

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

SUBCOMMITTEE ON ZONING AND FRANCHISES

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March 7, 2016
Start: 9:36 a.m.
Recess: 5:35 p.m.

HELD AT: Council Chambers - City Hall

B E F O R E:
DONOVAN J. RICHARDS
Chairperson

COUNCIL MEMBERS:
Daniel R. Garodnick
Jumaane D. Williams
Antonio Reynoso
Ritchie J. Torres
Vincent J. Gentile
Ruben Wills
Rafael L. Espinal, Jr.
David G. Greenfield
Inez D. Barron
Vanessa L. Gibson

A P P E A R A N C E S (CONTINUED)

Carl Weisbrod
Chairman
New York City Planning Commission

Purnima Kapur
Executive Director
New York City Department of City Planning

Vicki Been
Commissioner
New York City Housing Preservation and
Development

Maria Torres-Springer
President
New York City Economic Development
Corporation

Gregg Bishop
Commissioner
New York City Department of Small
Business Services

Ismene Speliotis
Executive Director
Mutual Housing Association of New York
and MHANY Management, Inc.

Ryan Jacob
Member
Community for Change
Real Affordability for All

A P P E A R A N C E S (CONTINUED)

Maritza Silva-Farrell
Coordinator
Real Affordability for All

Barry Smith
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Yvette Cumberbatch
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32BJ

Rick Russo
Senior V.P. and COO
Representing
Carlo Scissura
President and CEO
Brooklyn Chamber of Commerce

Enrique Cologne
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Rene Arlain
Director of Housing Counseling
Cypress Hills Local Development
Corporation

Roy Frias
East New York Farms,
United Community Centers

A P P E A R A N C E S (CONTINUED)

Zulmilena Then
Founder
Preserving East New York

Brother Paul Muhammad
Member
Coalition for Community Advancement

Meredith Marshall
Co-founder and Managing Partner
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Martin Dunn
Owner
Dunn Development Corp.

David Bryan
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Brooklyn Legal Services Corporation A

Michael Wadman
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Shai Lauros
Community Development Director
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Emily Van Ingen
Director of Programs
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Paula Crespo
Planner
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Adrien Weibgen
Staff Attorney
Community Development Project
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Shamona Kirkland
Member
People First Democratic Club

Danixa Carr
Member
People First Democratic Club

Mayfield Goddard-Adetimirin
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A P P E A R A N C E S (CONTINUED)

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Dave Powell
Director of Organizing & Advocacy
Fifth Avenue Committee and
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A P P E A R A N C E S (CONTINUED)

Maria Hia
Resident of Cypress Hills/East New York

Aida Castillo
Cypress Hills Local Development
Corporation
Member
Coalition for Community Advancement

Female Voice
Representing Darma Diaz
Member
Coalition for Community Advancement

Umberto Martinez
Representing Rose Martinez

Sophia Carlton
Director
Family Resource Center
The Partnership for the Homeless

Female Voice
Representing Leah Archibald
Evergreen

Luis Enriquez
Deputy Director
Legal Services NYC

Diana Reyna
Deputy Brooklyn Borough President

A P P E A R A N C E S (CONTINUED)

Richard Bearak
Land Use Director
Brooklyn Borough

Naved Husain
Lead Organizer
CAAHV

Translator for Francisco Reyes

Francisco Reyes
Tenant

Moses Cuello
Tenant

Deborah Mesloh
Representing Nancy Carin, Executive
Director, Business Outreach Center
Network

Daisy Gonzalez
Community Organizer
Community Voices Heard

David Benke
CEO
Lutheran Social Services of New York

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2 **TRANSCRIPTION NOTE:** Testimony of
3 Francisco Reyes in Spanish with the use of a
4 translator, audio Pt. 2 of 2, (Job #002-01-533135)
5 beginning at time stamp **[00:27:29]**.

6 [gavel]

7 CHAIRPERSON RICHARDS: Good morning.
8 Welcome to the public hearing of the Subcommittee on
9 Zoning and Franchises.

10 I would like to recognize that we are
11 joined by Council Member Espinal, who represents East
12 New York, also Subcommittee member Vincent Gentile
13 and we expect other members to come in as we proceed
14 through this hearing. Today the Council will be
15 holding a hearing on the East New York Plan, which
16 includes related land use applications that are
17 subject to City Council review -- zoning map change
18 that would increase residential density in a
19 neighborhood, a text amendment to apply the
20 provisions of Mandatory Inclusionary Housing to this
21 area and establish a mixed-use district, and a
22 special enhanced commercial district, an amendment to
23 the Dinsmore-Chestnut Urban Renewal Plan and a
24 related disposition of City property.

1 The East New York Community Plan is
2
3 different from previous neighborhood rezonings in two
4 important ways. One, this is the first neighborhood
5 where Mandatory Inclusionary Housing would be mapped.
6 We recently held 10-hour-long hearing on Mandatory
7 Inclusionary Housing and everyone should know that we
8 are working hard to make sure that whatever is
9 produced is the best policy for this city that we can
10 make. Because both programs are evolving as we
11 continue our work, some of the specifics about how
12 Mandatory Inclusionary Housing will apply in East New
13 York have yet to be determined. I want to assure
14 everyone though that in working out modifications to
15 Mandatory Inclusionary Housing we are keeping in mind
16 how it could apply in all types of neighborhoods
17 throughout the city, especially in places like East
18 New York.

19 Additionally, the administration has made
20 many commitments for East New York, Cypress Hills and
21 Ocean Hill that go beyond new zoning. The City has
22 proposed housing subsidies, capital commitments and
23 economic development strategies that are designed to
24 support the zoning changes that are being proposed
25 and I'm sure that council members will have many

2 questions on those commitments. These proposals come
3 at a time when there is a great deal of anxiety and
4 concern about the changing character of New York and
5 of some of our low-income neighborhoods. How
6 neighborhoods grow and evolve and still remain
7 affordable is the central challenge we face today.

8 The council has a city charter-mandated
9 50-day review period, so we will need to make a
10 decision on this proposal over the course of the next
11 several weeks, but I know that council members
12 Espinal and Barron have been working on this issue
13 for months and I want to acknowledge all of their
14 hard work with the local community to get to this
15 day. Hopefully everyone who signed up to speak
16 received a hearing tip sheet; if not, you can grab
17 one at the desk downstairs.

18 Today we will be giving everyone a chance
19 to speak, so we will be here as long as we need to be
20 and that was proof in the MIH and ZQA hearings; we
21 held 20 hours of hearings over a 24-hour period.

22 Speakers will be limited to three minutes
23 each. As always, please keep your testimony civil
24 and be respectful of the views of others. Please
25 make sure you're present when your name is called.

2 We will also be accepting written and electronic
3 testimony at correspondence@council.nyc.gov.
4 Correspondence@council.nyc.gov, and I'm just gonna
5 underscore once again; whether you disagree or agree
6 with whoever is testifying, we ask you to remain
7 civil; if you're not, we will have you removed.

8 I think now that council member Espinal
9 is here; we've also been joined by council member
10 Antonio Reynoso. We will now hear some words from
11 council member Espinal, who represents this area.

12 COUNCIL MEMBER ESPINAL: Thank you,
13 Mr. Chairman. I want to start by thanking all of my
14 constituents who made the time to be here today. I
15 wanna thank my colleagues, Council Member Richards
16 and all the members of this committee as well.

17 I want to specifically acknowledge the
18 Coalition for Community Advancement that has been
19 working to bring the East New York community together
20 throughout this entire process.

21 Today we are here to consider the zoning
22 changes proposed for the Cypress Hills, East New York
23 and Ocean Hill communities, changes that are
24 necessary to successfully implement the East New York
25 Community Plan.

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This process is deeply personal to me, because as many of you are already aware, I am not just the elected official who represents this community and the council and through this process; I am also someone who has lived in Cypress Hills my entire life and continues to lay my head on a pillow each night in the same streets we are looking to rezone.

My family's story is similar to a lot of those who live in this community; my parents came here from the Dominican Republic and worked hard to save nickels and dimes to buy a two-family house and raise six children. I, alongside my neighbors, lived to witness decades of this investment by city and state administrations. The neighborhood struggled through the crack epidemic in the 80s; gun violence was higher than any other part of the city; schools were overcrowded and lacked basic resources and most recently, the 2008 housing crisis left hundreds, if not thousands of my constituents jobless and facing foreclosures on homes they bought to fulfill the American dream.

But through these struggles I was able to see the strength and resilience of a close-knit

1 community who came together to keep our neighborhoods
2 going and to keep them safe, because they knew then
3 what we know now; that our neighborhood is a diamond
4 in the rough, a community where working-class and
5 immigrant families can achieve the American dream and
6 call home. Today our community continues to be
7 tested; the reality is that our families are facing
8 difficult times, the cost of rent and mortgages are
9 rising quickly; because of this, basement apartments
10 are a norm, our roads are in constant disrepair, our
11 schools are overcrowded and kids are taught in
12 trailers instead of classrooms, and unemployment in
13 East New York is double that of other neighborhoods
14 throughout the Brooklyn and the city. Though this
15 plan will bring with it long overdue investments into
16 our community, it is my job to make sure those
17 investments benefit those who have built this
18 community and not those who may live here 10 years
19 from now.

21 I want to take a moment and let my
22 community know that over the past year-and-a-half I
23 have heard you, I understand your fears and
24 frustrations about these proposals and I am well
25 aware of the changes happening right now in our

2 neighborhood. My goal has always been to make sure
3 we had a real community plan that would not just
4 bring long overdue resources into our community, but
5 that moves away from the one-size-fits-all approach
6 of previous administrations and instead was tailored
7 to specific needs of residents that live here today.

8 And to the administration, I want to let
9 you know that though progress has been made since the
10 process started, I believe we still have a ways to go
11 before I can go back to my community with my head
12 held high, because I know that as the first
13 neighborhood to be rezoned under the Mayor's Housing
14 Plan we are setting the bar for how this process will
15 play not just in Brooklyn, but across the city. So I
16 may be the first, but I will not be the last council
17 member to stand before you and ask the questions that
18 community after community will keep asking -- how do
19 we create truly affordable housing for low-income
20 families; how do we create policies to support local
21 hire and high road retail; how do we incentivize
22 local development in the private sector without
23 compromising our values and displacing our residents;
24 how can we plan for growth when existing resources

2 are insufficient to handle the community that exists
3 today.

4 The kind of changes in this proposal are
5 big changes, changes that will fundamentally reshape
6 East New York, Cypress Hills and Ocean Hill
7 communities, so we need to make sure that we proceed
8 with confidence that the final plan is one that will
9 respect current residents while allowing for
10 expansion over a period of time.

11 As we discuss the proposed zoning changes
12 here today, I want to make the priorities clear as to
13 what I believe my community needs in order to welcome
14 new residents and grow.

15 First, I want to make sure this plan
16 protects those who live here today; how are the anti-
17 displacement strategies working on the ground; what
18 strategies do we have to incentivize our property
19 owners and landlords to keep rents affordable? We
20 need to aggressively target owners who cheat the
21 system and seek to evict rent-stabilized tenants in
22 exchange for higher rents. Above all, we need to
23 make sure that residents who are at risk of
24 displacement actually know about the resources
25 available to them -- spending millions of dollars on

2 programs and services to help at-risk residents
3 doesn't do much if those residents are not aware of
4 it.

5 Secondly, I want to make sure that the
6 affordable housing built is truly affordable. Yes,
7 the administration estimates we can see up to 6,000
8 units of new housing in East New York over the next
9 15 years, but that's an estimate; we don't know the
10 final number; what we do know is that the first 1,200
11 units built on a combination of City-owned and
12 private sites will be 100% affordable, but we need to
13 know what happens after that.

14 Third, I've said all along this could not
15 just be a housing plan; it must be a jobs plan,
16 because we know that no home is affordable without a
17 good-paying job. I'm looking forward to learning
18 more about the plans for how HireNYC will target
19 local residents for new construction jobs, how the
20 recommendations from the East New York IBZ study will
21 be implemented and as a proponent of local
22 businesses, how we plan to protect our small
23 businesses from displacement by larger chain stores,
24 and if new chain stores do come into the
25 neighborhood, I want to make sure they are high road

2 retailers so that workers are paid a living wage and
3 given the benefits they need to support themselves
4 and their families.

5 Four, new growth in the neighborhood
6 means we need to focus on building up infrastructure
7 and community resources. I want to make sure that in
8 planning for growth we have concrete plans for how we
9 will implement the strategies to address community
10 needs as the years roll by. This includes our public
11 safety resources, our streets, our parks, our
12 schools, daycare centers, and our community centers.

13 Finally, commitments made must be
14 commitments kept. We have to find a way to ensure
15 the commitments made as part of the East New York
16 plan are kept by this administration and those that
17 follow in the decades to come. We must create a
18 mechanism that will hold agencies accountable and
19 track progress made in our community.

20 As we discuss the future of these
21 communities here today we must also acknowledge our
22 past; we must recognize that our communities have
23 changed rapidly in recent years because of failed
24 policies that accelerated displacement and the people
25 that have been and continue to be displaced are the

1 very people who made our neighborhoods in Brooklyn
2 into the brand that it is today; the working-class
3 families, the local manufacturers, the immigrants,
4 and the artists, they are the soul of Brooklyn and
5 they are running out of places to go. This plan is
6 so much more about the blocks set to be rezoned; it
7 is really about the future of East New York and the
8 Borough and making sure that 10 or 20 years from now
9 Brooklyn continues to be a diverse, inclusive place
10 with lots of character and soul.

11
12 Thank you, Mr. Chairman.

13 CHAIRPERSON RICHARDS: Thank you. So I'm
14 sure you got all of his questions already.
15 [background comments] With that being said, I now
16 open the public hearing. We will first hear from the
17 administration, council members will then have an
18 opportunity to ask questions and then we will open it
19 up to the public for testimony, alternating with
20 panels of speakers in favor and in opposition.

21 Our first panel will be the Chair of the
22 City Planning Commission, Carl Weisbrod and the
23 Executive Director of the Department of City
24 Planning, Purnima Kapur; Commissioner of the
25 Department of Housing Preservation and Development,

2 Vicki Been; President of the New York City Economic
3 Development Corporation, Maria Torres-Springer, and
4 finally, Commissioner of the Department of Small
5 Business Services, Gregg Bishop.

6 Thank you all for joining us and I will
7 now have Mr. Dylan swear you in

8 COMMITTEE COUNSEL: Do you swear to tell
9 the truth, the whole truth and nothing but the truth?

10 [collective affirmation]

11 CHAIRPERSON RICHARDS: Okay, you may
12 begin.

13 CARL WEISBROD: Thank you and good
14 morning Chairman Richards, Council Members Espinal,
15 Gentile and Reynoso and good morning to the many
16 members of the East New York community who are here
17 today.

18 I am Carl Weisbrod, Chairman of the New
19 York City Planning Commission and I am pleased to be
20 here today to present the East New York Community
21 Plan, the first neighborhood plan developed as part
22 of Housing New York. I am joined, as the Chairman
23 indicated, by my colleagues, Housing Preservation and
24 Development Commissioner Vicki Been, Economic
25 Development Corporation President Maria Torre-

1 Springer, Small Business Services Commissioner Gregg
2
3 Bishop, and our Executive Director at Department of
4 City Planning, Purnima Kapur.

5 As you will hear this morning, the East
6 New York Community Plan responds to multifaceted
7 goals identified during extensive outreach with the
8 community; it is the product of unique, unprecedented
9 collaboration among several City agencies, including
10 the Departments of Transportation, Parks and
11 Recreation, Cultural Affairs, The School Construction
12 Authority; the Department of Environmental
13 Protection, the Office of Management and Budget, and
14 the Mayor's Office, as well as the departments
15 represented here today.

16 I'm gonna provide a very brief overview
17 of our efforts to date in East New York; Ms. Kapur
18 will make a presentation on our planning framework,
19 and that will be followed by Commissioner Been,
20 President Torres-Springer and Commissioner Bishop,
21 who will discuss the critically important housing and
22 economic development elements of the plan.

23 While East New York remains well below
24 its peak of close to 70,000 residents in the 1950s,
25 over the past decade its population has been growing;

1 in fact, since 2000 East New York's population has
2 increased more than five times faster than Brooklyn
3 as a whole; housing production has not kept pace and
4 this imbalance has led to increased crowding and
5 pressure on housing prices, threatening to undermine
6 the social fabric and stability of the community. If
7 we do nothing the pressures will continue and the
8 threat of displacement of existing residents will
9 increase. The City has vastly expanded its anti-
10 displacement efforts, as you will be hearing from
11 Commissioner Been, in East New York and elsewhere.
12 Last week's report of a significant decline in
13 evictions last year is an encouraging sign that these
14 efforts are working, but we must act affirmatively
15 for the future while we continue to provide effective
16 measures to resist powerful economic forces that are
17 being felt not only in East New York; not only
18 elsewhere in the City, but in urban areas throughout
19 the country.

21 East New York represents a new approach
22 to neighborhood planning; we are committed to looking
23 at neighborhoods holistically, engaging communities
24 from the ground up, deploying not only our zoning
25 powers, but our capital resources, our design

1 expertise, our economic development tools, and our
2 planning skills. We aim to increase through zoning
3 housing capacity in a city as well as in a
4 neighborhood that is growing and needs more
5 affordable housing and to forever protect the
6 affordability of a significant portion of that new
7 housing.
8

9 Through this plan's unprecedented level
10 of community outreach we heard from hundreds of
11 community residents, community boards and
12 organizations; the Coalition for Community
13 Advancement, business and property owners, elected
14 officials and other stakeholders. In dozens of
15 meetings we learned about how proud they feel of
16 their community, their wishes and hopes to make it
17 even better for themselves and for their kids and for
18 their grandkids.

19 The invaluable input from this public
20 outreach effort can be found in the plan's goals,
21 strategies and proposals. We are intent on doing so
22 while fostering a more livable, thriving East New
23 York community by making coordinated public
24 investments in a new school, open space, better
25 streets and streetscapes, particularly through a

2 major new investment on Atlantic Avenue, as well as
3 by working to spur economic development and job
4 opportunities.

5 Our goal is to provide housing, more and
6 better retail and services and a quality physical
7 environment for the existing community, which has
8 long suffered in East New York, as Council Member
9 Espinal just said. But we also want to protect and
10 enhance the neighborhood for generations to come.
11 The Department of Environmental Protection has
12 already started installing bioswales in the IBZ to
13 treat storm water and beautify streets and will soon
14 be doing so throughout the East New York
15 neighborhood.

16 We hope to be able to deploy new tools,
17 such as Mandatory Inclusionary Housing and Zoning for
18 Quality and Affordability, which are currently under
19 consideration by the City Council. And if enacted,
20 East New York would represent the first application
21 of the MIH program, as Chairman Richards indicated.
22 And we have already established a dedicated \$1
23 billion Neighborhood Development Fund to support
24 growth in neighborhoods where we are planning for
25 increased housing capacity. NDF funding will ensure

1 that the public investments needed to make
2 neighborhoods better for existing residents and for
3 those to come, for example, great parks and better
4 streets, are planned and funded up front; the City is
5 putting its money where its mouth is to assure that
6 commitments are made and that commitments are kept.
7 The East New York Community Plan, if approved, would
8 represent the first application of the Neighborhood
9 Development Fund as well.

11 The East New York plan could facilitate
12 the development of approximately 6,400 new
13 apartments. As you will be hearing from Commissioner
14 Been, HPD has committed to financing more than 1,200
15 units of deeply affordable housing in the first two
16 years after the plan's adoption, skewed heavily
17 toward low- and extremely low-income residents. In
18 the next few years we fully expect that other new
19 housing built in East New York will required HPD
20 subsidies and HPD has committed that any building it
21 subsidizes will be 100% affordable.

22 When the market is strong enough to
23 support unsubsidized multi-family housing, then MIH
24 will guarantee that at least 25% of these new
25 apartments in East New York will be permanently

2 affordable and that means forever. You will be
3 hearing much more about the housing plan from
4 Commissioner Been.

5 We have also committed to building a
6 1,000-ft. school in East New York on the City-owned
7 Dinsmore-Chestnut site; it is already budgeted, and
8 this site will also contain new affordable housing
9 with commercial and community facility space.

10 We have committed to a significant
11 upgrading of Atlantic Avenue that will make the
12 central spine of the neighborhood safer and more
13 attractive, with better streetscapes, including
14 raised planted median, safer crosswalks and new
15 sidewalks complete with benches, bike racks and more
16 than 100 new street trees. These actions will
17 finally remove a significant physical barrier between
18 the north and south side of the East New York
19 community. Some of the funds for this had already
20 been committed, but we have enhanced the scope of the
21 project, using the Neighborhood Development Fund.

22 The NDF will also fund a series of open
23 space improvements, including the transformation of
24 an asphalt portion of City Line Park, which will have
25 its own community design process, and the

1 redevelopment of a playground in Lower Highland Park.
2 And as you will be hearing from EDC President Torres-
3 Springer and SBS Commissioner Bishop, the City will
4 also be deploying its economic development tools to
5 enhance opportunities within the East New York
6 Industrial Business Zone, as well as job
7 opportunities for local residents by establishing a
8 Workforce1 Career Center in East New York. SBS will
9 also be working with local businesses and residents
10 to help them take advantage of the new service and
11 retail opportunities in East New York.
12

13 The sum of this unprecedented level of
14 collaboration in these actions, commitments and
15 public investments will support a more vibrant,
16 inclusive neighborhood with a wide variety of housing
17 options for current and future residents, local and
18 regional commercial uses, job opportunities,
19 attractive streets, and high-quality schools, parks
20 and other community resources.

21 With that, upon the conclusion of the
22 presentations by Ms. Kapur, Commissioner Been,
23 President Torres-Springer and Commissioner Bishop, we
24 would be very pleased to answer your questions.
25 Thank you, Mr. Chairman.

CHAIRPERSON RICHARDS: Thank you.

Acknowledge we've been joined by Chair of the Land Use Committee, David Greenfield.

PURNIMA KAPUR: Good morning. For the record, my name is Purnima Kapur and I'm the Executive Director of the Department of City Planning.

As Chairman Weisbrod has described, the East New York Community Plan is a coordinated neighborhood plan to promote new affordable housing, retail and job growth and new community resources. The land use framework and zoning proposal developed by DPC, in partnership with other City agencies and with community input, would facilitate these objectives by identifying the areas for growth along major corridors, such as Atlantic Avenue, as well as areas where the residential character would be protected through contextual zoning. Broadway Junction and the Industrial Business Zone are not included in the rezoning proposal; however, as you will hear from EDC President Maria Torres-Springer, from strategies to protect economic development and job growth in the IBZ are crucial elements of this plan.

1 The East New York land use proposal
2
3 includes the following zoning actions: a zoning map
4 amendment to promote mixed-use growth and preserve
5 the character of side streets, zoning text amendment
6 to establish Mandatory Inclusionary Housing, create
7 enhanced commercial districts to promote active
8 retail on major streets and special mixed-use
9 districts to allow light industrial uses to continue
10 to remain, along with new residential uses in
11 selected areas.

12 An amendment to the Dinsmore-Chestnut
13 Urban Renewal Plan to allow new uses, including
14 affordable housing on one of the major City-owned
15 sites in this area and an authorization for the
16 disposition of the City-owned site at Dinsmore-
17 Chestnut.

18 The zoning as it exists today in East New
19 York allows low-density residential uses north and
20 south of Atlantic Avenue, auto and industrial uses in
21 manufacturing and commercial zoning districts found
22 along parts of Atlantic Avenue, Liberty Avenue and
23 portions of Ocean Hill and low-density residential
24 uses with some commercial along Pitkin Avenue and a
25 mix of residential and retail use on Fulton Street.

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2 No new housing is allowed along Atlantic Avenue or in
3 this part of Ocean Hill.

4 Restricting new development to only low-
5 density has limited the production of affordable
6 housing. Zoning as it is today has not been changed
7 in most of this neighborhood since 1961 and does not
8 reflect current uses. For example, over 60% of the
9 lots in Ocean Hill are residential, despite the
10 manufacturing zoning district and have historically
11 been so.

12 The proposed zoning, as part of this
13 community plan, would promote mixed-use development
14 on key corridors near transit, mandate affordable
15 housing in areas where we are adding substantial
16 capacity to develop new housing, require active uses
17 on the ground floors along major corridors, protect
18 the residential character of neighborhood side
19 streets and allow light industrial and residential
20 uses in mixed (MX) districts where there are such
21 uses today.

22 On key corridors, such as Atlantic
23 Avenue, Fulton Street, Pitkin Avenue and Liberty
24 Avenue, medium-density residential district with
25 commercial district overlays are proposed to propose

2 mixed-use development with affordable housing, retail
3 and community facilities. These districts would
4 allow for the construction of significant affordable
5 housing in areas that are close to transit.

6 Today Atlantic Avenue, which is a 120-
7 foot-wide corridor, is lined with low-density, auto-
8 related uses running through the heart of this area;
9 based on the existing conditions and the desire we
10 heard from the community members to see substantial
11 new affordable housing, we believe Atlantic Avenue
12 has the potential to transform from an auto-centric
13 thoroughfare into a vibrant destination, with new
14 affordable housing, shops and community facilities
15 and finally connect Cypress Hills and East New York
16 by adding new activity and improved streetscapes to
17 this underutilized corridor.

18 Fulton Street and Pitkin Avenue are
19 transit corridors which could support medium-density
20 housing with retail and community facility uses.

21 [background comments]

22 To support the ambitious housing goals of
23 this plan... [background comments, protesters]

24 CHAIRPERSON RICHARDS: Alrighty, we'll
25 ask you to sit down, please [gavel] [background

2 protesters] or we'll have to have you removed.

3 [background protesters] [gavel] Alrighty, we're
4 gonna have you removed. If you can't respect the
5 testimony, we unfortunately have to remove you.

6 [background protesters] We're gonna give you 10 more
7 seconds and then we'll have to remove you.

8 [background protesters] Okay, you can remove them.

9 [background protesters] [applause, cheers, background
10 comments] 'Kay, thank you. You may resume.

