4	LEGAL COUNSEL MCCAUGHEY: I'm sorry. I				
5	didn't get everything you voted on. I apologize.				
6	COUNCIL MEMBER MEALY: 234				
7	LEGAL COUNSEL MCCAUGHEY: [interposing]				
8	[off mic] 235?				
9	COUNCIL MEMBER MEALY:235. That's it.				
10	LEGAL COUNSEL MCCAUGHEY: [off mic] Sorry.				
11	COUNCIL MEMBER MEALY: And I have spoke				
12	to the Council Members of these lands, and let them				
13	know that I will be doing it full body also.				
14	LEGAL COUNSEL MCCAUGHEY: [off mic] And				
15	your vote on all the others?				
16	COUNCIL MEMBER MEALY: And aye on all the				
17	rest.				
18	LEGAL COUNSEL: Thank you.				
19	LEGAL COUNSEL: Council Member Rodriguez.				
20	COUNCIL MEMBER Aye.				
21	LEGAL COUNSEL: Council Member Cohen.				
22	COUNCIL MEMBER COHEN: Aye.				
23	LEGAL COUNSEL: Council Member Treyger.				
24	COUNCIL MEMBER TREYGER: [off mic] With				
25	thanks to the chair and the greats, [sic] I vote aye.				

SUBCOMMITTEE ON PLANNING, DISPOSITIONS 1 74 AND CONCESSIONS LEGAL COUNSEL: Land Use Nos. 229, 230, 2 232, 234 and 235 are approved and referred to the 3 full Land Use Committee. 4 5 LEGAL COUNSEL MCCAUGHEY: By a vote of--6 LEGAL COUNSEL: By a vote of 5 in the 7 affirmative, 0 in the negative and 0 abstentions, 8 with the exception of Land Nos. 234 and 235, which 9 are approved by a vote of 4 in the affirmative, 1 in 10 the negative and 0 abstentions. 11 LEGAL COUNSEL MCCAUGHEY: And all items 12 are referred to the full Land Use Committee. 13 LEGAL COUNSEL: And all items are 14 referred to the full Land Use Committee. 15 CHAIRPERSON DICKENS: Thank you and I 16 would like to thank the members of the public, my 17 colleagues, counsel and all Land Use staff for attending today's hearing, and for the work that you 18 19 do. This hearing is hereby [gavel] adjourned. 20 2.1 22 23

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World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date \_\_\_\_June 7, 2015\_\_\_\_\_