11 PURNIMA KAPUR: To support ambitious
12 housing goals of this plan... [background comments] the
13 land use proposal includes the first application of
14 the proposed Mandatory Inclusionary Housing program,
15 which would require permanent affordable housing in
16 all medium-density districts that are being upzoned
17 to allow substantial new residential use. While MIH
18 is an important strategy for achieving neighborhood
19 affordability in East New York, we expect new
20 development in the near future to be public
21 subsidized, which combined with this zoning proposal
22 to allow medium-density development along major
23 corridors will enable us to achieve broader and
24 deeper affordability than can be achieved through a
25 zoning requirement alone.

1 The zoning proposal would also strengthen
2
3 key commercial corridors of Atlantic Avenue, Pitkin
4 Avenue and Fulton Street by requiring that any new
5 development must provide active use at the ground
6 floor, such as retail stores or community space.

7 In addition to residential districts,
8 commercial and mixed-use districts are proposed in
9 response to the community's desire to allow a greater
10 diversity of commercial and light industrial uses
11 along with new residential uses.

12 Commercial districts are proposed for key
13 areas on Atlantic Avenue, Pitkin Avenue, Fulton
14 Street and at Broadway Junction to allow larger-scale
15 commercial uses, such as shopping and entertainment
16 destinations.

17 Special Mixed-Use Districts, which
18 combine manufacturing and residential districts, are
19 proposed on parts of Atlantic Avenue, Liberty Avenue
20 and in Ocean Hill to better reflect and support the
21 existing mix of light industrial and residential uses
22 currently found in these areas.

23 At the core of East New York rezoning
24 area are the residential blocks between the major
25 corridors. These side streets are characterized by

1 two- to three-story row houses and small three- to
2 four-story apartment buildings built in the early
3 1900s. Recent development conforms to the current R5
4 zoning regulations, which require off-street parking
5 often provided in the required front yard, producing
6 developments that do not match the form and character
7 of these existing buildings. Contextual R5B and R6D
8 districts would cover large swaths of the rezoning
9 area between these major corridors and west of
10 Broadway Junction, where existing residential uses
11 are predominant.
12

13 The proposed contextual zoning would
14 ensure that new infill development compliments and
15 enhances the existing residential character, which
16 allows parking along the side of homes instead of in
17 front yards, to maintain the historic street wall and
18 character of these neighborhoods.

19 There is one large City-owned site within
20 the rezoning located at Dinsmore-Chestnut Street,
21 with frontage on Atlantic Avenue. This site is
22 intended to be used for a new school with open space,
23 as well as new affordable housing, with stores or
24 community facilities at the ground floor. The
25 requested amendment to the Urban Renewal Plan, which

1 applies only to this site, would allow these uses per
2 the zoning proposal. The requested action would also
3 authorize disposition of the site by HPD to
4 facilitate development.
5

6 Together, these land use strategies,
7 investments and services will work together to
8 support a more vibrant, affordable and inclusive
9 neighborhood. This is an image of Atlantic Avenue at
10 Warwick Street today; as you can see, the street is
11 lined with low-rise, auto-related uses, fast food
12 establishments and there is almost no housing because
13 there is no new residential use permitted there
14 today, and this 120-foot-wide corridor is unsafe and
15 difficult for pedestrians to cross, creating a
16 barrier between neighborhoods.

17 In the future, with the approval of this
18 plan, as the community plan strategies are
19 implemented, Atlantic Avenue would be lined with
20 significant amounts of new affordable housing, stores
21 and community facilities at the ground floor of new
22 buildings, providing this neighborhood with more
23 retail and services, as well as local jobs, a planted
24 median, new crosswalks and sidewalks, making this a
25 safer street; more inviting for pedestrians. The new

1
2 corridor would connect residents to a new school and
3 an improved park, giving residents the benefits of a
4 growing, healthy neighborhood that they have asked
5 for and they have deserved.

6 I'm going to pass this on to Commissioner
7 Been, who will now present the East New York Housing
8 Plan that will work in tandem with the planning
9 framework to ensure the long-term affordable housing
10 production and preservation of East New York and
11 Ocean Hill.

12 COMMISSIONER BEEN: Thank you. Good
13 morning, Chair Richards, Chair Greenfield; Council
14 Member Espinal, Council Member -- I guess we've lost
15 a couple, but I'm sure they will be back.

16 For the record, I am Vicki Been,
17 Commissioner of the Department of Housing
18 Preservation and Development... [interpose]

19 CHAIRPERSON RICHARDS: Pull your mic a
20 little closer.

21 COMMISSIONER BEEN: I'm sorry.

22 The current affordable housing crisis
23 threatens to harm the quality of life and limit the
24 opportunities of New York City's lowest-income
25 residents, it hurts the City's economic

2 competitiveness, it contributes to the growing
3 inequality gap that undermines our ideals and
4 unravels the social fabric of our neighborhoods.

5 The proposed rezoning in East New York is
6 one step of many towards resolving that affordable
7 housing crisis, by allowing our neighborhoods to grow
8 while protecting the distinct architecture, street
9 life, historic significance, mix of housing types and
10 uses in the neighborhood and preventing the
11 displacement of current residents.

12 In response to concerns that we've heard
13 from the community, we've crafted a set of strategies
14 that will use permanently affordable housing to allow
15 existing residents to stay in the neighborhood they
16 love, even as the neighborhood changes and to ensure
17 that future development results in an even more
18 diverse, thriving and livable community.

19 As Chair Weisbrod just described, the
20 East New York Community Plan is the result of an
21 extensive community planning process that spanned a
22 number of years. The Mayor's Housing New York Plan
23 started with neighborhoods and committed the City to
24 the thoughtfully planned development, the sound City
25 plan that Council Member Espinal referred to earlier.

2 That has led to an unprecedented degree of
3 interagency collaboration and engagement with local
4 community. At HPD, the Mayor's focus on
5 neighborhoods led us to form a new Office of
6 Neighborhood Strategy to lead community engagement
7 around the development of neighborhood housing plans,
8 such as this one, and I wanna -- there are copies
9 available for anyone who wants them and I think
10 they've been distributed.

11 The plan speaks directly to community
12 needs and concerns. We began in 2014 with analysis,
13 desktop research -- an analysis of the existing
14 housing stock, the demographics of the community and
15 the threats in opportunities for affordability that
16 East New York faces.

17 Throughout 2015, along with many of our
18 sister agencies, we conducted a series of listening
19 sessions, workshops and stakeholder meetings to get
20 feedback on the extent to which our preliminary
21 research resonated with the community members, based
22 upon their lived experience in the neighborhood.

23 Last summer we also participated in a
24 series of working meetings with the East New York
25 Coalition for Community Advancement, where HPD's

2 Deputy and Assistant Commissioners were on hand to
3 brainstorm creatively about how to work together with
4 the community to achieve common objectives. Based on
5 the ideas developed at those meetings, we drafted the
6 housing plan specifically for East New York. The
7 housing plan outlines and will continue to guide and
8 focus our housing policies, programs and investments
9 in the community.

10 The process has been very iterative;
11 while we were crafting the housing plan, we met with
12 local elected officials, the Coalition and other
13 stakeholders to provide updates and to gather
14 additional input and ideas.

15 As Chair Weisbrod outlined, Brooklyn's
16 population has grown considerably in recent year; the
17 Borough is seen as one of the most desirable places
18 to live in this country; indeed the world, and is one
19 of the most expensive. East New York is often cited
20 as one of the few remaining affordable neighborhoods
21 in the Borough, attracting people priced out of other
22 areas.

23 In addition, existing residents are
24 remaining in place as they have children and
25 increasingly are aging in place, so East New York is

1 growing even without in-migration. Between 2000 and
2 2010, the area's population increased to the rate of
3 11%, faster than Brooklyn and the city as a whole,
4 which only grew by about 2%.
5

6 As the population grows, the increased
7 demand for housing is putting pressure on the area's
8 housing supply. Between 2000 and 2013, prior to the
9 announcement of any rezoning, median home values in
10 East New York increased by over 100%; median rents
11 increased by approximately 26% in East New York over
12 the same period, compared to 16% in all of Brooklyn.

13 The median household income of the
14 neighborhood is about \$33,000, but in order to afford
15 current asking rents in East New York, one would need
16 to earn at least \$44,000 for a one-bedroom apartment
17 or \$56,000 for a two-bedroom apartment. Indeed, over
18 two-thirds of East New York households are already
19 spending more than what the Federal Department of
20 Housing and Urban Development defines as affordable.

21 Many of you may have seen a statistic
22 quoted in the press that says that 50,000 East New
23 York residents are going to be displaced as a result
24 of the proposed community plan. That figure, taken
25 out of context from the draft Environmental Impact

1 Statement, has been grossly misrepresented. What
2 the report actually says is that 50,000 people are
3 already at risk of displacement because so much of
4 the housing in East New York is in small buildings.
5 There are 50,000 people in East New York today who do
6 not live in housing that is regulated by a government
7 agency or rent-stabilized and who because of their
8 low incomes cannot afford the increasing rents that I
9 described just a moment ago. Those people are at
10 risk of displacement now as pressures continue to
11 rise on rents because the demand for housing in East
12 New York outstrips supply.

14 So what are we proposing to do about that
15 risk? Doing nothing is not an option. If the supply
16 of housing is not increased, rents will rise and as
17 Council Member Espinal noted, protecting residents
18 who are vulnerable to displacement as rents increase
19 has to be our number one priority.

20 So first and foremost we will preserve
21 the existing stock of regulated housing and ensure
22 that homeowners and rent-protected tenants have the
23 resources to enforce their legal right and resist
24 pressures to move. But to keep rents from
25 skyrocketing we must ensure that are allowing the

1 supply of housing to increase to meet demand and that
2 any new housing built must include affordable homes.

3
4 A large proportion of the homes in the
5 East New York rezoning area, over 40% or about 25,000
6 homes are already affordable because of existing
7 regulatory restrictions that require the housing to
8 serve low-income families or because of limits on
9 rent increases. Those units are regulated by
10 government agencies and we are monitoring those
11 properties and reaching out to owners with regulatory
12 agreements that are near the end of the affordability
13 period to let them know about the financial
14 incentives we can provide to preserve affordability.
15 Approximately 1,100 homes will reach the end of their
16 existing regulatory period by 2020 and we are doing
17 everything we can to keep those homes under
18 regulatory protection; indeed, we've preserved almost
19 400 such homes over the past two years alone.

20 We are also working to identify
21 opportunities to protect the affordability of
22 buildings that are not currently regulated. We're
23 taking a much more proactive and strategic approach
24 than ever before to target building owners who could
25 benefit from our financing and tax incentives in

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exchange for agreeing to maintain the affordability of their units. Many owners are either not aware of our products or feel uncomfortable working with a public agency and we are trying to better serve those owners.

One example is our new Green Housing Preserving Program, which targets small buildings of 5-50 units with low-interest loans that will make the buildings more energy efficient in exchange for maintaining the affordability of their units. In the spring we'll be launching a comprehensive outreach and technical assistance campaign specifically targeting East New York property owners who could benefit from that new program.

There is also a significant stock of unregulated housing in East New York, predominantly in owner-occupied, small, 1- to 4-family homes. We've heard from homeowners that they are being approached to sell their homes on a daily basis and many do not have the resources to make critical repairs or to protect themselves from what may become very aggressive harassment. So we are prioritizing several programs.

1 First, we are working with the Center for
2 New York City Neighborhoods to dedicate a homeowner
3 help desk in the community, with financial and legal
4 counselors to help homeowners modify their mortgages,
5 prevent foreclosures, access home repair and
6 weatherization loans, and address scams such as deed
7 theft and other issues. This responds to an issue
8 that the Coalition explicitly raised in our working
9 meetings and will be an important resource to help
10 protect homeowners and their tenants.

11 We also are working to increase awareness
12 of and access to our range of small home repair loan
13 programs, as well as to expand our down payment
14 assistance program for first-time low- and moderate-
15 income homebuyers in the neighborhood.

16 Protections for tenants in rental housing
17 also are critical, of course. The City is deploying
18 immediate, proactive tools to protect residents from
19 landlords who engage in harassment or do not maintain
20 the safety and quality of their building.

21 First we're providing free legal services
22 to any tenant in East New York facing harassment.
23 Mayor de Blasio has increased the funding for those
24 programs by tenfold. We are participating in the
25

1 first-ever task force dedicated to investigating and
2 bringing enforcement action, including criminal
3 charges against landlords who harass tenants. Among
4 other tools, the New Tenant Support Unit goes door to
5 door in neighborhoods across the city, informing
6 tenants of their rights, documenting building
7 violations, soliciting complaints related to
8 harassment and eviction and making referrals to the
9 free legal services whenever necessary.
10

11 Since it launched in July of 2015, the
12 unit has identified 2,400 New Yorkers in need of
13 help; a thousand of those cases have already been
14 resolved and agencies and the legal service providers
15 are addressing the remainder.

16 With those kinds of programs in place we
17 are pleased, as Chair Weisbrod mentioned that a
18 recent study found that evictions citywide have
19 decreased by 18% over the last year.

20 We must also create opportunities for new
21 housing and especially for new affordable housing to
22 relieve the demand pressures that are driving up
23 rents in East New York. In this way we view the
24 zoning proposal before you as an additional and
25

1 important preventative measure to combat and prevent
2 residential displacement.
3

4 The zoning proposal has been crafted to
5 ensure new development is only permitted along the
6 major commercial corridors -- Atlantic, Fulton,
7 Liberty and Pitkin -- that currently contain very few
8 residential units. Residential areas on the side
9 streets are not being rezoned to allow for greater
10 density, thereby ensuring that the existing low-scale
11 character of those residential areas is preserved and
12 ensuring that the rezoning will provide no incentive
13 for owners to change the nature of the housing.

14 On the avenues we're proposing to
15 implement the Mandatory Inclusionary Housing Program;
16 if approved, MIH in East New York will represent the
17 first neighborhood-scale implementation of the
18 ambitious new program. Through MIH, any new
19 development in these locations will be required to
20 set aside at least 25% of the units as affordable for
21 a family of three making on average \$47,000 per year
22 or 60% of the area median income. Remember that the
23 MIH program would require these units to be
24 permanently affordable and to average at 60% of AMI a
25 100-unit building could include 25 units, for

1 example, with 10 for families making \$31,000; 5 for
2 families making \$47,000 and 10 for families making
3 \$62,000; it's an average of 60% AMI; not all at 60%
4 AMI.
5

6 But in East New York, MIH is only the
7 floor; it is not the ceiling. When developers come
8 to HPD for financing we will only finance buildings
9 that are 100% affordable and at levels that target
10 low-, very low- and extremely low-income. Within
11 those 100% affordable buildings we are committing
12 that at least 40% of all units will be reserved for
13 households earning as little as \$23,000 to \$39,000
14 for a three-person family. The remainder of the
15 units in each building will be primarily affordable
16 to households making less than \$47,000 for a three-
17 person family or 60% AMI.

18 We have fact sheets available, again,
19 over near the sergeant at arms, outlining exactly the
20 AMIs and the incomes that are at issue.

21 I cannot stress enough; asking rents for
22 apartments on the market in East New York today are
23 significantly higher than the affordable housing that
24 we will finance. So the new housing we will support
25

2 will create more, not less opportunity for current
3 residents to find an apartment they can afford.

4 One example of the type of development we
5 expect the rezoning will encourage is the project we
6 just funded at the corner of Pitkin Avenue and
7 Berriman Street, and which is shown to the right
8 there. Cypress Hills Local Development Corporation
9 is the developer of that project, which is starting
10 construction this year. When completed, it will
11 include 60 units of affordable housing for families
12 at the income levels I just described, as well as 12
13 units for formerly homeless tenants. It will also
14 include a new supermarket. The site was rezoned
15 about two years ago to the zoning districts that are
16 now being proposed for all Pitkin Avenue which allows
17 8-10 stories of residential uses, with commercial and
18 community uses on the ground floor.

19 As a down payment on our commitment to
20 affordability, we are seeking to expedite the
21 construction of over 1,200 units of deeply affordable
22 homes, plus other facilities in the neighborhood,
23 including the new 1,000-seat public school that Chair
24 Weisbrod mentioned, over the next two years, but we
25 need the proposed zoning plan approved so that we can

1 move forward on those projects, as housing and
2 educational uses are not permitted under the current
3 zoning on that lot. Those sites included the
4 publicly-owned site at Dinsmore Place and Chestnut
5 Street, the former Chloe Food facility, which is now
6 owned by a nonprofit affordable housing developer,
7 Phipps Houses, who has committed to develop 100%
8 affordable housing serving the incomes I described
9 earlier. To meet calls from the community that more
10 housing should serve the lowest-earning families on
11 public sites, like the Dinsmore-Chestnut site, we are
12 committed to finance even more units, 35% of the
13 total at the income of \$23,000 to \$31,000 for a
14 family of three.
15

16 Here you can see those 1,200 units broken
17 down by that affordability level. Within the next
18 two years we are proposing to finance the
19 construction of 480 homes serving families earning
20 between \$23-39,000 and 686 homes for families of
21 three earning between \$39,000 and \$47,000. A
22 remaining 45 homes will serve homeowners and renters
23 in one- to four-family buildings throughout the
24 district.
25

1 SUBCOMMITTEE ON ZONING AND FRANCHISES 50
2 Finally, on our HPD site we provide
3 rigorous construction quality and safety monitoring;
4 none of our sites have been involved in construction
5 death and we are doing everything we can to ensure
6 that they are safe and high-quality construction.

7 As part of our housing plan for the
8 neighborhood, we are committing to full transparency
9 in the projects we invest in and the programs we are
10 deploying in East New York so that the public can
11 keep us accountable to what we say we are going to do
12 and to track whether we're making sufficient progress
13 towards our goals.

14 We also will continue to evaluate market
15 and demographic trends in the neighborhood on an
16 ongoing basis and make those analyses public as well
17 in order to determine whether policy refinements or
18 new tools are necessary to address changing needs.

19 We are not walking away from East New
20 York once this plan is approved; to the contrary, our
21 work is only beginning and we will shift into
22 implementation mode as soon as we hope it is adopted.

23 I'm including a chart here showing HPD's
24 capital budget allocation over the next five years
25 which total \$3.8 billion, to reiterate that our

2 capital funding remains stable and the Mayor's
3 commitment to Housing New York and specifically to
4 East New York remains fully funded.

5 Thank you for the opportunity to testify
6 today and when we are all done I'll be happy to
7 answer any questions.

8 CHAIRPERSON RICHARDS: Thank you.

9 MARIA TORRES-SPRINGER: Good morning,
10 Chair Richards, Chair Greenfield; members of the City
11 Council.

12 For the record, my name is Maria Torres-
13 Springer and I'm the President of the New York City
14 Economic Development Corporation.

15 EDC has been coordinating closely with
16 our sister agencies, residents and stakeholders in
17 East New York over the past two years to help develop
18 the East New York Community Plan. As my colleagues
19 have described, East New York has been undergoing
20 tremendous market change over the last few years, so
21 the purpose of the City's work is to ensure that
22 these changes happen in a way that benefit local
23 residents and the small businesses of East New York.
24 We will achieve this through coordinated investments
25 and actions that will balance two key needs -- mixed-

1
2 income residential growth and job-intensive mixed-use
3 commercial development along key transit corridors in
4 East New York, Cypress Hills and Ocean Hill.

5 Central to all of this is EDC's work in
6 the East New York Industrial Business Zone. Since
7 last summer, in partnership with Council Member
8 Espinal, we've been engaged in a comprehensive
9 planning study for the IBZ, with a goal of
10 positioning it for growth, building upon its roots as
11 an industrial hub and better connecting it to local
12 residents and workforce.

13 Through engagement with the LDC of East
14 New York, Cypress Hills Local Development
15 Corporation, the East New York Restoration LDC,
16 Community Boards 5 and 6 and scores of business
17 owners and property owners, we have been developing a
18 comprehensive plan to spur economic development in
19 East New York. The plan focuses on three primary
20 strategies: 1. preserving and growing commercial and
21 industrial space; 2. connecting local businesses and
22 the workforce to development opportunities, 3.
23 attracting new employers. I'd like to use my time
24 today to quickly discuss each of these three
25 strategies.

1 First, in order to create jobs for the
2 residents of East New York, we need to both preserve
3 existing commercial and industrial space and create
4 additional capacity for new employers. The East New
5 York Community Plan will introduce a minimum of
6 859,000 sq. ft. of commercial uses and at least 457
7 sq. ft. of community facilities that are expected to
8 generate approximately 4,000 new jobs by 2030.

9 At the same time, we'll also be
10 strengthening the Industrial Business Zone which
11 currently is home to 250 businesses and 3,000 well-
12 paying jobs. The IBZ is not being altered or rezoned
13 as part of the East New York Plan; in fact, Mayor
14 de Blasio recently announced the City will be
15 limiting hotel and mini storage development in IBZs
16 in order to ensure that space remains available to
17 the types of employers that create jobs accessible to
18 a wide range of New Yorkers.

19 EDC has made many different investments
20 in the IBZ and we are pleased that this summer we
21 will begin construction on a \$1.5 million renovation
22 to the East New York Industrial Building, a City-
23 owned 30,000 sq. ft. building at Powell Street, in
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order to make it a better industrial facility for existing and future tenants alike.

And just last week we also began accepting applications for a brand new \$150 million Industrial Development Fund. This fund will help spur the creation of 400,000 sq. ft. of new industrial space by providing grants and low-interest loans to nonprofit industrial developers to preserve and develop modern industrial space to accommodate good jobs in neighborhoods like East New York.

Our second strategy involves connecting local businesses and workers to contracts and jobs. We at EDC are working to ensure that we're not just investing in new buildings, but in new opportunities for the people of East New York that any investment that the City makes in East New York directly benefits businesses and the workers of the community; that's why, through our HireNYC Program developments that receive City funding will be required to first engage with the City's public workforce system when hiring for new jobs that are being created, ensuring that the people of East New York have a meaningful first shot at these employment opportunities.

1 My colleague, Commissioner Gregg Bishop,
2
3 will discuss the efforts to connect East New York
4 residents to job opportunities in greater detail, but
5 I also wanted to mention some of EDC's efforts to
6 ensure just the same and also to ensure that MWBE
7 developers and companies have the ability to take
8 part in all of the development.

9 This summer, for instance, we will begin
10 recruiting for a Brooklyn cohort of our Manage
11 Forward program, which provides small business
12 owners, including construction companies with
13 business education to help them grow and will be
14 putting a particular focus on East New York business
15 owners when recruiting for this program.

16 We'll also be providing opportunities for
17 East New York businesses through our Blueprint to
18 Success program, which matches MWBE, certified
19 construction companies with a team of consultants,
20 leaving them better positioned to gain City
21 contracts. We're making more funding available to
22 MWBEs as well. The Mayor recently announced
23 approximately \$30 million in new funds to help MWBEs
24 better participate in the City's work. This includes
25 a range of financial assistance programs that will

1 SUBCOMMITTEE ON ZONING AND FRANCHISES 56
2 help to ensure that East New York-based firms are
3 poised to benefit from all of the new development
4 that will occur within the neighborhood.

5 Meanwhile, our Kick-Start Loan Program
6 will provide MWBEs with loans of up to \$250,000,
7 which can be used to cover labor, equipment, material
8 costs and to provide working capital as well.

9 Importantly, we're working with local
10 partner to ensure that East New York companies can
11 take advantage of new business opportunities. The
12 LDC of East New York, for instance, has already had
13 great success helping local businesses secure
14 construction contracts in the community. Through a
15 series of what were called "Meet the Developer"
16 events, five local companies, for instance, have
17 secured over \$3.2 million in contracts for the
18 Livonia Phase I project and approximately 300-unit
19 affordable housing project in partnership with HPD
20 and Dunn Development Corporation.

21 This brings me to the third component of
22 our strategy -- growing jobs by attracting new
23 employers to the East New York Industrial Business
24 Zone. EDC has been aggressively recruiting companies
25 to the IBZ, providing assistance wherever needed to

2 create good jobs for local residents. For instance,
3 we were recently able to help Eastern Effects; a
4 video and film production company, to convert a
5 25,000 sq. ft. warehouse on Georgia Avenue into new
6 film studios, creating new good-paying permanent
7 jobs, and Be Our Fresh Program, which provides zoning
8 and financial incentives to promote neighborhood
9 grocery stores in high-need areas. We worked with
10 Cypress Hills Local Development Corporation to bring
11 a 7,400 sq. ft. find fair to their new mixed-use
12 development, which is currently under construction on
13 Pitkin and Berriman. And in the months and years
14 ahead we'll be very focused on bringing in even more
15 companies to East New York.

16 In a changing market we are of course
17 also mindful of the pressures existing businesses
18 face and we work every day to make sure that we're
19 bringing many resources to the table to help those
20 businesses. For instance, we recently worked with
21 Ultra Flex; a flexible plastic packaging manufacturer
22 to keep the company in East New York, its home for
23 over 40 years. As part of a deal with the New York
24 City Industrial Development Agency, we helped to
25 retain its existing 260 employees and added an

2 additional 50 jobs, all of which will be sourced via
3 the HireNYC program.

4 We also know that attracting businesses
5 and supporting existing ones require investment in
6 core infrastructure. For instance, we recently
7 revamped the four East Brooklyn Business Improvement
8 District gateway signs with a new design and lighting
9 repairs and we are looking to create better and safer
10 pedestrian connections between the industrial area
11 and Broadway Junction, resulting in more access for
12 residents of East New York to every part of their
13 community.

14 In the weeks ahead, as we finalize our
15 study of the East New York IBZ, we look forward to
16 talking in more specifics about those recommendations
17 and working with Council Member Espinal and the
18 community leaders on a full plan for the
19 implementation of all of the strategies that will
20 emerge from that study. So thank you again and I'd
21 now like to turn it over to Commissioner Gregg
22 Bishop.

23 GREGG BISHOP: Thank you. Good morning,
24 Chair Richards, Chair Greenfield and members of the
25 City Council. My name is Gregg Bishop and I'm the

1 Commissioner of the New York City Department of Small
2 Business Services. Today I will discuss a series of
3 programs and services SBS is delivering to East New
4 York job seekers, small businesses and commercial
5 corridors developed together with our local partners
6 to strengthen the East New York Community Plan.
7 These investments were inclusively informed by
8 extensive community outreach, including nearly 30
9 community meetings, workshops and forums with East
10 New York stakeholders over the past two years.

12 Over the course of the community planning
13 process we've heard the need to provide East New York
14 residents with better access to occupational training
15 and employment opportunities in growing industry
16 sectors. To meet this need, SBS will open a
17 Workforce1 Career Center in Workforce1 Career Center
18 in East New York where employers can access free
19 recruitment services to find qualified talent and job
20 seekers can receive employment services, including
21 job placement, skills training, career advisement and
22 job search counseling. SBS is actively evaluating
23 sites with Council Member Espinal and targeting space
24 selection as soon as possible.

1 We have been working diligently with 14
2 local community-based organizations, including
3 Cypress Hills, LDC, The HOPE Program and Community
4 Solutions to design a custom suite of services for
5 this new Workforce Center to ensure that the
6 services provided will serve the East New York
7 community. We've also spoken to businesses in the
8 East New York area to understand the workforce need,
9 to make sure that our training matches the workforce
10 that they are looking to hire.

11 In collaboration with our partners, we've
12 identified major barriers to employment and a need on
13 focus on serving out of school; out of work youth and
14 individuals formerly acquainted with the criminal
15 justice system. The new East New York Workforce
16 Center will also enable SBS to use the City's newly
17 expanded HireNYC program, which you've heard a lot
18 about today, to connect East New York residents to
19 employment opportunities generated by the City's
20 work.

21 As the largest and most impactful
22 targeted hiring program in the nation, HireNYC will
23 enable the City to leverage its economic development
24 investment to connect more New Yorkers to jobs and
25

2 helping to ensure local businesses find the talent
3 they need. The program's expansion requires any
4 contracting receiving \$2 million or more in subsidy
5 from HPD, as well as any contractor with a City
6 contract for goods and services valued at a million
7 dollars or more to post open positions with the
8 City's Workforce1 system that we administer and
9 consider qualified candidates referred through the
10 system. Additionally, to further advance the
11 policies laid out in the City's Career Pathways
12 report, SBS is tripling its investments in
13 occupational skills training, creating industry
14 partnership to expand access to career track jobs in
15 fast-growing industry sectors and improving job
16 quality.

17 In conjunction with the new East New York
18 Workforce1 Center, the City will leverage our
19 economic development investments; customize trainings
20 and industry partnerships to connect more New Yorkers
21 to jobs while helping ensure local businesses find
22 the talent they need.

23 To respond to changing neighborhood and
24 real estate challenges faced by small businesses, SBS
25 is expanding and launching several new programs to

2 support existing New York mom and pop businesses as
3 well as the commercial corridors that anchor the
4 community.

5 First, SBS will provide free commercial
6 ease workshops and clinics to business owners; we are
7 partnering with the East New York Restoration LDC and
8 Brooklyn public libraries to bring a series of
9 commercial leasing workshops and clinics to East New
10 York this spring. SBS will also provide business
11 owners with legal assistance and free lease review
12 case management. Beginning tomorrow, SBS is
13 launching a FastTrac GrowthVenture business course to
14 help East New York business owners strategically grow
15 their business and adapt to changes in the market.

16 Just wanna take a second to really
17 underscore why this is important. We have over the
18 past two years talked to so many small business
19 owners in East New York and this is one of the
20 programs we realize that would be impactful in this
21 neighborhood. FastTrac not only goes into helping a
22 business owner understand how to run their business,
23 but we focus on key areas, like how to access
24 capital, how to identify growth opportunities within
25 the community, how to build sales strategies, how to

1
2 improve your financial performance, and how to adapt
3 to change in markets, everything business owners have
4 asked for.

5 With support from the Cypress Hills LDC,
6 our first FastTrac GrowthVenture course is customized
7 for East New York, like I said, to help local
8 businesses with the areas that I talked about; the
9 class will be offered in both English and Spanish.

10 To lay the groundwork for the development
11 of the East New York commercial corridors, we are
12 working with Cypress Hills LDC, Highland Park CDC and
13 LDC of East New York to conduct commercial district
14 needs assessments of the Fulton, Atlantic, Liberty
15 and Pitkin Avenue commercial corridors. These
16 partnerships and assessments are a component of a new
17 comprehensive SBS approach to neighborhood
18 development called Neighborhood 360. This program
19 will proactively help SBS and its community partners
20 better understand the needs of local commercial
21 corridors and develop ground-up recommendations to
22 develop a healthy local retail mix, which we've heard
23 is a desire from the community.

24 Over the next six months SBS will publish
25 an East New York neighborhood retail profile, co-

1 produced with the LDC of East New York, Cypress Hills
2 LDC and Highland Park CDC, facilitate a work plan
3 with local stakeholders on how to best align SBS,
4 City and community resources with the needs of the
5 East New York commercial corridors and award
6 competitive funding to nonprofits to deliver
7 commercial revitalization services to East New York
8 and place a paid full-time Neighborhood 360 fellow at
9 Cypress Hills LDC to help coordinate and augment the
10 Neighborhood 360 East New York Initiative. The
11 program also aims to build and maintain a strong SBS
12 staff presence focused on East New York beyond the
13 community planning and ULURP processes, thereby
14 cultivating stronger community relationships and
15 agency accountability.
16

17 We have much work ahead of us, but I
18 believe we have an extraordinary opportunity to
19 leverage the efforts of our partner City agencies and
20 the local community-based organizations on the ground
21 so we can continue to serve and support the job
22 seekers, businesses and commercial corridors of East
23 New York.
24
25

1 Thank you for the opportunity to speak
2
3 today; we are now happy to address any questions you
4 may have.

5 CHAIRPERSON RICHARDS: Thank you. And
6 before I begin, I just want to acknowledge we've been
7 joined by Subcommittee member Council Member Dan
8 Garodnick and we've also been joined by Council
9 Member Inez Barron, who I'm going to allow to read an
10 opening statement.

11 COUNCIL MEMBER BARRON: Thank you,
12 Mr. Chair, thank you for calling this hearing, thank
13 you to the panel for coming and sharing all the
14 information... [interpose]

15 CHAIRPERSON RICHARDS: I want to
16 acknowledge we've been joined by Council Member
17 Jumaane Williams, who has to chair another hearing at
18 the same time, so gonna step out probably shortly.

19 COUNCIL MEMBER BARRON: and thank you to
20 the audience for being here and I hope that we'll be
21 able to hear from all of you.

22 I'm Inez Barron and I do represent the
23 42nd Councilmanic District and a part of this plan is
24 in fact in my district, a small part, but a part
25 nonetheless and my constituents, in large numbers

2 have repeatedly communicated to me that the East New
3 York plan fails to provide housing that is actually
4 affordable to the current residents that are there.
5 [background comment] They also feel that it does not
6 provide -- I don't want you to be escorted out --
7 does not provide sufficient protections against
8 harassment and displacement and that -- which is
9 already, in some measures, occurring in my district
10 -- but I want to say that the Department of City
11 Planning has in their own records indicated that
12 there has been a 14% increase in residents coming to
13 East New York; there's been a decline in residents in
14 Bed-Stuy and in Crown Heights, as reported in the
15 *Daily News* article, but people are finding their way
16 to East New York because of the fact that it is
17 affordable in terms of the rents.

18 The community that I represent -- thank
19 you -- The community -- [background comments]. The
20 community that I represent is predominantly African
21 American and Latino and in my community 53% of the
22 residents that are currently there earn less than
23 \$35,000 and another 15% earns between \$35,000 and
24 \$50,000. So that represents -- [background comments]
25 -- that represents 68% of the people who live in my

1 community. The housing plan at one point had said
2 they would propose about 7,000 jobs. I'm sorry,
3 7,000 housing units, dwelling units, as they are
4 called; of those 7,000 units, half are market rate.
5 So when we talk about affordable housing, we're not
6 talking about all of the units; out the outset we're
7 not talking about all of the units being affordable;
8 half, 3,500 are already set aside for those market
9 rate housing, so we've cut it in half and we're down
10 now to 3,500, roughly, apartments. And of those
11 apartments, that 3,500 -- the first chart here on the
12 left talks about where we are in terms of the
13 residents that are here and the second chart refers
14 to how the change would occur. So right now you can
15 see that that area on the far left, on your left,
16 represents the income and the chart on the far right
17 shows the change that would occur, based on the units
18 that are proposed to come in and those are based on
19 their numbers. And the reason I brought these charts
20 is because I used to be a teacher and I always found
21 that visual aids help to bring into effect what it is
22 that we're saying.

23
24 So this is a plan that is an upzoning
25 plan for housing; what's guaranteed in this plan is

1 that dwelling units will be built; the other
2 amenities that we're looking to have come forward are
3 not guaranteed and I believe the language that they
4 uses is that the East New York Community Plan
5 includes a commitment to neighborhood-based programs
6 as well as strategic infrastructure and community
7 investment. This strategy, such as targeted
8 investments and new affordable housing and programs
9 to support small business development and the
10 construction of a new school, streetscape improvement
11 along Atlantic Avenue and investments in local parks,
12 while separate from the proposed land use actions,
13 are essential for achieving this comprehensive vision
14 of a thriving and sustainable neighborhood, but it's
15 not guaranteed. We know that there are going to be
16 50% market rate apartments; we know that a portion of
17 the apartments that are coming in are designed for
18 people making up to \$75,000 and we know that it's not
19 reflective of what we have in our community.

21 And the other part that for me creates
22 some concern is that the MIH is still in limbo; the
23 Council has not yet made a decision on that, and when
24 I was first introduced to this concept about two
25 years ago when there were meetings that were being

1 held at the Community Board, we were told that it
2 would be tailor-made for East New York; we were told
3 that each district would be able to shape it to their
4 own desires so that it would be reflective of what
5 the community actually wants. My community wants
6 greater affordability, my community wants a greater
7 percentage of the housing to be reserved for people
8 who live there; we're looking at 30% of the units to
9 go to those earning \$23,000 and below, 30% for \$23-
10 34,000, 20% for \$34-50,000 and 20% for \$50-65,000;
11 then the rest can go to market rate. We're also very
12 concerned about the ability of developers to have
13 development off-site, although we've been told that
14 there are all kinds of provisions that would
15 discourage them from doing that and we're concerned
16 that we will not be able to maintain our community
17 for the benefit of the current residents who have
18 endured much of what has been neglect.

19
20 Thank you, Mr. Chair.

21 CHAIRPERSON RICHARDS: Thank you, Council
22 Member. [applause, background comments] Alrighty,
23 so we'll get into questions and I'll raise a few
24 questions; then I'm gonna defer to the local council
25 members who represent the area.

1 So Council Member Barron obviously just
2
3 raised MIH and ZQA, so I wanted you to just give a
4 little bit specifics based on where the plan is today
5 on how do you foresee both of these plans benefiting
6 the East New York rezoning?

7 CARL WEISBROD: Well let me start,
8 Mr. Chairman and then ask Commissioner Been to
9 continue. But as you know, you have, you as the City
10 Council, have held a hearing on Mandatory
11 Inclusionary Housing and Zoning for Quality and
12 Affordability that is also on a timetable and we
13 fully anticipate that that will be decided by the
14 Council and we are hopeful that the Council will
15 agree and decide to approve a Mandatory Inclusionary
16 Housing program and based on your ultimate actions,
17 we will be able, as we've indicated, to map that in
18 East New York as our first neighborhood. So we are
19 presenting this to you today with the expectation and
20 hope that a Mandatory Inclusionary Housing program
21 will be embraced and adopted by the Council.

22 COMMISSIONER BEEN: Let me just add to
23 that the question of -- the mandatory inclusionary
24 proposal does allow tailoring to the specific
25 communities, it has a range of options; as you know,

1 the option that's being proposed here is the option
2 that has a set-aside of 25% of the housing at an
3 average of 60% AMI; to average 60% AMI you can go
4 down to 40% AMI and up to 80% AMI, for example, to
5 reach those averages. So it does address the
6 specific needs of the community in terms of going
7 deeper than the other options that are provided for.
8 Because it's critical to remember that mandatory is
9 what is required of developers and then in addition,
10 we will use our subsidies to get even more affordable
11 housing and in terms of how much is market and how
12 much is affordable, the only thing that is guaranteed
13 is that if a developer comes to us and works with us
14 on our subsidies that it will be 100% affordable; we
15 don't guarantee what the market will do, only the
16 market controls what the market will do, but we
17 control what we do with our subsidies and that will
18 be 100% affordable at the 30%, 40% and 50% levels
19 that I outlined earlier.

21 CHAIRPERSON RICHARDS: So 35% of the
22 residents in East New York earn between, you know,
23 below 30% AMI, so I sort of wanna hear a little bit
24 of strategy of how you are getting to the population
25 who's earning below 40% AMI here.

1
2 COMMISSIONER BEEN: The population that
3 is earning -- Well first of all, our housing does
4 address and we are committed, for example on the
5 1,200 units that we're committed to move forward on
6 quickly, we are committed to use what we call our
7 extremely low- and low-income program, our ELLA
8 program, which reaches 10% at 30; 15% at 40; 15% at
9 50 and we're committed in East New York to go even
10 deeper on those public sites, the Chestnut-Dinsmore
11 site, for example, will have 35% at those 30% and 40%
12 levels.

13 In addition, as you know, we use our
14 vouchers, we use very tool that we have to address
15 the needs of the lowest-income families. But I just
16 wanna reiterate that the current asking rents in this
17 community are way above the levels that we are
18 targeting, way above. So if we do nothing, those
19 rents will continue to escalate and the affordable
20 housing will not get built.

21 CHAIRPERSON RICHARDS: Can you just go
22 through -- so if neither MIH or ZQA pass, how many
23 units do you perceive could move forward in East New
24 York without MIH and ZQA, how many units would you be
25 able to generate on some of these public sites in..

[background comments]

COMMISSIONER BEEN: They won't be permanently affordable, they won't be being provided at the developer's expense. So we will work with the community with our existing affordability programs, but I can't guarantee any particular amount because, again, they would only be affordable for the period of time that I can make a loan for, which is usually 30-40 years instead of permanently affordable and they will be at the taxpayer's expense rather than at the developer's expense, so it'd be... [crosstalk]

CHAIRPERSON RICHARDS: And can you just...

COMMISSIONER BEEN: a missed opportunity to lose the opportunity to apply MIH in this neighborhood.

CHAIRPERSON RICHARDS: Can you go through the City-owned sites a little bit, so you said you're gonna target between 35% affordability to AMIs between 30 and 40; why aren't we going higher on City-owned sites?

COMMISSIONER BEEN: I'm sorry; why aren't we going higher... [crosstalk]

CHAIRPERSON RICHARDS: So City-owned sites in particular, you spoke of the Dinsmore piece,

2 so you said at that particular site... can you just run
3 through the affordability numbers a little bit at
4 that site?

5 COMMISSIONER BEEN: So on the publically-
6 owned site, the Chestnut-Dinsmore site, 15% of the
7 homes would be for those making 30% of AMI, which is
8 \$18,000 for a single person, \$23,000 for a family of
9 three; we would provide 20% of the units for families
10 making between 31-40%, which is -- 40% is \$24,000 for
11 a single person or \$31,000 for a family of three; we
12 would provide another 10% for people making between
13 \$30,000 for a single person and \$39,000 for a family
14 of three and then the rest would be at levels between
15 51-60% AMI or up to \$46,000 for a family of three and
16 then it could include up to 20%, going up to 80% AMI,
17 which is \$62,000 for a family of three.

18 CHAIRPERSON RICHARDS: Okay. So I just
19 wanna put on the record that I believe on the City-
20 owned sites that we should be able to drive a harder
21 bargain in particular in ensuring that we're
22 definitely reaching -- you know I see the 15% earning
23 up to 30% AMI, but where we control, where the City
24 in particular controls sites, I believe that we

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should be looking to drive a harder bargain on deeper affordability, especially because it's what we own.

COMMISSIONER BEEN: Council Member, it's not a question of driving the harder bargain; it's a question of having a building that pays its own way; right? We have to be able to operate the building and if we drive a building too -- you know, if we don't have enough income coming into the building, then we have to provide a constant source of City subsidy or that building will not be maintained.

CHAIRPERSON RICHARDS: So you're gonna do 10% at 50 AMI and I think, you know, based on what I see, half of these units are going up to 60% AMI; perhaps there should be some leverage to move that 10% around a little bit at 50; I know you're trying to follow closely -- I would assume this is close to ELLA term sheets, but you know, once again, we're just gonna stress that on the City-owned sites that there needs to be a little bit more wiggle room to ensure that there's deeper and more deeper affordability at our sites. So I don't wanna stay there, but I just wanna put that on the record that we're going to look for where we control sites, for

2 the housing stock to be deeper and to have a little
3 bit more affordability. [background comments]

4 I'm gonna go into the Neighborhood
5 Stabilization Fund, so can you just speak a little
6 bit more about that? So famous billion dollars that
7 we keep hearing; is this billion dollars, is this the
8 floor or the ceiling, because we're gonna be going
9 through obviously possibly a little bit more than 14
10 rezonings, I'm assuming and we wanna know how much of
11 this money is being spent in East New York out of the
12 Neighborhood Stabilization Fund and I also wanna know
13 how will community participation help to shape your
14 priorities as we move along through this fund?

15 CARL WEISBROD: Sure. So the billion
16 dollars is a budgeted amount in our Ten-Year Capital
17 Plan, over 10 years, for all the neighborhoods that
18 we anticipate creating neighborhood plans for;
19 obviously East New York is the first; I will say this
20 is certainly an area where one size does not fit all;
21 this is a fund that is designed to be utilized as per
22 the specific needs of each neighborhood, so there'll
23 be neighborhoods that will for whatever reason
24 require more allocation of capital resources and some
25 neighborhoods that will require less, depending on

2 the existing infrastructure in those neighborhoods.
3 It is in part an engagement process with the local
4 community; certainly the items we have committed to
5 so far in East New York have been due to engagement
6 with the community and we certainly expect as this
7 plan we hope is embraced by the City Council to see
8 other -- identifying other items. I will say that
9 this is a very novel new approach to capital
10 budgeting and commitments to neighborhoods; we
11 recognize that the City has not in the past, over
12 many, many years, always kept its commitments and
13 this is an effort to assure that our capital
14 commitments are kept by budgeting them up front and
15 again, we look forward particularly to working with
16 the council members in this area and with the Council
17 as a whole to assure that the key needs of the
18 community are met and when they're met and when
19 they're agreed upon to see that they are budgeted and
20 then also to monitor their progress going forward.

21 CHAIRPERSON RICHARDS: Can you go through
22 some of the commitments that were secured so far...

23 [crosstalk]

24 CARL WEISBROD: Yes...

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CHAIRPERSON RICHARDS: and give me a timeline of when we anticipate some of these projects to move forward?

CARL WEISBROD: We have I believe made two commitments so far in East New York; one is to renovate Highland Park and redesign City Line Park; we've also, in addition to that... [interpose]

CHAIRPERSON RICHARDS: A price tag next to... [crosstalk]

CARL WEISBROD: Uh I...

CHAIRPERSON RICHARDS: if there is one.

CARL WEISBROD: I can get that for you, Mr. Chairman; we will provide that to you. In addition to that, we have enhanced the previously budgeted improvements to Atlantic Avenue to make our efforts on Atlantic Avenue even more robust than we had in the past and then I just should point out that outside of our Neighborhood Development Fund we of course up front have funded a 1,000-seat school in East New York that, assuming this zoning goes forward and we can anticipate the growth in East New York's population, we expect that school to open in 2020 and we would start it right away.

2 CHAIRPERSON RICHARDS: And when will we
3 have shovels in the ground for the school in
4 particular; do we know

5 CARL WEISBROD: Well I think it's... it's
6 2016 now; it would be on a public site, so we do
7 believe it would start expeditiously so that it can
8 open for the school year in 2020; that's our goal.

9 CHAIRPERSON RICHARDS: So I will say the
10 Council is definitely going to be looking for a lot
11 of transparency around the Neighborhood Stabilization
12 Fund; you know, this is taxpayer money; we wanna make
13 sure that commitments that are given are kept and we
14 share your vision in obviously ensure that these
15 communities get more than just housing, but we wanna
16 ensure that there is a lot of transparency and
17 community participation around how these funds in
18 particular are being spent... [interpose]

19 CARL WEISBROD: Yeah. And let me just
20 say that we agree with you that this has to be a
21 transparent process; that our commitments -- you
22 know, we should be held accountable for our
23 commitments and we are prepared to do that, and
24 that's part of the design of the Neighborhood
25 Development Fund, it is something that we've never

2 done before and I think it's a recognition that as we
3 look at increasing housing capacity in neighborhoods
4 we recognize that neighborhoods require additional
5 public investments as well; not only for those
6 neighborhoods to be able to accommodate new
7 residents, but also we recognize that we have an
8 obligation to provide an enhanced quality of life to
9 the people who have lived in these neighborhoods for
10 many, many years and who wanna see their children and
11 grandchildren live there as well and the vision that
12 Council Member Espinal expressed in his opening
13 statement we share.

14 CHAIRPERSON RICHARDS: Great; we will
15 continue that conversation, because you know, a
16 community like mine wants a billion; I'm sure East
17 New York wants a billion; you're gonna have a lot of
18 communities who want a billion... [interpose]

19 CARL WEISBROD: Well let me just be
20 clear; it's not a billion for each neighborhood.

21 CHAIRPERSON RICHARDS: I know, but I'm
22 just saying, I'm just putting it on the record;
23 that's why we need to know how much is being spent in
24 each rezoning, so definitely some transparency around
25 that.

1
2 I just wanna go into the housing stock a
3 little bit, so you spoke of 50,000 unregulated
4 apartments, I believe 50,000 I think is what you
5 said, but we know that half of all the housing stock
6 in East New York is unregulated, so I wanted to hear
7 a little bit more around your strategies on
8 preservation; how are we working to now ensure that
9 the current housing stock that we have, the
10 conditions that residents are living in now are
11 actually being fixed, you know, as we move forward
12 and build new housing, but you know, if we're gonna
13 build all this new housing, we should also be focused
14 on ensuring we're fixing a lot of the issues that are
15 occurring as we speak today. So what is HPD's, in
16 particular, strategy around locking in a lot of these
17 unregulated apartments so that as the market
18 pressures we know come will be able to preserve units
19 there.

20 COMMISSIONER BEEN: So let me just be
21 clear; there are about 50,000 people at risk of
22 displacement, according to the draft Environmental
23 Impact Statement in those unregulated homes; there
24 are about 24,000 homes that are not subject to either
25 a government regulation or the rent regulation; you

1 know, the state rent regulation program. So we're
2 doing two things because, as we talked about earlier,
3 preserving the existing affordability is absolutely
4 critical, so in terms of buildings that are now under
5 some sort of regulatory agreement, those buildings
6 are all under our asset management, we work with them
7 from day one, from the day that they get financed in
8 the first place, throughout the life of that
9 financing; we're in constant communication with them,
10 constant oversight and as the regulatory agreement
11 nears an end, we work very closely with those owners
12 either to extend the affordability by some other
13 regulatory agreement that will roll it forward
14 another 30 years or whatever. So those are the
15 buildings that are currently under a regulatory
16 agreement, right, and we have a variety of tools for
17 working with those kinds of buildings, between tax
18 incentives, loan programs, etc.

19
20 But what we're doing I think that's much
21 different than what we've done in the past is that
22 we're trying to bring units, homes that have never
23 been regulated into an affordability program and that
24 means providing something that helps bring down the
25 cost or contain the cost or meet some of the

2 financial needs of the building in exchange for them
3 agreeing to become affordable. So what we do there
4 is -- I mentioned the Green Preservation Program
5 where we say to an owner, we will help you bring down
6 your electric costs, bring down your gas costs, bring
7 down your water costs, but we wanna see those savings
8 result in affordability for your tenants. So we're
9 working with owners on that. We also.. [interpose]

10 CHAIRPERSON RICHARDS: And how responsive
11 have they been to that?

12 COMMISSIONER BEEN: We've gotten a lot of
13 interest and for example, in the mobile van that we
14 have out there, we're getting a lot of interest;
15 we've held resource fairs, we're holding more
16 resource fairs; we're using something called the
17 Accelerator citywide and we're rolling out an
18 Accelerator program this spring targeted directly to
19 East New York, which basically works with owners;
20 help them do a scope of work; helps them assess what
21 all is involved, but that is just rolling out this
22 spring, because it was just RFP'd in the fall. So
23 we're gonna see exactly how that works, but so far
24 we've gotten a great deal of interest.

2 CHAIRPERSON RICHARDS: And how many units
3 do you think we can grab that are unregulated; not
4 within your scope now, outside -- I mean is there a
5 projection that you can give?

6 COMMISSIONER BEEN: Now we see a, you
7 know, tremendous need because, as you know, that's in
8 the demand management area that is really pushing up
9 against the limits of the supply, so we see a
10 tremendous need in terms of water conservation; we've
11 got about 900 homes right now that are getting some
12 form of water rebate because the water costs are just
13 higher than what they can bear. So we're expecting
14 that -- you know, it's very hard to put a number on
15 exactly how much take-up there's gonna be on a brand
16 new program, but we certainly think that there are
17 thousands of units in East New York who could benefit
18 from the program and who we can have a conversation
19 with to try to bring them into those programs.

20 So the Green Preservation Energy Water
21 Conservation is one form of program; we also just
22 reach out to owners who may be struggling; they need
23 a new boiler; it's time to repair the roof and they
24 don't have the financing for that or they don't have
25 the funds for that, so we're working with them

1 through a small building repair program to provide
2 loans that would enable them to make those repairs,
3 again, in exchange for agreeing to a period of
4 affordability for their tenants.
5

6 So we're working across the board, we've
7 spent actually the last year-and-a-half working
8 across the city with both tenant groups, small
9 building owners, lawyers, financier, etc. that work
10 with small buildings to try to design programs that
11 are attractive to small building owners, which is the
12 stock that we're talking about here. HPD has
13 traditionally targeted larger buildings because it's
14 almost as much work to go through a loan and a
15 closing and everything for a six-unit building as it
16 is for a 60-unit building, so we've traditionally
17 focused on those bigger buildings, but in an area
18 like East New York where there are so many small
19 buildings, we really have to retool and we've been
20 working very hard to do that through outreach,
21 through owners fairs, through help desks; those kinds
22 of things, to make it easier for those small
23 buildings to come into our program.

24 CHAIRPERSON RICHARDS: Okay, I'm gonna
25 just ask one more question; then I'm gonna to go

1 Council Member Espinal. I wanted to go into local
2 hiring a little bit and the workforce training
3 programs, so how soon do we foresee the Workforce
4 Center coming online, and then I noticed in your
5 testimony you spoke of a requirement of contractors
6 receiving \$2 million or more in subsidy from HPD;
7 them now being forced to, I'm assuming, to post
8 opening positions at the Workforce Centers, and I
9 know there's some legality issues that we always run
10 into when it comes to requiring these contractors to
11 hire locally, but you know, I'm tryin' to understand
12 the strategy around \$2 million or more in subsidy;
13 why didn't we lower the threshold there; if they're
14 receiving any subsidy from the City, they should be
15 required to post jobs -- I don't know if I'm reading
16 your testimony wrong, but you know, it says the
17 program's expansion requires any contractor receiving
18 \$2 million or more in subsidy from HPD, as well as
19 any contractor with a City contract for good and
20 services valued at \$1 million or more to post open
21 positions with the City's Workforce system and
22 consider qualified candidates referred through the
23 system. So can you just go through that a little bit
24 more... [crosstalk]
25

2 GREGG BISHOP: Yes.

3 CHAIRPERSON RICHARDS: and how is the
4 City driving a harder deal to ensure that if they are
5 getting subsidy from New York City, that local
6 hiring, of course, is happening and that there are
7 local goals that are being set to ensure local
8 residents will be hired so that they're not...
9 [crosstalk]

10 GREGG BISHOP: So...

11 CHAIRPERSON RICHARDS: walking past these
12 projects while other people in New Jersey; places --
13 no offense to New Jersey -- are working on their
14 projects?

15 GREGG BISHOP: Right. So I'll talk about
16 the Workforcel Center and how HireNYC works with the
17 Workforcel Center. So we are looking to open up the
18 center as soon as possible; we are working with
19 Council Member Espinal's team to identify locations;
20 usually we look for a location that's accessible to
21 the community; we've looked at over 20 sites and each
22 have different issues, so we are continuing that work
23 and our goal is as quickly as possible to identify a
24 site and open up the center. One of the things that
25 we anticipate is that that center will be highly

2 utilized by the residents of East New York because
3 our Brooklyn center, which is located Downtown
4 Brooklyn, actually has a high volume of East New York
5 residents that use that center already, so we
6 anticipate that there will be high usage of that
7 center and we are also looking to make sure that we
8 ensure that the center meets the needs of East New
9 York and if you remember in my testimony I talked
10 about not only providing services, but also the job
11 skills training, because I wanna emphasize on the
12 fact that we wanna make sure that as we are training
13 the residents of East New York for the jobs in the
14 community that is closely aligned to the jobs that
15 the businesses in the community need.

16 So HireNYC is also part of that tool; one
17 of the things that... system-wide our Workforce1
18 Center, what we do really well is actually do a lot
19 of business development, so our staff, we really work
20 with small businesses across the city to identify
21 opportunities and we wanna make sure that those
22 opportunities are published and connected to the job
23 seekers. So HireNYC actually gives us the
24 opportunity to learn about job openings from
25 businesses and from contractors who are working with

1 the City, so we basically are first in line. It
2 allows us to connect job seekers to those
3 opportunities and certainly we think we will see an
4 increase in that; we've done this before in the past
5 where companies voluntarily work with us on the
6 recruitment services; it's a service that we sell
7 through our NYC Business Solutions system and it's
8 been very successful, so we anticipate seeing a
9 larger volume of job opportunities coming through as
10 a result of HireNYC.
11

12 In terms of why it's at \$2 million
13 subsidy; I'll turn it over to my colleague, Maria
14 Torres-Springer.

15 MARIA TORRES-SPRINGER: What we've
16 created we believe for the HireNYC program is
17 actually the most robust framework, despite all of
18 the quite complicated legal issues around local
19 hiring, to ensure that targeted communities have a
20 first shot at employment opportunities available
21 because of the different investments.

22 As it relates to thresholds, whether it
23 is the citywide HireNYC program or the particular HPD
24 HireNYC threshold, they are set to accomplish two
25 things; one is to ensure that we get as many of the

2 covered contracts into the program as possible, but
3 also to establish a threshold so that it makes
4 practical operational sense in working with employers
5 and so there's more than just one job implicated.

6 What I do know for the citywide \$1
7 million threshold; that actually encompasses nearly
8 94% of the value of all contracts that are being let
9 by the City, and I don't have it at my fingertips;
10 I'm sure we can get it, but it is likely, kind of a
11 similar or comparable value that is covered even with
12 a \$2 million threshold for HPD projects.

13 CHAIRPERSON RICHARDS: So Vicki, can you
14 go into why your threshold is \$2 million then and the
15 City is one, EDC's is one?

16 COMMISSIONER BEEN: Okay. The threshold
17 for HPD does cover almost all of our developments,
18 but it goes back to what I was saying earlier; we're
19 trying very hard to work with smaller buildings and
20 when you have a small renovation or a small repair --
21 a boiler, etc. -- and you're providing a loan for it,
22 you know, those are the kinds of things that we don't
23 want to trigger a whole bunch of additional
24 requirements and normally those are people in the
25 neighborhood; they are often nonprofits who are

2 renovating and rehabbing the smaller buildings, so
3 there already is a very robust connection with the
4 local community. So we're just trying to strike the
5 right balance.

6 CHAIRPERSON RICHARDS: Right, but EDC's
7 number, value of the contracts for posting and local
8 hiring stuff [sic] is \$1 million, so why is HPD's \$2
9 million; that's what I'm saying? I get what you're
10 saying, but I'm not understanding why \$2 million is..

11 COMMISSIONER BEEN: So ours was set at \$2
12 million because that's where all of our thresholds
13 for a wide variety of additional requirements kick in
14 and you know, we were trying to align those
15 requirements, again, so that we don't end up with an
16 overly complicated program for the people trying to
17 use it.

18 CHAIRPERSON RICHARDS: So I'm gonna just
19 say, as we move forward we're gonna look at this
20 threshold a little bit more; I'm very interested in
21 revisiting this because we wanna ensure that we can
22 capture as much local hiring as possible and if the
23 threshold is \$2 million, you know, I mean I think we
24 can capture some contracts at a million possibly..
25 [crosstalk]

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GREGG BISHOP: I just... I just also wanna be... to emphasize the fact that regardless of the threshold, the way we work with our Workforcel Center is through business development, so any opportunity, so if there is a developer in the community, if there is a retail store that's opened up in a community, any job opportunity, our team is out there; we will be working with that company to create recruitment events, and that's how we work across the city, so it will be no different at East New York.

CHAIRPERSON RICHARDS: And I'm grateful for that because I see that in Far Rockaway, where we're having a lot of movement at the Workforcel Center, so I will commend you on that and just wanna make sure that we're capturing as much as we can in East New York as well.

So I'm now going to move to Council Member Espinal, followed by... I thought Barron was here... and then Reynoso. We've been joined by Council Member Vanessa Gibson from the Bronx.

COUNCIL MEMBER ESPINAL: Thank you, Councilman; just wanna say thank you for all the questions you've asked because those were questions

2 that my constituents really care about and I really
3 appreciate you looking into that.

4 You did ask a lot that I wanted to ask a
5 lot that I wanted to ask and you know, that comes
6 with a deeper affordability, the jobs aspect; things
7 of that nature, but for a point of clarification, I
8 wanna talk about HPD's plans to support affordable
9 housing across the rezone area. So can you explain
10 ELLA just for people who are watching and don't
11 understand what ELLA actually is?

12 COMMISSIONER BEEN: Sure. So ELLA, it
13 stands for our Extremely Low- and Low-Income
14 Affordability program, which is the financing program
15 that we use to reach the deepest levels; we have a
16 companion, very deep level affordability program for
17 senior units that we call SARA, so those are the two
18 that reach the deepest.

19 As you know, normally most affordable
20 housing that is developed, because it's developed
21 with low-income housing tax credits, have tended to
22 focus on 50/60% of AMI; ELLA drives that down
23 further. So on a privately-owned site, under our
24 term sheet, ELLA requires that 10% of the units be at
25 30% AMI, for which we provide vouchers; 15% of the

2 units be at 40% AMI and 15% of the units be at 50%
3 AMI and then the remainder are at the 60% AMI, up to,
4 in some cases, where there's a particular state
5 program, can go up to 90% AMI, right, for 20% of the
6 units. So that's the general ELLA program.

7 What we've done in East New York is to
8 say that on public sites we will drive that down even
9 further. So on public sites we will go to 15% at 30
10 AMI; 15% at 40 AMI; 10% at 50 AMI, and then the
11 remainder at the 60 AMI level.

12 COUNCIL MEMBER ESPINAL: You stated that
13 any developer who decides to use ELLA would have to
14 build 100% of affordable housing, so meaning, if I
15 decide to buy a piece of property on Atlantic Avenue
16 and I'm gonna build 12 stories and I approach HPD and
17 say listen, I would love to use the ELLA program to
18 building housing, I can't use the ELLA just to build
19 50% of my housing; it has to be 100% affordable...

20 [crosstalk]

21 COMMISSIONER BEEN: It has to be 100%
22 affordable.

23 COUNCIL MEMBER ESPINAL: Okay, so...

24 COMMISSIONER BEEN: We will not use our
25 subsidies to subsidize market rate, buildings that

2 have market rate; we will only do 100% affordable
3 buildings in East New York.

4 COUNCIL MEMBER ESPINAL: So you say that
5 at least 50% of the units built in the rezone area
6 will be affordable, at least 50%? 'Cause Council
7 Member Barron said that outright 50% will be set
8 aside for market rate, so you're saying that only at
9 least will be 50%?

10 COMMISSIONER BEEN: No, no; I'm saying
11 that any building that we subsidize will be 100%
12 affordable housing; how many of the privately-owned
13 sites come to us for financing is an estimate;
14 because of where market rents are in East New York
15 right now, we don't expect that many will be able to
16 build without our financing, so we expect that at
17 least 50% over the next few years are gonna have to
18 come to us and then will be 100% affordable.

19 COUNCIL MEMBER ESPINAL: So the plan
20 projects that there will be 7,000 units built in the
21 end of 15 years; right?

22 COMMISSIONER BEEN: Uhm-hm.

23 COUNCIL MEMBER ESPINAL: Now is it a
24 possibility, you know I have members in my community
25 saying that we want 5,000 units of affordable

2 housing, you know 'cause the 3,000 that's being
3 proposed is not enough; 5,000 is what they're asking
4 for, so you're saying it is a possibility that if
5 every developer decides to use ELLA on Atlantic
6 Avenue or in any other parts of the rezone area that
7 100% of the housing built in the rezone area could be
8 affordable as ELLA?

9 COMMISSIONER BEEN: If they come to us
10 for subsidies, yes.

11 COUNCIL MEMBER ESPINAL: Okay. And how
12 can we encourage developers to come to you for
13 subsidies, 'cause you know, HPD from day one has kept
14 saying that the market in East New York is not where
15 it's attractive enough for developers to build
16 without subsidy, you know but I can tell you,
17 neighbors on my street are already jacking up their
18 rents to \$1800 a month, you know these homeowners who
19 own one- or two-family homes who fairly have lived
20 there 40 years, right; now they're jacking up the
21 rent to \$1800 a month for a three-bedroom because
22 they understand there is a need for these apartments
23 and people are being pushed out of other
24 neighborhoods, like Williamsburg and Bushwick and are
25 able to afford these rents. So you know, how

1 confident can we be that the market won't hit a point
2 where developers don't have to approach you for
3 subsidies; are there other options besides ELLA; is
4 there a way where we can strong-arm these developers
5 to actually use some sort of subsidy to build
6 affordable units?
7

8 COMMISSIONER BEEN: Well so there are a
9 couple of things going on here; right? The problem
10 that you raise is exactly why mandatory inclusionary
11 is so important, because when we can offer our
12 subsidies, when we can attract developers to our
13 subsidies, which is exactly the balancing act about
14 how much do you give, how much do you require, how
15 many other restrictions do you impose upon the
16 building; that's the balancing that we do in order to
17 attract people to our programs. But in addition to
18 attracting people to our programs, mandatory is
19 absolutely essential here because it will require
20 that if there is a market building; at least 25% of
21 that market building is affordable, which is not a
22 requirement that exists now; right? Right now if
23 somebody builds market, it's zero affordability; if
24 MIH is passed and applied to East New York, then at
25 least 25% of it will have to be affordable at the

2 levels that we've talked about, which are also low
3 levels, because they are averaging to 60; right?

4 COUNCIL MEMBER ESPINAL: So how does
5 421-a play into this? I know it's expired, but is
6 there a possibility that it might come back into
7 play? So if MIH is required, you know how does 421-a
8 play a role into the entire picture?

9 COMMISSIONER BEEN: So 421-a is one of
10 the tax exemption programs; it actually would be
11 absent of 421-a; ironically right now makes
12 developers more likely to come to us for financing
13 because if our financing is involved, we have other
14 kinds of tax exemption tools; if it's just a market
15 rate building, even if it's 25% affordable in a
16 market rate building, those tools are not available.
17 So that's an incentive in these early years for the
18 developers to build 100% affordable buildings.

19 You know, in the long run, for the City
20 has a whole, it's absolutely critical that something
21 like 421-a come back into existence; we worked very
22 hard to reform 421-a, to get more affordability,
23 deeper affordability at a lower per unit cost to
24 taxpayers; we achieved an enormous amount;
25 unfortunately it all blew up in the end, but we

2 anticipate that something like it is gonna come back
3 into effect. The 421-a programs and the mandatory
4 inclusionary programs are designed so that they work
5 together so that if you are using both, we the public
6 will end up with either more affordable units or
7 deeper affordability where the two of them go
8 together.

9 COUNCIL MEMBER ESPINAL: So 421-a
10 historically was 80/20; correct?

11 COMMISSIONER BEEN: It was.

12 COUNCIL MEMBER ESPINAL: So if we use MIH
13 and add that with 421-a; that means we'll have 45% of
14 affordable units in the building?

15 COMMISSIONER BEEN: No. There is overlap
16 between them, because that's necessary, given the, as
17 we know, very high price of property taxes on rental
18 buildings; that's the problem that 421-a is trying to
19 solve; it has to apply as well to the affordable
20 units.

21 COUNCIL MEMBER ESPINAL: I'm a very
22 optimistic person, so I'm hoping that everyone who
23 decides to develop on Atlantic Avenue uses ELLA,
24 'cause that would mean that we would 100% of
25 affordable units in the rezoned area, I hope that's

2 the case; I know that's not the reality and this
3 probably won't happen, but you know I think we should
4 work hard to make sure these developers are
5 encouraged to use the ELLA program throughout the
6 neighborhood.

7 CARL WEISBROD: Council Member, can I
8 just add to what Commissioner Been said? We heard a
9 lot of testimony at the City Planning Commission
10 hearing on this, that if land costs in East New York
11 today were zero, there was no cost of land, you could
12 not build market rate housing, multi-family market
13 rate housing in East New York today. So the market
14 rate housing that is possible is at best, I think
15 many, many years away and what we expect is that and
16 by rezoning and increasing housing capacity and
17 encouraging not only more housing, but multi-family
18 housing where today either no housing can be built or
19 just a small number of units can be built, it really
20 assures, at least in the foreseeable future, that
21 owners who wish to build are gonna really be required
22 to go to the City to participate in one of the City's
23 programs, which as Commissioner Been indicated, will
24 require that that housing be 100% affordable.

2 COUNCIL MEMBER ESPINAL: A question -- we
3 know developers build because at the end of the day
4 they wanna make a profit, right, now what would be
5 profit margin or difference if they decide to build a
6 building of 100 units, for example, at ELLA as
7 opposed to using MIH with no ELLA program and having
8 the market rates; is there a huge difference in the
9 profit margins or what they can make off the
10 property?

11 COMMISSIONER BEEN: Between a 100%
12 affordable building... [crosstalk]

13 COUNCIL MEMBER ESPINAL: Using ELLA.

14 COMMISSIONER BEEN: and a market rate
15 building?

16 COUNCIL MEMBER ESPINAL: Yeah.

17 COMMISSIONER BEEN: Right now the rents
18 just won't support a market rate building, so they're
19 not gonna build it; right? So developers insist on
20 a, you know, rate of return that makes it worth their
21 while to take the risk of development rather than
22 putting their money into a CD or whatever and right
23 now the market won't support that. So right now, in
24 order to take that risk they're going to insist that
25 I help subsidize it through the ELLA program or

2 through whatever programs I use, but I've said the
3 ELLA program.

4 COUNCIL MEMBER ESPINAL: Okay. Has HPD
5 considered using acquisition funds to buy plots of
6 land in the rezone area? I know we've seen it in
7 other parts of the city, but have you at least
8 considered finding places where you can buy land?

9 COMMISSIONER BEEN: Yes, we do encourage
10 the acquisition; sometimes if a private owner
11 acquires land and brings it to us to subsidize, we
12 will pay for part of those acquisition costs; we have
13 what we call the New York Acquisition Fund to help
14 people buy land that they are going to then devote to
15 affordable housing, the Phipps land, the Chloe Food
16 site, is one that they have bought with our
17 encouragement. So yes, we do do that.

18 COUNCIL MEMBER ESPINAL: Okay. You know
19 HPD has said that it plans to issue RFPs on publicly-
20 owned land, you know but my office was able to
21 identify some plots of land, large plots of land
22 actually, right outside the rezone area and there are
23 actually developers who are looking to build, for
24 example, senior housing, but they've been waiting for
25 over a decade to get some sort of RFP from HPD. I

2 think that this is the time now to actually start
3 looking at those lands and expedite that process so
4 that we can use those sites that are not being
5 mentioned in this plan so that we can build the
6 senior housing or more affordable housing. For
7 example, in Brownsville on Christopher Avenue or
8 Christopher Street, there is a lot that can build
9 about 100 units, you know and we have these people
10 who are waiting for HPD to release that land; I'm
11 just hoping that your agency could look at those
12 properties and actually include this at the end of
13 the day as part of this plan; then that way we can up
14 the amount of affordable housing in the area.

15 COMMISSIONER BEEN: Uhm-hm. I mean we're
16 looking at all of the land in Brownsville and you
17 know, trying to press it into service; much of the
18 land, as you know, for example on Lavonia Avenue we
19 have pressed into service, so but I'll find out about
20 the specific ones that you mentioned.

21 COUNCIL MEMBER ESPINAL: Okay.

22 CARL WEISBROD: And Council Member, let
23 me just add and just note that this is one of the
24 reasons, particularly for senior housing why zoning
25 for equality and affordability is so important,

2 because it would eliminate in many neighborhoods,
3 probably here as well, the parking requirements that
4 create an additional and unnecessary economic burden
5 on building senior affordable housing, which we all
6 desperately need.

7 COUNCIL MEMBER ESPINAL: Right. I wanna
8 talk about the small homeowners, 'cause most of the
9 neighborhood is made up of these one- and two-family
10 homes and you know a lot of them are up to the neck
11 in debt, right; they have property liens because of
12 water bills they couldn't pay, they're renting out..
13 most of the neighborhood is renting out their
14 basements to earn a little extra income and keep
15 rents affordable; you know, like I said before, in
16 2008 the market crash forced a lot of these people to
17 lose their homes; a lot of homes in the neighborhood
18 are under foreclosure. Is there any plan for these
19 homeowners on how we can bring them into the fold and
20 find a way we can work with them to help them get out
21 of these situations and possibly supply affordable
22 apartments or rent for their neighbors?

23 COMMISSIONER BEEN: Yes. So the legal
24 services that we currently are making available in
25 the neighborhood are available for anti-foreclosure

2 purposes; also deed theft and other kinds of scams
3 that unfortunately are going on. Of course the
4 Council and many other philanthropic organizations
5 have poured a great deal of money into the Center for
6 New York City Neighborhoods, which has provided anti-
7 foreclosure services. We are working now with the
8 Center for New York City Neighborhoods to develop
9 sort of a homeowner help desk specifically for the
10 neighborhood that will provide even more targeted
11 help and referrals to homeowners for either, you
12 know, constant buyout offers that constitute
13 harassment, deed theft, anti-foreclosure scams, needs
14 for modification, etc., so we are working to come up
15 with a help desk that will pull that all together in
16 a more easily accessible way for those homeowners.
17 We've been providing some of those referrals through
18 our mobile van; as you know, we've been seeing some
19 of the homeowners through that, and we'll continue to
20 reach out.

21 COUNCIL MEMBER ESPINAL: Okay. So any
22 plan -- Sorry if you've mentioned this -- but any
23 plan on the water rate situation that a lot of them
24 are facing, you know a lot of people can't pay their
25 water rates, they continue to increase; is there... I

2 know a few months ago we -- you know when you showed
3 us a snapshot of what the plan is gonna be, there was
4 some mention of water rates being looked at and how
5 we can help alleviate that issue with homeowners?

6 COMMISSIONER BEEN: So the Department of
7 Environmental Protection gave water reductions to I
8 think about 90 home... how many? [background comments]
9 770? Sorry, 770 homeowners, so maybe it was 90,000...
10 [background comments] I have 90 in my mind. Yeah,
11 \$90,000 worth of reductions to 777 homeowners; we
12 will continue to look at that; we're working with the
13 Department of Environmental Protection now more
14 generally across the city on the burdens that water
15 rates are imposing upon our very low-income
16 homeowners.

17 COUNCIL MEMBER ESPINAL: Okay. Basement
18 apartments, like I said, most of Cypress Hills, a lot
19 of the homeowners there -- I hope that DOB isn't
20 listening -- but a lot of homeowners there do rent
21 out their basements to make a little extra income; is
22 there any plan by HPD; are we looking at how we can
23 bring these apartments to the fold and be able to
24 legalize basements so that homeowners can make a

2 little extra income for their homes and provide these
3 lower rent units?

4 CHAIRPERSON RICHARDS: He didn't really
5 say Cypress Hills, he just said in general the area
6 of Brooklyn we've heard of this issue.

7 COMMISSIONER BEEN: Yes, I...

8 COUNCIL MEMBER ESPINAL: And Queens, and
9 Queens.

10 CHAIRPERSON RICHARDS: And Queens.

11 COMMISSIONER BEEN: And...

12 CHAIRPERSON RICHARDS: Well not my
13 district.

14 COMMISSIONER BEEN: And probably Topeka,
15 Kansas as well, but yeah. So I mean first of all,
16 working with the fire department and the Department
17 of Buildings we have underway an outreach program to
18 owners and to tenants to advise them about safety
19 issues and to make sure that these properties are
20 safe. Look, as you know, the issue of how to
21 legalize those units is a very, very thorny one;
22 we've been working for years, both in terms of how it
23 would fit with the housing maintenance code;
24 unfortunately if there are three units or if the
25 basement apartment would created a third unit, then

1 that triggers Multiple Dwelling Law, which a state
2 law issue, so that's an incredibly complicated issue.
3 We've had conversations in parts of the city that
4 shall remain unnamed so as not to trigger additional
5 concerns; we have had conversations about doing a
6 pilot. Some of the complicated issues that arise
7 there are, you know, if we legalize some of those
8 apartments, how can we protect the current tenant or
9 will we see those current tenants just pushed out and
10 then prices rise on those basement apartments? So
11 it's a very complicated issue; one that's not
12 susceptible to just a quick resolution. We are
13 committed to trying to work across agencies and
14 across jurisdictions because of the state law issues
15 that are involved there to try to work it out, but it
16 is hard and slow-going, you know, I just have to say.

18 COUNCIL MEMBER ESPINAL: Yeah, I
19 understand it's difficult; I know you mentioned the
20 possibility of having a pilot program; I think that
21 this rezone area will be a perfect place to begin
22 this pilot program and it's something that I really
23 wanna have a real conversation on before we decide to
24 move forward with this plan. So I really wanna sit
25 down with HPD and talk about how we can bring these

2 apartments to the light. And I know you mentioned
3 that there's concern that they may be able to raise
4 the rents if they become legalized, but you know, to
5 be honest, I think you face greater danger of seeing
6 a fine of up to \$10,000, \$20,000; \$30,000 if you're
7 operating on an illegal basis, so I think there's an
8 incentive there to keep these basements at lower
9 rents.

10 COMMISSIONER BEEN: Uhm-hm. Happy to
11 have that discussion.

12 COUNCIL MEMBER ESPINAL: Okay. I'm gonna
13 take a second if anybody else has any questions.

14 [pause]

15 CHAIRPERSON RICHARDS: Council Member
16 Reynoso.

17 COUNCIL MEMBER REYNOSO: Welcome team. I
18 just talked to someone and let them know that this is
19 the longest introductory portion of a meeting that
20 I've ever been to and we have like so many folks -- I
21 know people wanna wait to speak and a couple of them
22 won't be able to wait till 1:00 for a 9:30 hearing to
23 speak, but just wanna give you a heads up that I
24 appreciate the amount of folks that are here and I

1
2 guess, how serious you're taking this East New York
3 housing plan and what it means to the Mayor.

4 So I wanna start with -- what is the
5 amount of public dollars being used in East New York
6 and will that be matched in other comparably sized
7 neighborhoods across the City of New York?

8 CARL WEISBROD: As I indicated earlier,
9 Councilman, we have set up a Neighborhood Development
10 Fund that is budgeted at a billion dollars over the
11 next 10 years for neighborhoods that we are looking
12 at increasing housing capacity. There is no one size
13 fits all; it will depend on each neighborhood's
14 infrastructure needs and it will depend on the extent
15 of the area that we are looking at increasing housing
16 capacity. I will say that this is an ongoing process
17 in East New York; we have in East New York already
18 committed to funding a school that is \$100 million in
19 our capital budget; that's outside the Neighborhood
20 Development Fund; the school commitments are not
21 included in the Neighborhood Development Fund..
22 [interpose]

23 COUNCIL MEMBER REYNOSO: So to just --
24 because of the time -- so we're saying that we can
25

2 divide the 15 neighborhoods by a billion dollars...

3 [crosstalk]

4 CARL WEISBROD: No, we cannot...

5 [crosstalk]

6 COUNCIL MEMBER REYNOSO: I know we can't
7 because it's gonna vary, but that council members
8 should be aware that there is some money, a billion
9 dollars, and that we should be mindful of the fact
10 that we should try our best to get as much of it as
11 possible. So I just wanted to put it in perspective.

12 [laughter] And I know that East New York...

13 [crosstalk]

14 CARL WEISBROD: I will say East New York
15 comes first... [crosstalk]

16 COUNCIL MEMBER REYNOSO: It's just a lot
17 of people think East New York is gonna be spoiled and
18 everyone else is not gonna get as much... [crosstalk]

19 COUNCIL MEMBER ESPINAL: We were ignored
20 for decades, so I think it's time... [crosstalk]

21 COUNCIL MEMBER REYNOSO: That is true.
22 That is true. I wanna... I wanna advocate... [crosstalk]

23 CHAIRPERSON RICHARDS: Far Rockaway too
24 has been ignored for decades.

25 [laughter]

2 COUNCIL MEMBER REYNOSO: I wanna advocate
3 for East New York and that we expend as many dollars
4 as possible to make sure that we take care of it, so
5 in an unselfish move, I wanna make sure that you take
6 care of East New York, absolutely.. [crosstalk]

7 CARL WEISBROD: There are advantages of
8 going first.

9 COUNCIL MEMBER REYNOSO: Alright. The
10 second thing is; is any of the proposed MX-zoned
11 districts being used to calculate this 859,000 sq.
12 ft. of commercial uses?

13 CARL WEISBROD: I'm sorry; could you..

14 COUNCIL MEMBER REYNOSO: I think this is..

15 CARL WEISBROD: Yeah.

16 COUNCIL MEMBER REYNOSO: for..

17 CARL WEISBROD: And could you.. some.. some
18 of the.. [crosstalk]

19 COUNCIL MEMBER REYNOSO: for.. is any of
20 the.. [crosstalk]

21 CARL WEISBROD: M zone..

22 COUNCIL MEMBER REYNOSO: proposed MX

23 CARL WEISBROD: Yeah.

24

25

2 COUNCIL MEMBER REYNOSO: zone district
3 being used to calculate the 859,000 sq. ft. of new
4 commercial uses?

5 CARL WEISBROD: Yes.

6 COUNCIL MEMBER REYNOSO: Yes. Okay, so
7 that... Okay. Thank you. Where in the city has MX
8 ever led to industrial or commercial preservation?

9 CARL WEISBROD: I think it's... the way we
10 view MX really is that it is transitional; it
11 protects businesses that are there.. [crosstalk]

12 COUNCIL MEMBER REYNOSO: How so? Where...
13 So I kinda ask the question; where in the city, and
14 you could use Williamsburg, by the way, which I'm
15 very familiar with, where MX has ever led to
16 industrial preservation?

17 CARL WEISBROD: Alright, I'm gonna ask
18 Ms. Kapur to respond because she.. [crosstalk]

19 COUNCIL MEMBER REYNOSO: Okay. I think
20 it's almost as black and white as it gets, but go
21 ahead.

22 PURNIMA KAPUR: I think, as the chairman
23 was beginning to explain, we do see this as a
24 transitional district; it may not encourage a lot of
25 new industrial use; what it does in areas where the

2 market is not strong, like in East New York, is to
3 continue to allow the uses that are there today to
4 remain and to actually increase. So as part of the
5 MX district that we are mapping here, we are
6 increasing the density of industrial use that's
7 allowed, reducing the parking requirement for
8 industrial uses. But to the extent there is the
9 desire and there is the need for new industrial uses
10 to locate here, we are gonna continue to allow that;
11 we are also... [crosstalk]

12 COUNCIL MEMBER REYNOSO: So you said the
13 housing... and I'm sorry; I'm only cutting you off
14 because I have 45 seconds behind you... [crosstalk]

15 PURNIMA KAPUR: Okay. Sure.

16 COUNCIL MEMBER REYNOSO: So you're saying
17 that it's not strong; when we talked about neglect
18 and what the City has done to industrial businesses,
19 I can tell you it's not strong because you guys
20 haven't done anything to support it. In this one
21 case you're finally going to -- [applause, background
22 comments] you gotta do this -- in this one case
23 you're finally talking about instruments that you're
24 using to support industrial manufacturing businesses,
25 but adding to that this MX; why not just use those

2 tools to support the jobs and support the growth of
3 manufacturing while eliminating the option to convert
4 residential, which is always the option that
5 developers are gonna choose and if Williamsburg is
6 any indication of that, every single MX zone has
7 turned into residential in Williamsburg, so I don't
8 see how that would be different in East New York.

9 [bell]

10 PURNIMA KAPUR: So only thing I would say
11 is that the IBZ that President Maria Torres-Springer
12 spoke to remains completely manufacturing...

13 [crosstalk]

14 COUNCIL MEMBER REYNOSO: I'm not talking
15 about the... I'm talking about the rezoning option...

16 PURNIMA KAPUR: In the... [crosstalk]

17 COUNCIL MEMBER REYNOSO: That's not in
18 the rezoning; I'm talking about in the rezoning...

19 PURNIMA KAPUR: In...

20 COUNCIL MEMBER REYNOSO: in the places
21 where you guys have the opportunity to encourage
22 industrial growth, which is what it seems like you
23 have done with your tools; you also add a layer of
24 residential opportunity, which means -- and... pretty
25 much... and I wanna let East New York know, we'll

2 guarantee that all manufacturing portions of your
3 district within the rezoning are gone; the only thing
4 you would have is the IBZ. That's what I'm trying to
5 say; why not give them an opportunity to try to go
6 after it, get the MX; if it's working, you're finally
7 giving them density; you're finally giving them
8 resources; let them give it a shot to see if it can
9 work and then maybe in 10 years or 15 years we look
10 to rezoning, but what you're doing now is pretty much
11 giving away the MX land, which is pennies on the
12 dollar for residential. [background comments,
13 applause]

14 PURNIMA KAPUR: I mean the areas that we
15 are going to rezone with the MX district really do
16 reflect the mixed residential and light manufacturing
17 nature there today. Sixty percent of the lots in
18 Ocean Hill that are in M districts are completely
19 residential... [interpose]

20 COUNCIL MEMBER REYNOSO: For lack of
21 enforcement by the City administration... [crosstalk]

22 PURNIMA KAPUR: No, no, no, no, no.

23 COUNCIL MEMBER REYNOSO: Yes, the
24 conversions are happening because you have not
25 supported it. If you completely... [crosstalk]

2 PURNIMA KAPUR: These are not..

3 COUNCIL MEMBER REYNOSO: abandon a
4 district... if you completely abandon a portion of the
5 district, which is manufacturing-related, there is no
6 way it's gonna thrive; we need new roads, we need..
7 we're talking about roads, money, capital dollars,
8 ensuring that the areas around it are not being
9 rezoned to residential so that we don't get people
10 that are using -- I forgot the word now --
11 speculation, speculation, so they're buying up this
12 property, sitting on it, calling for financial
13 hardships when there is no financial hardship; it's
14 just they want to convert it into [background
15 comments] residential.

16 PURNIMA KAPUR: Coun...

17 [background comments]

18 PURNIMA KAPUR: Council Member, I hear
19 you, sir... [crosstalk]

20 COUNCIL MEMBER REYNOSO: I just think
21 that you guys are not answering my question; you're
22 running around it and I think... [background comments]

23 PURNIMA KAPUR: I am trying to answer
24 your question...

25

2 COUNCIL MEMBER REYNOSO: No, no; you're
3 not; I think you're trying to make a point that is
4 unrelated to my question.

5 PURNIMA KAPUR: The housing that I am
6 talking about in Ocean Hill has been here since the
7 early 1900s, for the most part; these are not
8 converted loft buildings, these are not converted
9 industrial buildings; these are small three- to four-
10 family; some large... [crosstalk]

11 COUNCIL MEMBER REYNOSO: And the
12 manufacturing around it?

13 PURNIMA KAPUR: in manufacturing
14 districts; these are... [crosstalk]

15 COUNCIL MEMBER REYNOSO: Exactly. So
16 what about the manufacturing portions of that?

17 PURNIMA KAPUR: There are schools, there
18 is homeless **[inaudible]** hotels; there are...
19 [crosstalk]

20 COUNCIL MEMBER REYNOSO: But why not give
21 it a shot? Why not give manufacturing a shot? I... I
22 asked that question three times and you guys said...
23 not one time did you guys say we're not... at this
24 point you're abandoning all manufacturing within the
25 rezoning area.

2 CARL WEISBROD: You know, Council Member,
3 it's not they're in Ocean Hill... it's not that there
4 are whole areas that are manufacturing and other
5 areas that are residential; it's all interspersed
6 today and it has been for 60 years.

7 COUNCIL MEMBER REYNOSO: So you're
8 choosing residential over manufacturing.

9 CARL WEISBROD: We're protecting the
10 homeowners who are there today and we're also
11 protecting... we're also protecting... [crosstalk]

12 COUNCIL MEMBER REYNOSO: But not
13 protecting the jobs, you're not protecting the jobs.

14 CARL WEISBROD: we're also protecting the
15 jobs that are there today and the manufacturing
16 **[inaudible]**... [crosstalk]

17 COUNCIL MEMBER REYNOSO: Real jobs
18 averaging \$54,000 a year; not retail jobs. I just
19 wanna be very mindful of that; you guys are
20 proactively doing something and you could've added
21 the manufacturing portion of it to the rezoning and
22 did the density and economic development there as
23 well to make that stronger; instead you're leaving it
24 alone again and using programs outside of a rezoning
25 [applause] purview to make **[inaudible]**, but I'm... my

2 time has been up for quite some time; just know; I
3 always think that you guys are never doing enough for
4 manufacturing.

5 CHAIRPERSON RICHARDS: We're gonna go to
6 Espinal; then to Gibson.

7 COUNCIL MEMBER ESPINAL: I just wanna
8 follow up on what Antonio was saying; you know the
9 MX... the mapped [sic] zoning is a concern of mine;
10 it's something that I look forward to talking about
11 over the next few weeks. But you know again, the
12 IBZ, which was included in the original East New York
13 Sustainability Communities Plan, talked about
14 preserving manufacturing in the area and building on
15 the manufacturing, but it was left out of the entire
16 conversation until I brought it back in and we
17 started saying how important this is to the overall
18 plan. You know what's the reason that the IBZ and
19 say Broadway Junction was left out of the entire
20 picture?

21 CARL WEISBROD: We specifically left it
22 out of the rezoning precisely for the reason that
23 Council Member Reynoso indicated; we did not want to
24 see the manufacturing resource in the IBZ undermined,
25 and in fact, as you know we have and I will defer to

1 President Maria Torres-Springer, we have in fact
2 invested in and will continue to invest in
3 rejuvenating the IBZ, but we didn't want to address
4 the rezoning in the IBZ precisely for the reasons
5 that Council Member Reynoso indicated and in addition
6 to that, and I will also let President Maria Torres-
7 Springer address, we are, through the manufacturing
8 policy of Mayor de Blasio's administration, are
9 addressing issues in IBZs more generally.

11 MARIA TORRES-SPRINGER: That's right.

12 I'm working with you, Council Member; we've been very
13 much focused on making sure that we are understanding
14 not just the current needs and challenges of
15 Industrial Business Zone, but that we're also looking
16 to the future to make sure that it becomes the type
17 of hub of industrial activity that allows for a wide
18 range of jobs that as we all know in this sector is
19 available to a wide variety of New Yorkers of
20 different educational attainment, for instance. And
21 so as part of the study, as you know there is a
22 number of primary goals; one is to really understand
23 what are the underutilized sites in order to catalyze
24 industrial growth, looking at critical infrastructure
25 throughout the IBZs, looking at how we can better

2 increase local capacity to provide more services to
3 industrial businesses and to promote and attract the
4 types of new employers again to increase the supply
5 of industrial businesses in the area. But just as
6 critical -- think about all of those activities as
7 increasing the supply of good jobs. As critical to
8 that however is to ensure the residents of East New
9 York can connect to those jobs and so it's really in
10 the partnership between SBS and EDC and local
11 community-based organizations where we can make sure
12 that as the Industrial Business Zone gets
13 strengthened and the jobs increase and these are good
14 jobs, that East New York residents have access to
15 them.

16 The other piece I would like to mention
17 is that there's the work in the specific
18 recommendations that are going to come out of the
19 study, but as important are the citywide policy
20 initiatives as part of the 10-point Industrial Action
21 Plan that are also going to strengthen and promote
22 the IBZs; in particular, the commitment to ensuring
23 that there will be no residential development in
24 IBZs; that we will limit hotels and self-storage;
25 there are also new financial incentives, so I

2 mentioned earlier a \$150 million Industrial
3 Development Fund that will be available to not-for-
4 profit developers to increase again the supply of
5 industrial space throughout the city and certainly
6 available to anyone interested in East New York, in
7 addition to a whole variety of workforce development
8 and baseline funding for industrial business service
9 providers. So really think that the totality of
10 those investments, but the concentrated focus on
11 making sure that they're deployed in a smart way in
12 the East New York IBZ that will allow us to increase
13 a supply of good jobs and East New York residents'
14 connection to them.

15 COUNCIL MEMBER ESPINAL: Yeah and let me
16 just stress on why this IBZ portion is very
17 important. You know I think the housing and the jobs
18 have to go hand in hand, you know if we're gonna
19 build all these units of housing we also have to have
20 these jobs. Let me tell you a little story. Just
21 last year I had a gentleman walk into my office
22 looking for a job and I knew that the IBZ had a bus
23 company that was looking for drivers; I sent him to
24 the IBZ; he went, got a job; he's making \$40,000 now,
25 but he's still tripling up with his family and he

1 wants his own apartment, but he can't afford an
2 apartment, so he's making \$40,000 and he's hoping
3 that he can get an affordable unit. So that just
4 shows how important the relationship is between the
5 two.
6

7 And I also wanna say that -- I guess my
8 question is the IBZ is very important to me, Broadway
9 Junction, the Borough President has stated is very
10 important to him; he would like to see some sort of
11 economic development happening there, and I know it
12 was left out of this original plan. Can the
13 administration make a commitment to me that we will
14 do some sort of follow-up action and take a detailed
15 look at these two areas on how we can rezone and
16 reshape these areas to promote jobs and to promote
17 the area?

18 CARL WEISBROD: On the IBZ, I think this
19 will -- certainly follow-up actions will await the
20 outcome of the work that the City is now doing in
21 cooperation with you, Council Member. With respect
22 to Broadway Junction, most of the land in the
23 Broadway Junction area is controlled or owned by the
24 MTA; we agree with you, we think that Broadway
25 Junction is an important and potential resource. As

2 you know, the City has committed to an extraordinary
3 and unprecedented amount of capital to the MTA and we
4 would anticipate that in light of the City's
5 commitment to the MTA that the MTA will help address
6 City priorities, Broadway Junction being very high on
7 our list.

8 COUNCIL MEMBER ESPINAL: I guess my... my
9 question again is; can the administration make a
10 commitment that we will go back and look at the IBZ
11 and see how we could rezone the IBZ and the Broadway
12 Junction area to make it more attractive to business?
13 I can say, you know the lots in the IBZ aren't big
14 enough for a certain type of business, for example,
15 we have Brooklyn Brewery, who's moving out of
16 Williamsburg, but the East New York IBZ is not an
17 option because there's no space for them there. You
18 know we have to look at how we can expand those
19 spaces and create larger spaces for businesses to
20 move into.

21 CARL WEISBROD: Well I certainly think
22 once we see the results of EDC's efforts with you in
23 the IBZ, we will certainly be prepared to sit down
24 with you and discuss that and with respect to
25 Broadway Junction, we have ongoing discussions with

2 the MTA about that; we need their cooperation; we
3 need their help and we have publicly indicated that
4 Broadway Junction is very, very high on our list of
5 priorities.

6 COUNCIL MEMBER ESPINAL: Yeah. Alright,
7 thank you.

8 CHAIRPERSON RICHARDS: Council Member
9 Gibson.

10 COUNCIL MEMBER GIBSON: Thank you very
11 much, Chair Richards, Council Member Espinal and all
12 of my colleagues who are here. Good afternoon to all
13 of you, thank you for your testimony and certainly
14 understand that we come together really trying to
15 find a balance in this plan. We hear from the voices
16 of the people in our districts each and every day;
17 those that are feeling pushed, priced out; those that
18 are facing eviction, in and out of housing court and
19 so when we talk about commitments, we wanna make sure
20 that this administration understands exactly where we
21 come from. The fact that there are 60,000 families
22 that go to sleep in a homeless shelter every night is
23 a reality that we all deal with each and every day.
24 So some of the questions that we pose, obviously, is
25 looking at the future of our city, but also making

1 sure that every opportunity we have to address those
2 most in deed, those that are at the bottom, that are
3 at the 30% AMI, are absolutely our priority.

4 So I wanted to know, with the \$1 billion
5 Neighborhood Development Fund, \$1 billion is not
6 enough. For many of us in our communities, and I
7 know we've heard from Brooklyn and Queens, so I also
8 plug in the Bronx, we have not had a lot of
9 investment over the years, so every opportunity we
10 get to maximize and capitalize on any rezoning plan
11 we need to do so -- open space, access to mass
12 transit, housing, jobs, schools; Workforce1
13 Development Centers. So East New York being the
14 first plan, what happens with the exhaustion of the
15 \$1 billion fund; are we going to look at more money
16 that we're putting in to this development fund as we
17 continue to move on beyond East New York? So East
18 New York is going to ask for a lot and they should,
19 so what happens with future rezonings and the
20 development fund?

21 CARL WEISBROD: Well thank you, Council
22 Member. I will say that the Neighborhood Development
23 Fund is just one element of our capital planning; I
24 don't have to tell any of you and we all know that up
25

1 until 40 years ago City Planning and the Office of
2 Management and Budget, under the Charter, would plan
3 the Ten-Year Capital Plan together; that was written
4 out of this Charter during the fiscal crisis; we are
5 committed and we are now working much more closely
6 with OMB so that the Ten-Year Capital Plan can really
7 be a planning document as well as a financial
8 document and consequently, planning considerations;
9 growth in the city generally, are being incorporated
10 in our overall capital planning and so the
11 Neighborhood Development Fund is certainly not the
12 only means of investing in neighborhoods or even...
13 [crosstalk]

14 COUNCIL MEMBER GIBSON: Okay.

15 CARL WEISBROD: in the neighborhoods that
16 we are considering for increased housing capacity and
17 even... in East... [crosstalk]

18 COUNCIL MEMBER GIBSON: So you're saying
19 that there's other... [crosstalk]

20 CARL WEISBROD: Yes.

21 COUNCIL MEMBER GIBSON: opportunity for
22 capital?
23

24 CARL WEISBROD: That is correct, and even
25 in East New York, as I indicated earlier, the school

2 that we are committed to building at a budgeted cost
3 of \$100 million that's already in the budget, that's
4 separate and apart from the Neighborhood Development
5 Fund. Atlantic Avenue, which work has already begun
6 by the Department of Transportation, most of that is
7 separate and apart from the Neighborhood Development
8 Fund, so it is not simply the Neighborhood
9 Development Fund that is going to be investing in our
10 neighborhoods.

11 COUNCIL MEMBER GIBSON: Okay, great. And
12 I have two more questions. The ELLA and SARA
13 programs that have been talked about that I know
14 would allow for deeper affordability, which is what
15 we truly care about and wanna make sure that it's
16 prioritized, what happens beyond the 30- to 35-year
17 regulatory agreement? So if we're talking
18 permanently affordable; what happens in instances
19 where the regulatory agreement has expired; how are
20 we to be assured that ELLA and SARA would still be
21 applicable to continue with our permanent
22 affordability to achieve that?

23 COMMISSIONER BEEN: That's what we do
24 now, we're limited to 30, 35; in some cases a little
25 big longer, by our loan authorities and other things,

2 but what we do is that we asset manage every one of
3 those homes, we have a long relationship with the
4 owner and the developer; we work with them as that 30
5 years is coming due to put them in to a new program
6 so we get another 30 years or another 40 years. So
7 that's our preservation program, as the Mayor
8 committed to preserve at least 120,000 units of
9 preservation, you know, of existing affordable homes
10 and we'll continue to do that.

11 COUNCIL MEMBER GIBSON: Okay. And my
12 last question -- sorry, Chair Richards -- is [bell]
13 there is a tremendous amount of advocacy that we are
14 getting at the Council to the extent that the
15 administration is prioritizing local hiring and
16 creating real-paying jobs; we understand and know
17 that there is a huge correlation between creating
18 affordable housing and creating good-paying jobs,
19 worker and construction safety -- there have been too
20 many workers that have been injured on a lot of our
21 construction sites -- as well as MWBE requirements
22 and local hiring, so to what extent is this
23 administration going to prioritize some of those
24 provisions that we know are extremely important if
25 we're being told that it's not applicable in a zoning

2 text amendment; how are we to assure our residents
3 that they have an opportunity to even be a part of
4 building the housing that they wanna live in, right;
5 that's the number one question we face every day?

6 COMMISSIONER BEEN: So let me just tell
7 you from HPD's perspective. So in all of our
8 incentive programs, in all of our programs, we have
9 construction quality and safety monitors who are out
10 at the job several times a week; they ensure that the
11 construction is proceeding as it's supposed to be and
12 they also ensure that the areas are safe; there have
13 been no deaths on any of the HPD sites and we will do
14 everything we can to ensure the safety of those
15 workers. So that's in terms of the construction
16 quality and safety. In terms of local hiring, we do
17 in our both low-income housing test program and can
18 in our RFPs prioritize developers who have those
19 local connections, who do local hiring, who have
20 apprenticeships and other kinds of programs. And
21 then last, but certainly not least, as you well know,
22 we have invested huge amounts of time and effort in
23 the last few years on the MWBE Fund; we now have a
24 course for MWBE and for nonprofit developers; it's in
25 its second year; it's been just a tremendous asset;

2 we have had a Request for Qualifications for MWBE
3 developers and targeted six different clusters of
4 housing sites to that prequalified list so that those
5 MWBE developers can be paired with projects that help
6 them get to the next level. So you know, a developer
7 who's been developing at 30 units can be given a
8 project at 50 units to push them to the next level.
9 So we have the most robust MWBE program that we have
10 ever had; the RFQ is the first in the nation, and the
11 designated RFQ process for helping build the capacity
12 of MWBEs is the first in the nation. There's always
13 more that we can do and always more that we will be
14 doing, but we are putting enormous effort to leveling
15 the ball field, making sure that it's completely fair
16 and to developing the capacity of the developers who
17 work and live in our neighborhoods.

18 COUNCIL MEMBER GIBSON: Okay. Thank you;
19 sorry, my time is up, but I will say that out of
20 everything you describe, I appreciate it, but I take
21 away we can do better and I think we should; we have
22 an opportunity to make sure we maximize; this city's
23 MWBE percentages are an embarrassment to the state;
24 we don't even compare to the State of New York that
25 are at almost 25-30% and we and the city are less

2 than 10% of the contracts, so can do a lot better and
3 I certainly wanna use this opportunity as a way to
4 see how we can attract more minority and women-owned
5 firms that really wanna an opportunity to compete and
6 they're not in the small group of providers and
7 developers that work with HPD now and there is so
8 much opportunity out there and they're not getting
9 their fair shake, they're not a part of the process
10 and they're in our city and they want the opportunity
11 and they're not given that right now.

12 [background comments]

13 COMMISSIONER BEEN: Happy to talk with
14 you about what more we can do, and we are always
15 looking.. [crosstalk]

16 COUNCIL MEMBER GIBSON: Absolutely.

17 COMMISSIONER BEEN: for more, but let me
18 just say that HPD's procurement, which is the direct
19 comparison to the state, that actually my MWBE
20 procurement was above 50% and we got an A rating from
21 Comptroller Stringer on our MWBE policy. So we can
22 always do more; we will always try to do more and
23 always happy to talk with you about that.

24 COUNCIL MEMBER GIBSON: Okay. Thank you...
25 [crosstalk]

2 CHAIRPERSON RICHARDS: Alright, great.

3 COUNCIL MEMBER GIBSON: thank you, Chair
4 Richards.

5 CHAIRPERSON RICHARDS: Alrighty, we're
6 gonna go to Council Member Barron.

7 COUNCIL MEMBER BARRON: Thank you,
8 Mr. Chair. I looked at the Final EIS, the Final
9 Environmental Impact Statement and I was very
10 disappointed to know that there are some adverse
11 impacts that have not been mitigated in this plan.
12 One of them is that there will not be adequate child
13 care services that will be a part of what goes into
14 this zone; another is that open space will be reduced
15 below the guidelines, which is presently 2.5 acres
16 per 1,000 residents, and according to what I read; it
17 will be 0.5 open space through this plan. The
18 shadows are an adverse impact and it will cover about
19 25 of the total resources that are designated in
20 there. There is no protection for any architectural
21 findings that might occur during the time of
22 construction that they might be preserved, and
23 there's a notice that they believe that the
24 wastewater from this project, which will generate
25 2,450,269 gallons per day; that it will be able to be

2 processed through the 26th Ward, which is further
3 down in the southern part of the district.

4 In regards to the school, your plan says
5 that it projects that there would be a need for 3,569
6 new seats and that 1,882 of them would be at the
7 elementary level and I understand that your plan is
8 for a K-8 school which would provide 682 seats for
9 K-5 and 318 seats for the IS [sic], so that's only
10 half of what the need would be. So I'd like to have
11 your response to those adverse impacts that are not
12 mitigated as stated in what I've read in the final
13 EIS.

14 CARL WEISBROD: Thank you, Council
15 Member. I'll respond to some of them and perhaps my
16 colleagues can respond to others.

17 With respect to the school, we do expect
18 there may be a slight, slight timing gap with the new
19 school that is going to be constructed expeditiously
20 and will open in 2020, but that will account for all
21 needs for at least the next 10 years and the School
22 Construction Authority has agreed to monitor the
23 situation very, very carefully if a new school is
24 needed or if other mitigation measures have to be

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undertaken they will do so and they are committed to doing so.

With respect to child care, the FEIS does show an unmitigated impact that many, many years from now, but within the period that we're studying, there would be a need for additional child care, but again, one of the advantages, one of the goals of rezoning is to provide more of both retail and community facility space, particularly on the ground level to accommodate more child care and day care offices and spots and specifically, and I will let my colleagues at HPD and SBS respond to this further, but it is, from our perspective, desirable to see in buildings that are going to be 100% affordable and where City subsidy is provided that we do have day care and other child care needs accommodated in those buildings and those developments when they're built. And I will just add that the analysis in the FEIS does not take into account UPK, which is an important component of this or private day care, which also will be provided. And then finally, the Administration for Children's Services is also going to be monitoring that situation going forward.

2 I will say with respect to water and
3 wastewater, the FEIS does indicate that it will be
4 treated and that we do [bell] have means of doing so
5 and that it does not create an unmitigated impact.
6 I'm trying to remember -- with historic resources --
7 since the FEIS publication, LPC has agreed to
8 calendar a portion of a building... have calendared a
9 portion of a building on Atlantic Avenue for
10 designation... [crosstalk]

11 COUNCIL MEMBER BARRON: I couldn't you; a
12 portion of a building where?

13 CARL WEISBROD: The dairy building on
14 Atlantic [background comments] Avenue and I think
15 that's up for designation tomorrow.

16 COMMISSIONER BEEN: Let me just add, in
17 terms of the day care situation, we love day care
18 facilities on the ground floor of our affordable
19 buildings and work very hard to get them; I will say
20 that that is one of the reasons why Zoning for
21 Quality and Affordability is so key, because those
22 spaces especially should not be crammed into 8 ft.,
23 9 ft. spaces; we need that additional space, that
24 additional 5 ft. in order to provide high-quality day
25

2 care and other community facilities on those ground
3 floors.

4 CHAIRPERSON RICHARDS: Thank you for
5 telling us we should pass ZQA... [interpose]

6 COUNCIL MEMBER BARRON: But children
7 aren't that tall... [crosstalk]

8 CHAIRPERSON RICHARDS: put their slip in
9 there... [sic]

10 [laughter] [background comments]

11 CHAIRPERSON RICHARDS: like a commercial.

12 CARL WEISBROD: We never miss an
13 opportunity.

14 CHAIRPERSON RICHARDS: Okay, we're gonna
15 go to Chair Greenfield.

16 CHAIR GREENFIELD: Thank you very much,
17 Mr. Chairman and thank you all for coming out here
18 today; it's certainly a large representation of the
19 de Blasio Administration; we've got Department of
20 Small Business Services, Economic Development
21 Corporation, Housing Preservation and Development and
22 of course City Planning well represented, so it's
23 good to see you all.

24 I really... you know I... obviously I have
25 intense interest in this as the Chair of the Land Use

1 Committee and certainly have been paying close
2 attention to everything that's been discussed here
3 today and to the questions; I just sort of wanted to
4 bring a little bit of perspective to what we're doing
5 here and I think it's important as well and certainly
6 to recognize the critical role that Council Member
7 Espinal has played. Council Member Espinal has made
8 it clear that he has some very important issues that
9 he's concerned about, specifically anti-displacement;
10 Commissioner Been, you actually spoke specifically to
11 that and I think it's fair to say that much of that
12 work was due to Council Member Espinal's insistence
13 that we start early and often as opposed to wait
14 until afterwards, and so his constituents are
15 benefiting from that right now.

17 The other thing that he set out, which
18 was very important, was deeper levels of
19 affordability. By your own numbers in the proposed
20 East New York affordability requirements, 40% will be
21 below 50% AMI; is that correct?

22 COMMISSIONER BEEN: Yes.

23 CHAIR GREENFIELD: And that's just the
24 ELLA program; that doesn't even include the public
25 sites that will actually be 45% below 50% AMI.

2 COMMISSIONER BEEN: That is correct.

3 CHAIR GREENFIELD: Have we ever reached
4 these levels of affordability before?

5 COMMISSIONER BEEN: No. No.

6 CHAIR GREENFIELD: Okay. So this is
7 really, just to put in context -- and once again, to
8 give credit to Council Member Espinal -- these are
9 historic levels of deep affordability.

10 COMMISSIONER BEEN: Yes.

11 CHAIR GREENFIELD: Okay. Let's talk
12 about the infrastructure. A 1,000-child school;
13 that's a lot of money; parks, streetscape -- do we
14 have an estimate on how many millions of dollars in
15 infrastructure are gonna be going into East New York
16 as a result of this plan?

17 CARL WEISBROD: Well let's start with the
18 school, which is \$100 million and not, as I
19 indicated, not part of the Neighborhood Development
20 Fund; I agreed to -- Chairman Richards had asked for
21 a dollar amount of what has been committed to date,
22 which we will provide, but Council Member Espinal has
23 raised a number of other concerns that we are..

24 CHAIR GREENFIELD: 'Kay.
25

2 CARL WEISBROD: considering, so I suspect
3 the final tally will be considerably more.

4 CHAIR GREENFIELD: And we certainly wanna
5 see that and obviously one of the issues that the
6 council member has been pushing and we endorse is
7 we'd love to see a tracking system; the Chair has
8 mentioned this; the council member has mentioned
9 this, the tracking system, a way to publicly track to
10 make sure that these dollars are being spent. I will
11 note that the funds for the school have already been
12 allocated; right, so that's actually in the pipeline...
13 [crosstalk]

14 CARL WEISBROD: Yes, that is budgeted.

15 CHAIR GREENFIELD: as we speak. The
16 point that I'm making is that well over \$100 million
17 in infrastructure improvements, which the council
18 member has insisted on that is coming to his
19 community, which I think is incredibly important as
20 well, and also, the revitalization of major
21 commercial strips [sic] like Atlantic Avenue; I mean
22 I for one live in a neighborhood where I'm fortunate
23 to have a lot of small businesses and retail and
24 shops; I don't see why other neighborhoods shouldn't
25 be entitled to have the same thing; why should you

2 have to travel outside of the neighborhood to do your
3 shopping and to get your local buying; not to mention
4 that the positive economic development -- I imagine
5 you can tell us, as the President of EDC, that that
6 could apply as well.

7 I wanna ask you actually about Hallets
8 Point, one of the last major Bloomberg Administration
9 deals? Yeah. Okay. And Halletts Point, do any of
10 you know -- and this was a major deal from the
11 Bloomberg Administration -- what was the percentage
12 of affordability all in on Halletts Point after that
13 deal was done?

14 COMMISSIONER BEEN: Twenty percent.

15 CHAIR GREENFIELD: Twenty percent. Wow,
16 that was it, 20%. And how long ago was Hallets
17 Point?

18 COMMISSIONER BEEN: Well Hallets Point
19 was still being shaped as the Mayor came into office,
20 but it had been shaped pretty significantly before
21 then, so... [crosstalk]

22 CHAIR GREENFIELD: It was really one of
23 the last... I would say one of the last major projects
24 of the... [crosstalk]

25 COMMISSIONER BEEN: That is correct.

2 CHAIR GREENFIELD: Bloomberg
3 Administration and that's 20%. So the point that I'm
4 making is, and so Hallets Point has 2,400 units in
5 total of which around 483 units are gonna be
6 affordable -- it's a trick question, I'm a lawyer; I
7 always know the answers before I ask the question...

8 COMMISSIONER BEEN: Okay.

9 CHAIR GREENFIELD: there's 483 units that
10 are going to be affordable and we're talking
11 literally a couple years ago and the ceiling at that
12 point was 20% affordability and here we are today,
13 we're talking 50% affordability of which 40% will be
14 50% or below AMI.

15 COMMISSIONER BEEN: That is correct.

16 CHAIR GREENFIELD: Okay. How did you get
17 to such deep levels of affordability?

18 COMMISSIONER BEEN: Well we are putting a
19 great deal... [crosstalk]

20 CHAIR GREENFIELD: And what kind of
21 financial commitment do you believe -- just to
22 clarify my question -- what kind of financial
23 commitment will this take on behalf of HPD? I
24 imagine it's not free to get to such low levels of
25 affordability.

2 COMMISSIONER BEEN: It is not free,
3 unfortunately. I mean we are putting enormous
4 amounts of subsidy, bonds, tax exemptions, loans,
5 grants; we are putting 9% tax credits -- the Pitkin
6 Berriman project that I mentioned, we actually
7 advanced 9% low-income housing tax credits to get
8 that done. So we are putting enormous subsidy into
9 reaching these levels of affordability.

10 CHAIR GREENFIELD: Do you have a
11 guesstimate on how roughly how much it's gonna cost?

12 COMMISSIONER BEEN: Uhm...

13 CHAIR GREENFIELD: Just on the HPD side.

14 COMMISSIONER BEEN: I mean just on the
15 HPD... just on direct cash, between HPD and HDC, which
16 we worked together, just in direct cash we are
17 putting upwards of \$150,000 to \$200,000 per unit into
18 these properties.

19 CHAIR GREENFIELD: Alright, I wasn't good
20 at... [crosstalk]

21 COMMISSIONER BEEN: and that's...

22 CHAIR GREENFIELD: I'm not good at math;
23 that's why I went to law school. So if you have
24 \$200,000 a unit and roughly 1,200 units; what are we
25 talking about?

2 COMMISSIONER BEEN: A boat load; how's
3 that?

4 CHAIR GREENFIELD: What's that?

5 COMMISSIONER BEEN: I said a boat load, a
6 boat load of money... [crosstalk]

7 CHAIR GREENFIELD: You see none of us are
8 good at math, which is why...

9 COMMISSIONER BEEN: Uhm yeah, so uhm I'm
10 not good at math; that's why I'm a lawyer; right...?
11 [crosstalk]

12 CHAIR GREENFIELD: Right.

13 COMMISSIONER BEEN: So uh but somebody
14 will... some of my math geniuses will calculate that.

15 CHAIR GREENFIELD: That's right.

16 COMMISSIONER BEEN: But it is an
17 enormous, enormous resource and that's just the
18 direct subsidy; in addition we use tax-exempt bonds;
19 we use tax exemptions, etc. So it's hundreds of
20 millions of dollars.

21 CARL WEISBROD: Can I just add, Council...
22 Chairman Greenfield... [crosstalk]

23 CHAIR GREENFIELD: Sure.

24 CARL WEISBROD: This is a reflection of
25 the fact that the Mayor has doubled the capital

2 budget for affordable housing from the previous 10
3 years, citywide. So we are allocating more, double
4 the amount to affordable housing than we had in the
5 previous 10 years and obviously more than we have
6 ever allocated before and that is the commitment that
7 the administration is making together with all these
8 other tools of deeper affordability, mandatory
9 inclusionary zoning, zoning for quality, increasing
10 housing capacity, the Neighborhood Development Fund,
11 which is separate and apart from the \$8.2 billion
12 that has been budgeted for affordable housing
13 subsidies alone. So it's an enormous commitment and
14 it is really placing a big bet and a major commitment
15 on protecting and expanding affording housing in New
16 York City.

17 CHAIR GREENFIELD: By my math, by the
18 way; thank you, I found \$240 million in direct
19 subsidies; doesn't include the indirect subsidies,
20 which doesn't include the \$100 million for the
21 school, another \$150 million in infrastructure; we're
22 getting close to half a billion dollars and I just
23 think it's important -- here's my point, that
24 certainly, to be fair, the job of council members
25 individually is to push the administration as far as

1 possible to get as much as we can get; we would not
2 be doing our job otherwise; however, it is also my
3 job as the Chair of the Land Use Committee to give
4 some perspective to point out that we're talking
5 about a half a billion dollars of investment; we're
6 talking about guaranteed up front 1,200 units of
7 brand new affordable housing; we're talking about the
8 lowest levels of AMIs that we've seen and to speak
9 specifically to MIH, we're proving another point,
10 which I think is important, which is that the MIH is
11 a floor; it's not a ceiling; right? So when we talk
12 about MIH, and certainly, to be fair, we're
13 negotiating with you and we're gonna get more out of
14 you from MIH and ZQA, just so that you know and the
15 record reflects that, but I want folks who are
16 watching at home to know that as we do these
17 neighborhood by neighborhood rezonings that Vanessa
18 Gibson's right; we should and we will put more money
19 in and we will advocate to put more money in for
20 infrastructure and affordable housing because that
21 has to be the priority of this city and I think what
22 we're seeing here is really a reflection of the
23 priorities of the City, but also the outstanding
24 negotiation skills of Council Member Rafael Espinal;
25

2 I can tell you that over the last year I've talked to
3 him regularly, he's met with groups, he has really
4 drawn a line in the sand and he has gotten more on
5 this proposal than any other rezoning in the history
6 of New York City and that is a fact. So happy to
7 hear the criticisms; very pleased that my colleagues
8 are pushing back, appropriately so; just want the
9 record to reflect that this is literally the best
10 rezoning deal that we've ever seen for a district in
11 the history of the City of New York. Thank you very
12 much.

13 CHAIRPERSON RICHARDS: Thank you, Chair
14 Greenfield. And yes, if you agree to everything we
15 see in MIH and ZQA, we will get there.

16 Next we will go to Council Member
17 Espinal, followed by Barron.

18 COUNCIL MEMBER ESPINAL: Thank you and
19 thank you, David for the kind words.

20 Going back to the school, the 1,000-seat
21 school, there's a lot of concern from my community
22 that the 1,000 seats aren't enough and you mentioned
23 that there will be a little bit of an issue down the
24 line; you know I asked the administration a few
25 months ago to do a study of the existing schools, you

2 know schools that have trailers, schools that need
3 capital upgrades and to help identify the needs of
4 these schools and try to identify if there is
5 opportunity to expand on these schools to create more
6 seats. Is the administration doing that study; where
7 are we with that study?

8 CARL WEISBROD: I believe, Council
9 Member, the SCA Capital Plan is looking at that;
10 we'll have to get back to you on the precise details
11 of it, but I believe they are and there is certainly
12 a commitment to get rid of the trailers not just in
13 East New York, but citywide.

14 COUNCIL MEMBER ESPINAL: Okay. Good, so
15 that study and the needs are gonna be very important
16 at the end of the day for me.

17 And also want to reiterate what the
18 Councilwoman said, Barron, is that day care centers
19 as well, the slots are a big issue and we have to
20 maximize the amount of slots in the neighborhood.
21 You know currently we are, again, in need of those
22 slots.

23 CARL WEISBROD: Yes and let me just
24 underscore; we understand that, we totally agree with
25 that and at the very least what we are doing is

1 creating the capacity by increasing community
2 facility space to accommodate day care slots as well
3 as other community facilities, and let me just add
4 one other thing, which Council Member and Chairman
5 Greenfield just touched on, which is the importance
6 generally of increasing retail opportunities in the
7 East New York area; we've heard that from the
8 community time and time again that there is
9 insufficient retail in the East New York community;
10 the increased population, together with the increased
11 capacity for retail, particularly at the ground
12 floor, is an important element of this plan; East New
13 York residents shouldn't have to go miles away to
14 shop when they should be able to shop in their own
15 neighborhood.
16

17 COUNCIL MEMBER ESPINAL: Talkin' about
18 the retail portion of the plan, again, I'm a
19 proponent of small businesses, business that pay a
20 living wage, provide benefits to their workers, you
21 know, in the rezoning plan we have C4 districts drawn
22 into the plan; why would we map C4 in East New York
23 if we're looking to minimize the amount of chain
24 stores and big box stores that come into the
25 neighborhood?

2 CARL WEISBROD: I think most of the
3 retail will be on ground floors which are really not
4 gonna be suited to big box at all, we're not creating
5 a huge shopping center here that would be able to
6 accommodate big box and again, certainly for many,
7 many years to come; most, as Commissioner Been
8 indicated earlier, most of the development in this
9 neighborhood in the early years will be requiring HPD
10 subsidy and City involvement for City-owned sites and
11 so the ability to control the type of retail will be
12 much greater than if it's just left to the private
13 market. But the configuration of the zoning and the
14 building development will not be encouraging for big
15 box.

16 COUNCIL MEMBER ESPINAL: Okay.

17 GREGG BISHOP: And I just wanted to add
18 also, from SBS standpoint, one of the things that
19 Chairman Greenfield also made a note of; in the past
20 SBS has not been at the table at the very beginning
21 and the fact that we are on the ground floor even
22 before the rezoning is happening, we are already
23 starting to do a commercial district needs assessment
24 to really understand the retail mix of the corridor.
25 As I mentioned in my testimony, we are focused on the

1 Fulton Street corridor, Atlantic Avenue corridor, the
2 Liberty-Pitkin Avenue corridor, and what we're doing
3 is really understanding the retail linkage, the built
4 environment, the area's demographics; the small
5 business conditions, which will influence and
6 actually help us with what type of retail should be
7 in those additional spaces. In addition, SBS has a
8 number of courses for entrepreneurs and I think it's
9 a wonderful opportunity if there is and we have
10 identified what type of businesses are missing; we
11 could then influence our other areas of SBS in terms
12 of helping entrepreneurs understand what businesses
13 would be the right type of business to actually
14 launch in East New York. So I think it's a great
15 opportunity for SBS to be at the table right at the
16 very beginning.

18 COUNCIL MEMBER ESPINAL: Speaking of
19 small business, you know I'm the type of person that
20 likes to see the shovel in the ground; I understand
21 planning is important and getting the data is
22 important, but at the end of the day we like to see
23 these things come into fruition. You know, I
24 understand you've been studying these corridors and I
25 know it's something that the administration committed

2 and I have to say the work is being done and you are
3 partnering with the local organizations; at the end
4 of the day, when do you expect to see these
5 recommendations implemented, you know, what kind of
6 implementations can we expect see; would it be
7 capital improvements; would it be loans for the small
8 businesses; would it be anti-displacement measures,
9 'cause we've seen great small businesses... [crosstalk]

10 GREGG BISHOP: Right.

11 COUNCIL MEMBER ESPINAL: in neighborhoods
12 like Bushwick and Williamsburg be pushed out and
13 taken over by Whole Foods and bigger pharmacies and
14 things of that nature, you know what are the actions
15 that we're gonna take and... [interpose]

16 GREGG BISHOP: Right. So we do
17 understand the pressures, not only in East New York,
18 but all across the city. Specifically to East New
19 York, we expect to have our plans completed by the
20 fall which will then dictate what type of services we
21 need to offer. We've already, as you know and as
22 mentioned in my testimony, through the early round of
23 community engagement we have identified some services
24 to actually start delivering, which we will start
25 actually tomorrow; that's the FastTrac Growth Venture

2 Program. So once we have the plan in place, then we
3 will work with our partners at HPD and EDC to really
4 fine-tune how we actually implement those plans. So
5 before I commit to a time for shovel on the ground in
6 terms of what services, we need to understand what
7 the need is, similar to what we did early on this
8 process.

9 COUNCIL MEMBER ESPINAL: I would say that
10 the number one need right now as this plan is moving
11 forward is anti-displacement; is there any legal help
12 that these businesses will receive or are receiving?

13 GREGG BISHOP: So we have already --
14 that's part of one of the issues that we have heard
15 loud and clear from businesses in the community; we
16 have businesses that currently have leases; we have
17 businesses that actually are on a month-to-month, so
18 we have expanded our legal services in the community
19 through clinics and workshops; workshops are really
20 more so to help businesses understand their current
21 rights and responsibilities and what protections they
22 have; clinics, it's more tailored to a business
23 owner's specific concern in terms of what they are
24 protected under their current lease, if they have
25 one. Certainly I am working with Council and the

2 administration in terms of an overall package for
3 small mom and pop with the commercial rent issue,
4 because we have heard, and I have heard across the
5 city that it is a concern for small business owners.

6 COUNCIL MEMBER ESPINAL: Looking at the
7 map, I see C4s generally near Pennsylvania Avenue,
8 right, near Broadway Junction; I guess my question
9 is, you know -- I'll get back to you; let me think
10 about it, but... [background comments]

11 CHAIRPERSON RICHARDS: No problem. We'll
12 go to Council Member Barron.

13 COUNCIL MEMBER BARRON: Thank you,
14 Mr. Chair.

15 In terms of the C4, there was a big push
16 by the world's largest retailer, Walmart, to come
17 into East New York to the Gateway Project; the
18 community decided that those were not the type of
19 quality jobs that they wanted to have and they
20 fought, so we did beat back a giant. So Walmart now
21 I understand is trying to downsize and have smaller
22 square footage, but still push their way back in, but
23 they still have the same history of being a bad
24 corporate partner in terms of providing for their
25 workers.

1 So we know that it's not something that
2
3 we can say we can't eliminate them from coming in,
4 but we certainly wanna make sure that there's that
5 kind of consideration is being considered that we
6 consider good players, good employers; good partners.

7 When the Gateway Mall was being
8 constructed there was a lot of dialogue that went on
9 and my predecessor, Council Member Charles Barron,
10 worked very diligently with community groups to make
11 sure that they would be able to have a designated
12 portion of Gateway Mall for mom and pop stores and
13 small businesses and there is a portion that's
14 designated as the Elton Street Corridor, which is a
15 set-aside for that, so I don't know, but that's
16 something you might wanna look at going forward, if
17 we can see how we might designate an area for that
18 and it could be supported to the training and courses
19 that you say you want to provide for businesses that
20 are interested in that.

21 In terms of, again, the adverse impacts,
22 the EIS says that there would be a displacement of
23 158 residents in 53 dwellings located on 19 of the 81
24 proposed sites and that there would be 88 businesses
25 that employ 584 people that would be displaced and

2 that represents about 13% of the... I believe that the
3 report said about 13% of that employment; how do you
4 intend to give support to those persons that will be
5 displaced and those businesses that will be
6 displaced?

7 CARL WEISBROD: Well first of all, with
8 respect to the FEIS, I think it could be; not would
9 be, we're not sure that it would be; it could be, but
10 that is one of the reasons, particularly on the
11 business side that the work that SBS is doing and the
12 potential resource in the IBZ are so important and
13 I'll ask them to respond and the retail opportunities
14 that will be opened up in East New York creates new
15 opportunities for the businesses that might be
16 displaced and their employees, but our goal is
17 certainly to increase employment opportunities and
18 business opportunities in East New York, not decrease
19 them.

20 COUNCIL MEMBER BARRON: Do you have any
21 goal as to how many jobs beyond construction will
22 come about through this project?

23 CARL WEISBROD: 3,700.

24 COUNCIL MEMBER BARRON: 3,700 jobs; post-
25 construction... [crosstalk]

2 [background comments]

3 CARL WEISBROD: It's our best estimate
4 upon completion of the overall plan over 15 years,
5 yes.

6 [background comments]

7 COUNCIL MEMBER BARRON: Okay. And I just
8 wanted to also say the other adverse impact that was
9 cited was transportation, air quality and noise. So
10 part of what we are looking at is because it's along
11 the A train, the C train and the other trains that
12 are there and those lines are already very much
13 heavily impacted and traffic and used for bringing
14 additional in, so the very attraction for this
15 program is now compounding the problem of having
16 additional traffic and it cites additional traffic,
17 both pedestrian and traffic and air quality, as you
18 can imagine, with the number of people that are being
19 brought in and cars that will be in the community,
20 the air quality will be diminished, as well as the
21 noise. So those are also findings from the EIS.

22 CARL WEISBROD: Yes, Council Member, on
23 air quality, the FEIS makes it clear that that will
24 be fully mitigated and with respect to transportation
25 and traffic impacts, [bell] both on the transit and

2 pedestrian traffic side, those also will be fully
3 mitigated and on traffic it will be partially
4 mitigated. I will point out that on traffic
5 particularly, I think we are so committed to making
6 really major transportation improvements along
7 Atlantic Avenue that has been really an unsafe
8 street, a street that's divided the community, as you
9 and Council Member Espinal know better than we do,
10 and I really do think that although there will be
11 some signal timing issues and turning issues on
12 traffic, what we're doing in terms of transportation,
13 street transportation, pedestrian safety, pedestrian
14 attractiveness and streetscape in East New York
15 really will create an environment that is far, far,
16 far better than what exists today.

17 COUNCIL MEMBER BARRON: Thank you.

18 CHAIRPERSON RICHARDS: Alrighty, we're
19 gonna move this along so we can get to the reason
20 we're here; to hear from the public, so we're gonna
21 hear from Council Member Espinal and then I have one
22 more additional question and then we're gonna get to
23 the public.

24 COUNCIL MEMBER ESPINAL: Speaking of
25 streetscapes; is DOT in the room by any chance, DOT?

2 CARL WEISBROD: I don't believe so; we...
3 we... as I said in my opening remarks, this has been a
4 collaborative effort of so many City agencies, but as
5 noted, we didn't want to bring everyone with us to
6 further burden you this morning.

7 COUNCIL MEMBER ESPINAL: Okay. So what
8 is the estimated completion date on Atlantic Avenue?

9 CARL WEISBROD: We'll get back to you on
10 a completion date.

11 COUNCIL MEMBER ESPINAL: Okay. Alright,
12 great. I mean that's something that we can look at
13 doing immediately, being... [crosstalk]

14 CARL WEISBROD: Yeah.

15 COUNCIL MEMBER ESPINAL: that the funding
16 is there and the work needs to be done... [crosstalk]

17 CARL WEISBROD: It is... It is... The work
18 has begun and design is underway right now on
19 Atlantic Avenue, so we'll get back to you on a
20 schedule and a completion date.

21 COUNCIL MEMBER ESPINAL: Okay. And also,
22 now that I'm on the mic talking to DOT, we have a lot
23 of potholes, a lot of sinkholes that are currently in
24 the rezone area and need a lot of attention --
25 Arlington Avenue, Ridgewood Avenue -- these are main

2 arteries in the neighborhood that do need attention
3 and need to be addressed as soon as possible.

4 CARL WEISBROD: Got it. We'll definitely
5 relay that to DOT.

6 COUNCIL MEMBER ESPINAL: Community
7 facilities -- one of the biggest needs in the
8 neighborhood has been a community center for at-risk
9 youth, for teenagers and you know we currently don't
10 really have one, you know we have one building on
11 Pennsylvania Avenue which is The Powell Building, but
12 the uses are very limited, it's under disrepair, the
13 community board recently moved out and they found a
14 lot of issues with the internal structure. Is there
15 a commitment from the City to improve that building
16 to make it into a community center and also look at
17 other sites on where we can have the center?

18 CARL WEISBROD: Yeah, you, Council Member
19 Espinal and the community have made very clear to us
20 the importance of a community center; we're looking
21 now at a variety of options which we hope to be able
22 to present to you very, very shortly, but we are well
23 aware that that is a big community need and we agree
24 that it's a big community need.

2 COUNCIL MEMBER ESPINAL: Okay. You know,
3 throughout this hearing we've been talking a lot
4 about East New York and I think we've been focused a
5 lot on Cypress Hills and East New York, but we
6 haven't really been focusing on Ocean Hill, which is
7 the little section on the left side of the map. Can
8 you explain in general what your overall vision is
9 for that piece? It is separated by Broadway Junction
10 and Pennsylvania Avenue, so it's not really a
11 neighborhood you can really walk to from East New
12 York and Cypress Hills.

13 CARL WEISBROD: No, but we did want, as
14 my colleague, Miss Kapur responded to Council Member
15 Reynoso earlier, this is an area today that is
16 largely, the majority of the area, is residential and
17 yet it's zoned manufacturing and we really do wanna
18 see it, first, rationalized and legalized so that the
19 people who live in Ocean Hill today can live there in
20 peace and harmony and then beyond that let me ask
21 Miss Kapur to respond further.

22 PURNIMA KAPUR: You know, as you know,
23 this part of Ocean Hill is sort of in-between
24 Bushwick, Ocean Hill; Brownsville, it's a small
25 segment that sort of is leftover manufacturing space

2 from what was happening many years ago in Broadway
3 Junction, basically. Most of that is homes today and
4 the manufacturing zoning is really more a name than
5 in fact in that area and our vision really is to see
6 that become more integrated into the rest of Ocean
7 Hill; into Bushwick and you know, given that it's
8 next to a major transit node, that you could really,
9 one, legalize the housing, not legalize, but make it
10 more conforming and then also provide opportunity for
11 a whole mix of uses that includes residential, that
12 includes community facilities, retail and some light
13 manufacturing, if there is a market for that as well.

14 COUNCIL MEMBER ESPINAL: But being the
15 fact that that is such a small portion of the rezone
16 area and I feel like there hasn't been much focus --
17 even though we have been talking about it, there
18 hasn't been as much focus as there are in other parts
19 of the area and I've been kind of flirting with the
20 idea of possibly cutting it out and revisiting it
21 after we do the East New York and Cypress Hills plan.
22 Is that something that you think that we can
23 consider, you know, what would be the pros and cons
24 of that?

2 PURNIMA KAPUR: So my understanding is
3 during the process we have engaged with the
4 communities; there was a lot of support in Board 16,
5 where that area is located, for this kind of a change
6 and need and I think what we are proposing there is
7 actually in direct response to a lot of what we heard
8 from Board 16 on its vision for that area and we
9 think what we are doing is really modest, it is
10 acknowledging what is there and allowing for
11 productive change to occur in that area moving
12 forward.

13 COUNCIL MEMBER ESPINAL: Now let's
14 continue on to zoning -- Fulton Street, right, it's a
15 commercial corridor, I like the idea of blanketing it
16 with commercial overlay, but I think there's concern
17 from the community about how high we're gonna build
18 there; we're looking at I think eight stories; right?
19 And it's also a very low-density area and the housing
20 around Fulton Street is one- and two-family homes;
21 would this propose any danger to the character of the
22 community if we go that high, 'cause I personally
23 have some concerns with that?

24 PURNIMA KAPUR: So Fulton Avenue, as you
25 note, is a very strong retail corridor, it runs

2 through the entire length of Brooklyn; it is also one
3 with an elevated train line on it. So the zoning
4 sort of is acknowledging that physical reality and
5 allowing for slightly higher height so that housing
6 can set back from that train line; our zoning would
7 require that the ground floors be non-residential,
8 provide retail, community facility spaces; it allows
9 buildings to go up to four to six stories on the
10 street line and then sets back and goes taller. So
11 we think that the proposal we have is actually really
12 responsive to the relatively low density context
13 there, takes it to medium density, requires Mandatory
14 Inclusionary Housing and requires retail.

15 COUNCIL MEMBER ESPINAL: Alright, my last
16 and final question and this is one that the local
17 group in my neighborhood has been talking a lot about
18 and it's about mapping a special purpose district and
19 there has been a lot of pushback from the
20 administration on why this wouldn't work for East New
21 York and why this probably isn't such a good idea for
22 the neighborhood, but you know, it does -- what it
23 tends to do is guarantee that as the community grows
24 there's enough facilities in place to support that

2 growth, you know, why do you believe that this
3 doesn't work in our neighborhood?

4 CARL WEISBROD: I think that in part,
5 Council Member, in large part, that's what the
6 Neighborhood Development Fund is designed to
7 guarantee and as Chairman Greenfield indicated
8 earlier, we do also have an obligation to report and
9 assure that the commitments we make are not only kept
10 but are monitored transparently over time so that we
11 can assure, all of us can assure that as the
12 community grows and as our commitments are realized
13 they are both budgeted, committed to build and that
14 is a transparent process that we're committed to.

15 COUNCIL MEMBER ESPINAL: Okay. Thank
16 you.

17 CHAIRPERSON RICHARDS: 'Kay, thank you.
18 Just a final two questions and a point. Can you go
19 through the FRESH initiative a little bit and how are
20 you looking to integrate the FRESH initiative into
21 ensuring that East New York certainly has good
22 supermarkets and also, while I have you, Madame
23 President; how much money currently is in FRESH to
24 incentivize this particular program around the
25 different areas, especially low-income areas that

2 don't have a lot of access to fresh fruit and fresh
3 food as FRESH is supposed to focus on?

4 [background comment]

5 CARL WEISBROD: Okay. So Miss Kapur will
6 respond to the zoning provision and then... [background
7 comments]

8 CHAIRPERSON RICHARDS: So you can go
9 through the strategy of how you're gonna integrate
10 FRESH...

11 [background comments]

12 MARIA TORRES-SPRINGER: So the FRESH
13 program should be thought of as both zoning and
14 incentives in order to bring about and catalyze the
15 development of grocery stores, etc. in particular in
16 neighborhoods that are underserved. And so on the
17 financial incentive side, really it's a set of both
18 real estate taxes, mortgage recording tax and sales
19 tax exemptions that we kind of put together in order
20 to catalyze that type of development; Miss Kapur will
21 talk about the zoning. But the project that we
22 talked about earlier on Pitkin and Berriman, together
23 with the Cypress Hills Local Development Corporation
24 is one example of how we are bringing this program to
25 bear in a place like East New York and so the full

2 package of those types of incentives to in this case
3 establish a several thousand square foot Fine Fare in
4 the neighborhood and to the extent that there are
5 other potential parcels in this community or others,
6 it is a program that we market heavily and we will
7 continue to do so in order to make sure that in the
8 retail mix that gets created as part of the plan,
9 that healthy food, healthy grocery stores are part of
10 that mix.

11 PURNIMA KAPUR: All I would say is that
12 the entire area that we are zoning is covered by the
13 FRESH program from a zoning perspective, so to the
14 extent there are sites, they would be followed by
15 this [sic].

16 CHAIRPERSON RICHARDS: So this will be
17 all areas that are considered food deserts, as I'm
18 sure East New York is, will be considered for this..
19 [crosstalk]

20 PURNIMA KAPUR: Right.

21 CHAIRPERSON RICHARDS: Okay. Lastly --
22 this question is more for Commissioner Been; I know
23 you have to leave, so we're gonna close out -- wanted
24 to hear a little bit more around the strategy;
25 there's a lot of homeowners, as Council Member

2 Espinal said within the district, what strategies are
3 you putting in place to really work with homeowners,
4 and I know you mentioned the Center for New York City
5 Neighborhoods; what are you putting in place to
6 ensure that we are gauging homeowners who may be
7 going through issues with their mortgages or need
8 some sort of assistance?

9 COMMISSIONER BEEN: So the idea behind
10 the program that we're trying to develop with the
11 Center for New York City Neighborhoods is to put a
12 sort of help desk type of thing right in the
13 neighborhood so that it makes it very easy; that way
14 people can be referred to legal services if they're
15 going through a foreclosure, anti-foreclosure
16 counseling, scam... you know, whatever it is, that we
17 can get them the help that they need immediately.

18 CHAIRPERSON RICHARDS: Okay, great. Well
19 I look forward to hearing a lot more about that and
20 will there be resources also attached to that,
21 outside of counseling. So I know we work with
22 Parodneck, but is there any designated funds that
23 will be available to help homeowners who perhaps are
24 going through pressures there as well?

2 COMMISSIONER BEEN: Well there are
3 already dedicated funds to helping people with
4 foreclosures; this would tap into that, similarly
5 there are programs that are directed towards deed
6 theft, etc.; so this will all tap into that as well
7 as to the legal services programs that are available
8 already.

9 CHAIRPERSON RICHARDS: And then just to
10 go back to President Maria Torres-Springer. So
11 obviously there's some talented people in East New
12 York who probably can use space to cultivate their
13 talents a little bit more; have there been any
14 thoughts of doing a business incubator there or...
15 [crosstalk]

16 MARIA TORRES-SPRINGER: So yes to the
17 first part of your question, that there is tremendous
18 talent across the board in East New York. I think
19 that the City has, whether it's SBS or EDC, has in
20 many different occasions committed resources to
21 catalyze that particular type of development; now the
22 building for which we are putting in \$1.5 million in
23 capital improvements, you know, one could think of
24 that in many ways as an industrial incubator because
25 the hope is for that 30,000 sq. ft. facility that

2 we're gonna be able to make the types of investments
3 that also allow for smaller industrial firms to
4 locate and to thrive there over time. I think the
5 same could really be thought about on the business
6 incubation side; lots of different models for doing
7 it that we've tested in different parts of the city,
8 and so would be more than interested, more than happy
9 to continue that conversation to see what
10 specifically would be the need or the opportunity in
11 East New York, whether it's... we've done incubators
12 for tech, for food, manufacturing, and a few other
13 subsectors and so that's certainly something we'd be
14 open to talking about.

15 CHAIRPERSON RICHARDS: Alright. Final
16 two points I just wanted to... just to go back to
17 Commissioner Been, I know that there is some
18 legislation within the Council on the certificate of
19 harassment, which is definitely gonna be something
20 important; I know that's Council Member Lander's
21 legislation, as we move forward with rezoning and
22 then I just wanted to echo, just going back to
23 Council Member Espinal's request for a special
24 district that before this particular rezoning passes
25 through this committee we're gonna look to hear a

2 little bit more on that particular issue. So I wanna
3 thank you all for coming out and for your
4 thoughtfulness and certainly putting together a very
5 bold rezoning, but we wanna get even bolder, you know
6 we wanna make sure that incomes and affordability is
7 really reaching the residents there; I think you
8 heard a lot about small businesses, you heard a lot
9 about the need to make sure homeowners are also taken
10 care of, streetscape, a lot about the Neighborhood
11 Stabilization Fund, which we all want money out of,
12 and we wanna thank you for your thoughtfulness in
13 this plan; we look forward to continuing to work with
14 you and I know Council Member Espinal will certainly
15 continue to negotiate the best deal for his community
16 as we move forward. So I wanna thank you all for
17 coming out. I don't know if Council Member Espinal
18 and Barron, I'm sorry, have any closing remarks
19 before you leave and you are welcome to close out,
20 but we look forward to continuing to work with you on
21 this plan.

22 COUNCIL MEMBER ESPINAL: Thank you, Chair
23 Donovan and thank you to the administration, you know
24 I think we've heard here what the main concerns are
25 and what are the questions that need to be answered,

2 so I wanna thank you for working with us and making
3 sure those questions and those asks [sic] become a
4 reality. You know we have 40 plus days or maybe less
5 than 40 days to make this happen and at the end of
6 the day you know we have to come up with something
7 that benefits the community and something that will
8 be comfortable and make sure that that works, not
9 now, but also 15 years from now. Thank you.

10 CHAIRPERSON RICHARDS: Council Member
11 Barron.

12 COUNCIL MEMBER BARRON: Thank you,
13 Mr. Chair. I wanna thank the panel for coming, for
14 sitting through quite a number of hours and for
15 sharing the information with us and we look forward
16 to coming up with a plan that reflects what it is
17 that the community says they really, really want,
18 which is more units at lower rent, along with the
19 consideration for the jobs, along with the community
20 center, which I'm so glad my colleague mentioned,
21 'cause it didn't come up and I need to make sure that
22 people understand a community facility is not the
23 same as a community center, so those are just some of
24 the things that we are very much interested in and we
25 look forward to coming up with a plan that reflects

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all of what we know is best for our community and we certainly wanna at least double or triple what the previous administration did. Thank you.

CARL WEISBROD: Thank you and let me just say, Mr. Chairman and Council Members and particularly Council Members Espinal and Barron, I think you all recognize that this is quite a departure from the past ways we've been approaching neighborhood planning and I really also wanna take this moment to just acknowledge the work of our Brooklyn office, particularly Winston Von Engel and Koren Manning, who has been not only coordinating the slides today, but coordinating life in general in East New York for us. But also, it took a coordinating process with you and we think we've got an approach that is very different, very committed to East New York, very committed to other neighborhoods as well; we recognize that you have pushed us to go further; you are continuing to push us and I am sure we look forward to working with you in the days to come to get the absolute best result for East New York all of us want. So thank you very much.

[background comments]

2 CHAIRPERSON RICHARDS: Thank you all.
3 Thank you for coming.

4 Alright, we're gonna call our first
5 panel, which is an opposition panel. We're gonna
6 call Loretta Fine [sp?] from New York Communities for
7 Change; Barney [sic] Smith, Local 79; Ryan Jacobs
8 [sic], New York Communities for Change; Ismene
9 Speliotis, Mutual Housing of New York -- Ismene, of
10 Mutual Housing of New York -- I've never said her
11 last name; Maritza Silva-Farrell from RAFA, Real
12 Affordability for All.

13 So Maritza Silva-Farrell, Real
14 Affordability for All; Ismene, Mutual Housing of New
15 York; Ryan Jacobs, New York Communities for Change;
16 Barney Smith, Local 79; Loretta Fine, New York
17 Communities for Change.

18 [pause]

19 CHAIRPERSON RICHARDS: Alrighty, you may
20 begin, Ismene.

21 [background comments]

22 And please, before you speak, please
23 introduce yourself for the record and the
24 organizations you're representing as we go down the
25 line. Thank you.

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ISMENE SPELIOTIS: Thank you, Councilman and Council Members for having the hearing. Good afternoon. My name Ismene Speliotis and MHANY Management, Inc., thank you for the opportunity to testify.

As the Executive Director of MHANY Management, I oversee the development and management of a unique scattered site portfolio of rental housing that is primarily affordable to individuals and families with incomes at or below 40% of the New York City area median income.

MHANY's work spans several neighborhoods; we own property in Crown Heights, Brownsville, East New York, Bushwick neighborhoods of Brooklyn, Mott Haven, Hunts Point in the South Bronx, East Harlem, Corona, and Jamaica, Queens.

After careful analysis, we at MHANY are very concerned that the proposed plan will not generate enough truly affordable housing and will not employment opportunities for very low-income and working residents of the local and surrounding neighborhood; therefore, we are in opposition to the plan as it is currently presented.

1 In a city with one of the highest rates
2 of income inequality in the nation, we cannot let the
3 administration move forward on a plan that does
4 practically nothing to protect residents who are
5 deeply rooted in East New York, Cypress Hills and
6 Ocean Hill. As new housing is targeted at income
7 levels almost 50% higher than the neighborhood median
8 income, as well as leaving out over one million New
9 Yorkers throughout the city, rents will rise in these
10 neighborhoods and put all lower-income families at
11 risk. In addition, in Cypress Hills/East New York
12 over 50% of the residents live in unregulated
13 housing, meaning they have no protection from
14 landlords who can significantly increase rents or
15 choose not to renew leases. As the housing market
16 "improves" they can charge higher rents to a
17 completely different population.

18 The City's plan should aim first to
19 comprehensively address endemic poverty and
20 joblessness so that all New Yorkers can realize the
21 economic promise of Mayor de Blasio's commitment to
22 equitable and livable development. Indeed, if the
23 rezoning efforts do not prioritize low-income
24 families in East New York, it could further
25

2 exacerbate the housing shortage and homelessness
3 crisis and cause widespread disruption to the
4 neighborhood's cultural heritage and identity.

5 If local hiring and our state-approved
6 apprenticeship programs are not included in the plan,
7 low-income residents will miss out on the new jobs
8 created by the development and another generation
9 already plagued by failing schools and unemployment
10 would be lost.

11 Community- and faith-based organizations
12 from across the city have united under the banner of
13 Real Affordability for All to make sure that the
14 interests of wealthy developers do not co-op the
15 Mayor's new housing strategy.

16 PROPA [sic] and MHANY are urging the City
17 Council to consider the rezoning plan for East New
18 York will set a course through the neighborhood that
19 after all the initial investments and new
20 construction for which developers will take the
21 initial lucrative subsidy offered, \$200,000 per unit,
22 as was mentioned earlier, will for the most part
23 become unstoppable. As the housing market will
24 inevitably improve with the proposed rezoning,
25 developers will begin to realize ever-increasing

2 profits and the domino effect that we have seen in
3 other parts of the city will [bell] push current
4 residents out of their home.

5 Currently, neither the most affordable
6 subsidy plan that the City offers nor the Mayor's
7 proposed Mandatory Inclusionary Housing plan will
8 create nearly enough units or at the affordable
9 living levels. The East New York median income is at
10 50% but the area median income in East New York is
11 around 45 and below.

12 Our recommendation is that scarcity
13 resources and controls as in the rezonings be
14 targeted to the most and the more needy; if
15 implemented, it could result in less overall
16 apartments being built and it may impact the \$200,000
17 plan that we're all striving towards, but we should
18 consider that it actually will create more affordable
19 units to the more needy and the lowest-income
20 population if we build it correctly. Thank you.

21 CHAIRPERSON RICHARDS: Thank you.

22 [applause, background comment]

23 RYAN JACOB: Good afternoon. My name is
24 Ryan Jacob and I'm a member of the Community for
25 Change and the Real Affordability for All Coalition.

1 My family and I have been living in East
2 New York for roughly 21 years; I've been living in
3 East New York; my mom's been living longer than that.
4 I make about \$25,000 a year driving a cab and right
5 now I live with my wife and two kids in a one-bedroom
6 apartment -- my kids are 2 and 3 -- that we can
7 afford and with this plan I would not be able to
8 afford living in East New York and I don't wanna move
9 from East New York. The reason why I don't wanna
10 move from East New York is because in the 90s we not
11 only lived in East New York; we survived in East New
12 York; we lived at a time when you had to sit away
13 from your window because you don't know if a bullet
14 will come through that window and hit you. We live
15 in East New York at the time when you say to someone
16 when they ask you where you are you from and you say,
17 I'm from East New York was as if you were saying you
18 are from Baghdad; the stigma of living in East New
19 York was that great and thanks to the effort of our
20 great police department, thanks to the effort of
21 people who like myself who had pizza parties to
22 encourage our young people not to get involved in
23 gangs, someone like myself who ensured that every
24 young person in my family who were thinking about
25

1 joining a gang or who found themselves in a gang that
2 I did everything in my effort to get them out of a
3 gang and through prayer; whatever means, we did to
4 ensure that East New York will change and now that
5 East New York has turned the corner, we should be the
6 people, whatever plan happens, that has the best of
7 these plans and should not be forced to move.
8

9 When I first heard about the Mayor's plan
10 to bring affordable housing, which was a campaign
11 promise that he made, I was happy and hopeful that
12 finally I will be able to get a two-bedroom apartment
13 for my family, but when I looked at the numbers that
14 out of the 6,300 apartments [bell] guaranteed for
15 affordable, for people makin' 40 of the AMI or less,
16 only 324 apartments would be available for people
17 makin', you know, below that income. Gentrification
18 is already moving to East New York; how is my family
19 going to be able to stay if we can't afford the
20 price? This plan, in my opinion, helps greedy
21 landlords that will kick us out and therefore I'm
22 asking the Council to vote no to this rezoning plan
23 for East New York. Thank you.

24 MARITZA SILVA-FARRELL: Good afternoon
25 members of the Council and good afternoon, Chair of

2 the Committee, thank you for allowing.. Uh can you
3 hear me...? [crosstalk]

4 CHAIRPERSON RICHARDS: I know you're
5 louder than that. Alright, move it closer.

6 MARITZA SILVA-FARRELL: Is that better?
7 Okay..

8 CHAIRPERSON RICHARDS: There you go.

9 MARITZA SILVA-FARRELL: Great. Thank you
10 for allowing me to testify today. My name is Maritza
11 Silva-Farrell; I am the Coordinator of the Real
12 Affordability for All Coalition. Our coalition is a
13 coalition of labor, faith, community, and tenants
14 from across the city fighting to ensure that we
15 actually have affordable housing and also good jobs
16 for our neighborhoods.

17 We share the goal with the Mayor of
18 creating and preserving affordable housing throughout
19 New York City, especially in neighborhoods that the
20 administration intends to rezone; unfortunately, the
21 Mayor's current plan in East New York will leave
22 behind many of the same low-income New Yorkers who
23 were left behind by the previous administration.

24 The Mayor's plans include no standards or
25 criteria for job quality or local and it doesn't

1 achieve the real affordability levels for the current
2 residents of East New York. In East New York the
3 average median income for a family of three is around
4 \$35,000. The Mayor's plan is to build 1,200
5 affordable units in the first two years and only 324
6 of those units will be for people making \$35,000 a
7 year; that is not enough. This means that very
8 little will be done to address the affordable housing
9 needs of the vast majority of the East New York
10 population. In total we are creating in East New
11 York alone 6,400 units of housing as a result of the
12 rezoning; that means after the initial 1,200 units
13 there will be around 5,200 additional units of
14 housing built in taller buildings in East New York.
15 The administration has pledged to set aside subsidies
16 for these units; by the time construction will start,
17 the neighborhood will already be rezoned and the pace
18 of changing an already **[inaudible]** market will be
19 accelerated. There is no guarantee that developers
20 will actually take these subsidies going forward.

22 Fifty-five [sic] percent of housing in
23 East New York is unregulated, which means even with
24 legal support all of these tenants are at huge risk
25 of displacement.

2 The lack of attention to job quality is
3 even more disconcerting when you consider the recent
4 evidence showing that even \$15 [sic] per hour isn't
5 enough to make low-income neighborhoods affordable.
6 Low-wage workers and their families living in
7 neighborhoods that will be rezoned will not be helped
8 by the current plan, they will be left behind.

9 This rezoning is bringing increased
10 density along key corridors in East New York; that's
11 what we are talking about today, increasing the
12 density of neighborhoods. When the City gives away
13 density [bell] like it's considering right now, it
14 needs to be more effective so we can create and
15 preserve real affordable communities. The City sees
16 increasing density as a primary tool in creating
17 affordable housing, so then the question is; why are
18 we getting so little in return?

19 And just to wrap up, our message here is
20 simple -- either build it right or don't build it at
21 all; we can't continue to give in to the wealthy real
22 estate interest in the city who only care about their
23 bottom line; we must use our zoning power to prevent
24 gentrification and to create good jobs for local
25 residents. The Mayor's plan fails on all those

2 counts and we're at risk of losing one of the last
3 remaining working-class neighborhoods in Brooklyn.
4 Thank you.

5 BARRY SMITH: Good afternoon Chair,
6 Council people. My name's Barry Smith; I'm a
7 Business Agent for Local 79; I'm also the President
8 of 100 Black Construction Workers.

9 I was born and raised in Brownsville; I
10 was there when no one would look in Brownsville, when
11 it was drug-infested, when it was violent and
12 basically no one was ever lookin' at East New York
13 and Brownsville to develop at all, so we know that
14 change is inevitable, but we wanna make sure that the
15 changes **[inaudible]** for the people that live here
16 first, the survivors, the ones that made it through
17 all that came through; we wanna make sure, number
18 one, that we do have affordable housing, but in order
19 to have affordable housing you have to first have
20 good jobs; we don't mean non-union jobs where people
21 are workin' on an unsafe environment and they're
22 dyin'; we mean certified, state apprenticeship
23 programs, local hiring, things that will bring our
24 people up. We're tired of having generations that
25 visit Attica, Clinton and Comstock; we wanna start

2 makin' generations that visit Paris, Switzerland and
3 become homeowners, so good jobs is **[inaudible]** that
4 we're advocating out here, unionized constructions
5 jobs. Thank you.

6 CHAIRPERSON RICHARDS: Thank you. And
7 I'm gonna go to Council Member Espinal for a
8 statement.

9 COUNCIL MEMBER ESPINAL: No, I just wanna
10 thank you for all your advocacy you've been doing for
11 the most neediest of people of my district; you know,
12 you've been heard loud and clear and you know, I've
13 been working to push, to get as much as we can out of
14 this plan. I just take issue with just one comment
15 you made, or the slogan part is, the don't build at
16 all part, you know and I'm concerned about that part
17 because -- I understand we have to build it right, of
18 course, but the don't build at all part, I'm
19 concerned because I've seen neighborhoods that have
20 no construction done to them, like Bushwick for
21 example, and every day people are being pushed out of
22 the homes 'cause most of the homes there are row
23 houses, one or two families, the homeowners have
24 their discretion to raise their rents and the
25 neighborhood is completely different, right and I

2 think the EIS report shows that the same thing can
3 happen in East New York. So If we don't build
4 affordable housing and gentrification comes and takes
5 over East New York, then where do our people go? I
6 guess just wanna hear your thoughts on that.

7 MARITZA SILVA-FARRELL: What I can tell
8 you is that do... I mean **[inaudible]** talk about is
9 'cause MHANY has built actually in East New York.
10 The reality is that we hear... in the morning we hear
11 comments about Williamsburg, right, like Bushwick
12 even, a neighborhood right now folks are being
13 displaced because there is no affordable housing as
14 it is, but with the current plan right now, we heard
15 that there is land stipulation; people are sitting on
16 land; the neighborhoods are gonna be changing anyway,
17 developers, that's like a fear tactic, developers say
18 we're not gonna build it, we need this plan, we need
19 to coordinate, we need to take some subsidies and
20 we've heard this story for years and years, that was
21 sort of like the narrative with the previous
22 administration. So now they, what we have to do is
23 protect the neighborhoods and ensure that if density
24 is provided and is going to be part of this plan, at
25 least we get more in return and that's what we're

2 asking for. And we understand also that we need a
3 Mandatory Inclusionary Housing plan, right, but let's
4 just do it right, let's coordinate it to make sure
5 that it actually fits the needs of the communities,
6 not just have like some sort of like a plan that is
7 standardized as a one-size-fits-all.

8 COUNCIL MEMBER ESPINAL: And I just wanna
9 say to the gentleman that spoke about East New York.
10 You know we share the same stories; I grew up in the
11 neighborhood, I know what it was like in the 90s and
12 the 80s and it's my job to make sure we get the best
13 plan for our community.

14 CHAIRPERSON RICHARDS: Council Member
15 Barron.

16 COUNCIL MEMBER BARRON: Yes, thank you,
17 Mr. Chair. I wanna thank this panel for coming and
18 for giving your testimony and I wanna comment you
19 that you have been consistent over at least a two-
20 year period of keeping this issue before the
21 community, before the grassroots people and getting
22 them to understand that yes, they have the power to
23 make sure that what comes in their community reflects
24 what's in the best interest of the community. So I

2 wanna thank you again for your coming and your
3 testimony.

4 CHAIRPERSON RICHARDS: And I wanna thank
5 you all for not just on your leadership here, but
6 obviously on other issues around the city and just
7 wanna be clear that this committee, that Council
8 Members have certainly heard and you know, we
9 represent the communities too, we have our ear to the
10 ground, so we're gonna drive the best bargain and
11 deal that we can for our local communities. But the
12 option of no is definitely not an option; the option
13 of making sure that we get what we need for our local
14 communities is gonna be the option that we go with.
15 So I wanna thank you all for testifying today. If
16 you have any last statement.

17 ISMENE SPELIOTIS: Thank you, Councilman.
18 We embrace density, we've actually embraced density
19 from the beginning, so we don't want to be here to
20 say don't build, but the problem really is that at
21 the end of the day, if you don't stay strong, and
22 we're here just... and we know you've been great and
23 we're just here to support you; if we don't kind of
24 get it right, I mean it's historically proven that
25 the neighborhoods, after the initial City investment,

2 okay, take off and then it becomes much, much harder
3 to kind of -- you know, once that door is open, to
4 close it again and so this kind of getting it right
5 is so imperative, given that there seems to be a
6 complete mismatch between the affordability levels
7 and the need; not just in the neighborhood of East
8 New York, but throughout the city at our lowest and
9 moderate income, the workers that are supporting the
10 city, getting paid minimum wage, even at \$15 an hour,
11 none of the people will get more than the 3% of the
12 units in East New York that are mentioned at less
13 than \$35,000. So we don't wanna sit here and tell
14 you not to build, we don't think that's an answer for
15 the city, but getting it wrong, the repercussions are
16 so, so huge and so we're really here to advocate for
17 getting it right. Thank you.

18 CHAIRPERSON RICHARDS: Thank you. Chair
19 Greenfield.

20 CHAIR GREENFIELD: Thank you very much.
21 Ryan was it?

22 RYAN JACOB: Yes.

23 CHAIR GREENFIELD: Yes. How are you,
24 sir?

25 RYAN JACOB: I'm good [sic].

2 CHAIR GREENFIELD: I wanna thank you so
3 much for coming out here and testifying as a
4 community resident, certainly hear about your
5 concerns. If you don't mind my asking; how much do
6 you currently pay in rent?

7 RYAN JACOB: I currently pay roughly \$700
8 for the one-bedroom.

9 CHAIR GREENFIELD: \$700 for one-bedroom.

10 RYAN JACOB: Yes.

11 CHAIR GREENFIELD: Okay. And so your...
12 just to clarify your concern, just wanna zone in on
13 that because you're from the community, you came, you
14 took the time today, so I wanna make sure we hear
15 your concern. Your concern is that not enough of the
16 affordable units you would qualify for; is that what
17 your concern is?

18 RYAN JACOB: Yes and not only myself, but
19 others.

20 CHAIR GREENFIELD: I'm sorry?

21 RYAN JACOB: Not only myself, but others
22 in my community.

23 CHAIR GREENFIELD: Okay. So it's a
24 general -- I mean by my count, you would qualify for
25 roughly 25% of the affordable units that are gonna be

2 built, but you're concerned... it's a fair concern; I
3 just wanna hear you out, I just wanna make sure...
4 [crosstalk]

5 RYAN JACOB: Yeah.

6 CHAIR GREENFIELD: we've got on record.
7 So you'd like to see more of that; is that what
8 you're saying essentially?

9 RYAN JACOB: Yes, I would like to see
10 more -- 25% I know sounds like a lot, but that's 25%;
11 why can't it be 50%?

12 CHAIR GREENFIELD: Okay. No, certainly...
13 I certainly hear that; I would note that the good
14 news is you would have a preference; the local --
15 just so you know, the local community members
16 actually have a preference for half of the units in
17 the district, so that's something just worth noting,
18 but I appreciate you coming out here and I thank you
19 for your testimony.

20 RYAN JACOB: Okay.

21 CHAIR GREENFIELD: Thank you.

22 CHAIRPERSON RICHARDS: Thank you for
23 testifying today. Thank you; we're gonna call our
24 next panel.

2 Dr. Jakeer Kabir [sp?]; Meredith
3 Marshall, BRP Development; Martin Dunn, Dunn
4 Development; Rick Russo, Brooklyn Chamber of
5 Commerce, and Danixa Carr.

6 So go through this again. Rick Russo,
7 Brooklyn Chamber of Commerce; Martin Dunn, Dunn
8 Development; Meredith Marhsall, BRP Development,
9 Dr. Jongere [sp?] Kabir [sp?], Jongere Kabir and
10 Danixa Carr or Danita Karr, Danixa Carr.

11 [background comments]

12 Alright. They're on their way upstairs?
13 Okay. [background comments] Can you just state your
14 name for the record, so we...

15 RICK RUSSO: Rick Russo.

16 CHAIRPERSON RICHARDS: Russo. Alrighty,
17 we'll go to way upstairs as we speak or... [background
18 comments] okay, they're 20... okay, so we'll continue
19 to call again. Mayfield Goddard. Mayfield Goddard.
20 [background comments] Are you here, Mayfield
21 Goddard? Alrighty. Shamona Kirkland. Shamona
22 Kirkland. Shamona Kirkland. Jimmy... I don't know
23 what the last name is... Jimmy Love... 57 Street, that's
24 all I see. Jimmy, 57 Street; looks like Love. David
25 Bryan, representing Brooklyn A, David Bryan. Yvette

2 Cumberbatch, SEIU 32BJ. Alrighty, she's here.
3 Michael Wadman, Phipps Houses. Michael Wadman,
4 Phipps Houses. [background comments] Claire Hilger,
5 Catholic Charities, Brooklyn and Queens. Claire
6 Hilger. [background comments]

7 You may state your name for the record
8 and you may begin.

9 [background comments]

10 CHAIRPERSON RICHARDS: Your name and
11 organization.

12 YVETTE CUMBERBATCH: Good afternoon
13 everyone. My name is Yvette Cumberbatch and I'm with
14 32BJ.

15 I'm just here to testify; I'm a security
16 officer and I have lived in East New York for 16
17 years. I am 32BJ member and I'm raising four
18 grandkids in East New York. I'm here on behalf of my
19 union, 32BJ; we represent 3,000 building service
20 workers who live in East New York and more than 500
21 who work there.

22 Right now East New York is in crisis and
23 this rezoning has a chance to turn that around by
24 building houses that are affordable to working people
25 like me. My community also needs a plan that sees

2 good jobs and affordable housing as two sides of the
3 same coin. The new residential buildings from the
4 rezoning will create more supers, porters and
5 handyman jobs. As a security officer, I know the
6 difference it makes when there are prevailing wage
7 jobs and when there are not; when it's a union job
8 and when it's not. I know my community needs jobs,
9 but I know that we need good jobs even more, so I
10 want a plan for my community that creates high-
11 quality building service jobs. While I urge the
12 Mayor and the City Council to do all that's in their
13 power to ensure that rezoning results in good jobs, I
14 am also calling on developers and property owners in
15 East New York to commit to creating the kind of jobs
16 that will allow working people to support a family in
17 New York.

18 Property owners are going to benefit
19 greatly from the rezoning, developers like Bluestone
20 Group and Phipps Houses are already seeing this and
21 purchasing land in the rezone area. Now, before the
22 rezoning moves forward, my community needs
23 commitments that these developers and property owners
24 in East New York are going to develop with residents

2 like me in mind and provide much-needed affordable
3 housing and good jobs. Thank you.

4 CHAIRPERSON RICHARDS: Thank you.

5 RICK RUSSO: Thank you Mr. Chairman;
6 Council Members. I'm Rick Russo, Senior Vice
7 President and Chief Operating Officer at the Brooklyn
8 Chamber of Commerce and I'm delivering testimony on
9 behalf of Carlo Scissura, President and CEO of the
10 Brooklyn Chamber of Commerce.

11 The Brooklyn Chamber is a membership-
12 based business assistance organization which
13 represents the interests of over 2,200 member
14 businesses as well as well as other businesses across
15 Brooklyn through our promotion, support and advocacy
16 work.

17 The Chamber stands in strong support of
18 any efforts to revitalize East New York. As such, we
19 support Mayor de Blasio's and the New York City
20 Department of City Planning's proposal for the
21 rezoning of East New York as proposed within the East
22 New York Community Plan. It will sustain existing
23 affordable housing, develop new affordable housing,
24 connect residents to employment opportunities and
25

1
2 revitalize commercial corridors by requiring active
3 ground floor uses.

4 We believe the specific actions outlined
5 the community plan will further strive to advance
6 East New York, making it an attractive and safer
7 place for existing residents; the changes will
8 enhance transit infrastructure and facilitate the
9 revitalization of retail, while promoting new uses on
10 the Atlantic Avenue, Pitkin Avenue, Fulton Street,
11 and Liberty Avenue commercial corridors. There is
12 significant retail vacancy on Pitkin Avenue, for
13 example, that could be filled by new businesses to
14 serve existing and new residents.

15 The commercial spaces will improve the
16 lives of area residents by bringing retail closer to
17 their community, unlike today, where many have to
18 take buses or taxis to Gateway Center Mall. The lack
19 of retail options was something that the community
20 residents in both East New York and Ocean Hill often
21 cited as a wish for their community. Retail
22 businesses are currently struggling from a lack of
23 customers and density and any new residents would add
24 to that customer base. The requirement for active
25 ground floor uses along the retail corridors will

2 increase the supply of essential retail space to the
3 area.

4 The resulting land use recommendations of
5 the rezoning are expected to generate more than 3,000
6 new affordable housing units, 3,700 new jobs and more
7 than 800,000 sq. ft. of commercial space, which will
8 directly benefit East New York residents.

9 As the voice of small business and job
10 creation in Brooklyn, we welcome the efforts to
11 provide workforce training and support small
12 businesses through this plan, such as the opening of
13 the Workforce1 Satellite Center to connect residents
14 with jobs and the launch of the East New York
15 FastTrac Growth Venture course to provide training to
16 business owners.

17 We believe the rezoning is critical to
18 the long-term sustainability of East New York and
19 thank you for the opportunity to speak this
20 afternoon.

21 CHAIRPERSON RICHARDS: Thank you both for
22 your testimony.

23 COUNCIL MEMBER ESPINAL: This is a
24 question for the Brooklyn Chamber. You talk about
25 the retail portion of the plan; are you familiar with

2 the membership of the Chamber, what the numbers are
3 **[inaudible]**... [crosstalk]

4 RICK RUSSO: Yeah.

5 COUNCIL MEMBER ESPINAL: Do you know
6 which neighborhood in the Borough has the least
7 amount of people registered as part of the Chamber?

8 RICK RUSSO: The least amount -- I
9 believe it's the Brownsville area.

10 COUNCIL MEMBER ESPINAL: Yeah, it's a
11 truck question; it's actually Brownsville and East
12 New York

13 RICK RUSSO: Right.

14 COUNCIL MEMBER ESPINAL: And I know the
15 Chamber provides a lot of resources and things of
16 that nature; are you currently doing outreach in
17 these neighborhoods to get these businesses online?

18 RICK RUSSO: We are, we have Chamber on
19 the Go, which is our mobile van, which brings
20 business services to the retail strips; in fact, we
21 just held a terrific event at a wonderful restaurant
22 called Fusion and we had about 150 business owners
23 and area residents attend and it was quite a
24 wonderful evening; that was about three weeks ago,
25 and we're committed to doing more. We're looking

2 forward to assisting with retail attraction
3 throughout commercial revitalization work and
4 providing all the various technical assistances that
5 the Chamber can bring to bear.

6 COUNCIL MEMBER ESPINAL: And from what
7 you've seen, would you say that small business in
8 those neighborhoods need as much resources as the
9 City can provide?

10 RICK RUSSO: Absolutely. And the Chamber
11 operates the Business Solutions Center in concert
12 with SBS, so even there we can help a business launch
13 with financing, procurement opportunities and
14 everything that a business owner may need to be
15 successful, so we're looking forward to doing that.

16 COUNCIL MEMBER ESPINAL: Okay. Alright,
17 thank you and thank you 32BJ, thank you for
18 testifying; appreciate it.

19 [background comment]

20 RICK RUSSO: Thank you.

21 CHAIRPERSON RICHARDS: Oh wait, hold on;
22 Council Member Barron had just one statement she
23 wanted...

24

25

2 COUNCIL MEMBER BARRON: Yes, I just wanna
3 say that you did mention Fusion East; I was a little
4 -- not focused, but you mentioned Fusion East?

5 RICK RUSSO: Yes.

6 COUNCIL MEMBER BARRON: Yes, that's a
7 part of that corridor that I mentioned earlier where
8 we wanted to make sure there was a designated area or
9 portion where smaller mom and pop businesses --
10 businesses just getting started would be able to have
11 some presence in a larger scale. Thank you.

12 RICK RUSSO: Thank you.

13 [background comments]

14 COUNCIL MEMBER ESPINAL: I would like to
15 call up the next panel; we have Rev. Edward Mason;
16 Enrique Cologne from CASA; Father Ed Mason --
17 [background comments] uh same one -- Roy Frias from
18 the neighborhood, Sheridan Avenue, East New York in
19 the house; the famous Brother Paul Muhammad, one of
20 the sharpest dressers in East New York; Zulmilena
21 Then, Preserving East New York; Rene Arlain, also
22 from the neighborhood, Arlington Avenue, which needs
23 to be repaved.

24 [pause]

25 [background comment]

1 So anyone can speak in any order, just
2
3 introduce yourself, say your name for the record and
4 then you can proceed with your testimony and after
5 the person's done speaking, the next person can take
6 over.

7 ENRIQUE COLOGNE: Good afternoon. Hello
8 everyone. My name is Enrique Cologne and I'm the
9 Outreach Coordinator for CASA, Community Action for
10 Safe Apartments, which is the housing organizing
11 initiative for New Settlement Apartments located in
12 the Southwest Bronx.

13 I am a member also of the Bronx Coalition
14 for Community Vision that's working around the Jerome
15 Avenue rezoning and we're also part of the citywide
16 RAFA Coalition, Real Affordability for All.

17 I have lived my entire life in the
18 neighborhood being rezoned in the Bronx near Jerome
19 Avenue; I am here representing our coalition in the
20 Bronx to let you know that we are watching; we are
21 concerned; if housing is built but isn't for the
22 people in the neighborhoods who need it the most,
23 then who is this housing being built for?

24 If getting some housing leads to the
25 displacement of thousands of black, brown and

2 immigrant residents of our city, then in whose
3 interest are we doing this for? Your decisions about
4 how to move forward in East New York will send a
5 message not just to the residents here, but to
6 thousands of us in the Bronx about who we care about
7 as a city and whose lives we value the most.

8 The average income of families in East
9 New York is \$33,000 a year; how does this plan ensure
10 enough housing for them; how does it prevent
11 displacement; how does it paint a path towards union
12 jobs and local hire; how does it reflect the needs
13 and priorities that community members have outlined
14 for you in their own community plan?

15 We are concerned that our brothers and
16 sisters in East New York are not happy with this
17 plan; if they are unhappy, that means that they are
18 not being respected. What you decide to do has
19 implications that will set the state for the rest of
20 the city. We hope that when we meet again in these
21 City Hall chambers we will know that you took us
22 seriously and respect the gravity of our work to
23 create a more just city. Thank you for your time.

24 [background comments]

25

1 RENE ARLAIN: Good morning Council
2
3 Members. My name is Rene Arlain; I work with the
4 Cypress Hills Local Development Corporation, Housing
5 Counseling Director, and been living in Cypress
6 Hills, East New York since about 2002 and just want
7 to mention a couple of quick things that I feel I
8 need to kind of address, which was that Council
9 Member Greenfield kind of emphasized in a peculiar
10 way how affordable the Mayor's rezone plan is and
11 will be and historically affordable and so on and in
12 spite of this historic affordability, there is still
13 tremendous need for even deeper and deeper
14 affordability in terms of housing costs for the
15 residents of Cypress Hills.

16 To begin with my testimony, I just wanna
17 mention the importance of anti-displacement
18 strategies for tenants and owners in small homes is
19 incalculable; I urge that you vote no the Mayor's
20 East New York rezone plan through the Department of
21 City Planning; I should say, though the Department of
22 City Planning has recently voted in favor of the plan
23 and as such rejected the community's coalition
24 alternate plan. Unless there's strong anti-
25 displacement policies, programs and resources in

1 place, as outlined in the community's alternate plan,
2 East New York and Cypress Hills' residents will
3 probably face unfavorable changes and challenges that
4 are part and parcel of gentrifying and gentrified
5 communities in Brooklyn and the other boroughs.
6

7 Given that the Mayor's affordable plan
8 proposes to develop and preserve affordable housing,
9 I urge that resources be targeted to distressed
10 owners, owners facing foreclosure lawsuits, renters,
11 and first-time homebuyers.

12 Based on propertyshop.com online real
13 estate database, each week there are about 20 owners
14 in Community Board 5 named on list pendings [sic],
15 foreclosure filings; not only are investors,
16 speculators and scammers vying for cheap
17 acquisitions, some are unscrupulous and resort to
18 deed theft, property flipping, load modification
19 scams; even manipulating unwitting owners engaged in
20 short sale transactions.

21 I estimate that far more cases of illegal
22 and/or unethical real estate practices go unreported
23 compared to the cases that are reported or that reach
24 nowhere because complainants cannot afford the legal
25 representations these cases would require.

1
2 There are many vulnerable owners with
3 performing and nonperforming mortgage accounts being
4 pursued by speculators with articles [sic] of all-
5 cash transactions, as you've heard; daily these
6 owners have to contend with inordinate numbers of
7 unsolicited phone calls, visits, videographing, etc.

8 The proposed rezoning of Cypress Hills,
9 East New York has exacerbated the volume and
10 intensity of solicitations and speculation; real
11 estate interests have exerted significant pressure on
12 the market, [bell] inflating property values... okay,
13 thanks. Thank you, Councilman.

14 Further, many owners and renters are
15 saddled with total household debt that is credit,
16 housing and other expenses, reaching 55% and more of
17 their gross income. CHLDC caseload owners, clients
18 are largely low- to moderate-income, ranging from 25%
19 to 70% of AMI of ages from early 40s to late 50s and
20 renters are definitely the majority below 30% of AMI.

21 In this speculative climate, most senior
22 owners and renters are particularly vulnerable and in
23 danger of being displaced. The City's draft
24 Environmental Impact Statement ignores the real
25 threat of displacement of low-income renters in small

1
2 homes that are unregulated and to low-income
3 homeowners. That unscrupulous and opportunistic
4 owners of rent-regulated properties will attempt to
5 unlawfully evict renters and/or increase rents,
6 decrease services of those who don't know their
7 rights or are afraid to exercise them. [sic]

8 I'm gonna -- this is -- I'm just gonna
9 wrap here. Concerning the overwhelming majority of
10 unregulated one- to four-family homes in Cypress
11 Hills, East New York; Brownsville and contrary to HPD
12 Code Enforcement's testimony during the Department of
13 City Planning hearing, indicating that there are few
14 harassment complaints; in fact most renters
15 experiencing regular harassment and/or housing code
16 violations avoid filing formal complaints for fear of
17 retaliation, decreased services, holdover actions,
18 and harassment. As we're all aware, owners of
19 unregulated buildings can bring holdover petition
20 without cause, yet in this community there's a unique
21 juxtaposition of interest between owners and renters;
22 these stakeholders are critically aware of housing
23 affordability's importance dealing with this market
24 while struggling and managing property repairs,

2 mortgages, rent, taxes, water, sewer charges, etc.
3 and more so when there's a financial crisis.

4 I just want to wrap up by saying that I
5 definitely urge the City Council to vote no to the
6 Mayor's rezone plan and to support the community
7 coalition's alternate plan and that this issue is so
8 great and so important at this point that it's
9 important that it be dealt with now rather than
10 later. Thank you.

11 ROY FRIAS: Hello, hello. I'm here.
12 Alright. Thank you. My name is Roy Frias; I'm a
13 community resident; I work with a part of United
14 Community Centers and East New York Farms; I've been
15 living in the rezone area since 1990, the year I was
16 born, and I just wanted to add some more context
17 towards why the community has really felt a
18 disconnect between how this plan is now.

19 In the history of East New York, in
20 general, East New York was a prospering neighborhood
21 that had a lot of investment, but that investment was
22 there when there was a different people economy there
23 -- so what we always like to mention, when I do all
24 these tours in East New York Farms, is that East New
25 York had a massive white flight that happened in the

1 1950s and 1960s that's a part of the neighborhood
2 history and has really created a lot of what the City
3 now sees as developable land. East New York, this is
4 a neighborhood that was redlined tremendously and the
5 act of redlining itself left a mortgage shortage in
6 the neighborhood that saw a lot of this open space;
7 that saw a lot of its space economy really compacted
8 and disinvested in.

10 So but East New York Farms, what we do is
11 we in general work with -- we have a network of 60
12 gardens, farms, back yard gardens all throughout East
13 New York that really was one way in which the
14 community before this rezoning plan happened tried to
15 take back the land and tried to advocate for
16 somethin' that the community felt was important for
17 itself. East New York has always had a long-graying
18 [sic] community; we've been growing and eating food
19 since the 1800s, since the Dutch were there and it's
20 something that we hope to be able to continue as the
21 rezoning plan goes through.

22 Excuse me for a sec -- alright. So what
23 we're requestin' and what I'm requesting personally
24 is that low-income communities such as East New York
25 that don't have the economic capacity to implement

2 urban gardening projects that they should be
3 impediant [sic] or just advocated for more green
4 spaces that's not just parks, but also gardens in the
5 neighborhood because that's also another way of how
6 you can develop a community and develop people is by
7 giving them spaces to do different activities, as
8 well as increasing the capacity for changing the
9 Asphalt Park to add city land park; we want that...
10 Yeah, we request that the land that's already there
11 -- Perry Winston is one of our founders who passed
12 away last year and I mean he specifically warned that
13 gardens and green spaces will not always be advocated
14 for, they won't always be protected and we wanna
15 encourage the people [bell] to continue to grow their
16 own food to be able to speak and eat for themselves
17 and to have their land protected. Basically, housing
18 development and community development are two
19 different things in general and the community is
20 really feeling that we want more community
21 development and not so much -- not that we don't want
22 the housing development, but we wanna see more
23 community development and just to get back the
24 justice that was denied from us. Thank you.

1 ZULMILENA THEN: Hello City Council
2
3 members. My name is Zulmilena Then; I am the founder
4 of Preserving East New York, also known as PENY.

5 PENY emerges an initiative to advocate
6 for the preservation of the historic buildings and
7 places within the communities of East New York and
8 Cypress Hills. Through community support, PENY's
9 goal is to create awareness to protect the
10 community's historic resources that are threatened by
11 the City's rezoning proposal.

12 So the City's rezoning proposal has taken
13 a holistic approach by partnering with other City
14 agencies, like HPD, DOT and SBS, but the Landmarks
15 Preservation Commission hasn't been an agency that
16 has been engaged as an active department within the
17 rezoning plan. Based on the Environmental Impact
18 Statement, many of our historic resources within the
19 rezoning are under severe risk of demolition for new
20 development, so can you imagine our majestic
21 community center at 127 Pennsylvania Avenue
22 demolished or the beautiful Russian Orthodox Church
23 at 400 Glenmore Avenue demolished or even the
24 original 75 Police Precinct station house, 484
25 Liberty Avenue demolished? These are just three out

2 of the many that PENY believes are landmark worthy
3 and like the East New York Savings Bank, the
4 demolition of these architecturally and culturally
5 significant buildings will leave us with a broken
6 heart, but most importantly with a flavorless
7 neighborhood.

8 Some may think that preservation may not
9 fit perfectly within the goals of this plan, but
10 these buildings are part of the heart which makes
11 East New York East New York and Cypress Hills Cypress
12 Hills. This plan will be responsible for the lasting
13 transformation of this neighborhood and we strongly
14 believe that we should not sacrifice our past in
15 order to improve our community. Preservation
16 combined with sound planning and revitalization
17 strategies drives economic growth, which adds to the
18 community's wellbeing; therefore, preservation will
19 promote growth for new and existing businesses and
20 help create jobs while preserving and protecting
21 existing structures, community organizations, small
22 businesses, and local residents. We can't revitalize
23 our neighborhoods without protecting their history,
24 character and identity; without understanding these
25 benefits, how can we effectively revitalize our

2 neighborhoods? While we may be asking for different
3 issues to be met, we are here, all of us are here
4 with the same goal and that is to make sure that this
5 rezoning plan works for our com... [mic cut out]

6 As the first neighborhood to be rezoned
7 and as the one that will lead as the model [bell] for
8 the rest of the other 14 neighborhoods, we have to
9 make sure that we make this plan right for us and
10 right for the neighborhoods just like ours. When
11 John Pitkin decided to found his own city in 1835, he
12 had a great vision and his vision was so great that
13 he wanted to create a city to rival the City of New
14 York and that's why he called his city East New York.
15 So therefore, let us use this community plan as a
16 leading example and let us live up to that legacy.
17 Thank you.

18 BROTHER PAUL MUHAMMAD: I'm Brother Paul
19 Muhammad; I'm a member of the Coalition for East New
20 York Community Advancement. My family has owned
21 property for 47 years right on the fault line of this
22 tsunami of gentrification that's coming through my
23 community. We're here today to address the issues of
24 this rezoning plan.

1
2 I've been part of this coalition for now
3 two years, mosque, the Nation of Islam, under the
4 direction of Brother Javier Muhammad, under the
5 direction of Mr. Farrakhan **[inaudible]** ministry of
6 Mr. Farrakhan, and we're here, we joined our
7 churches, we joined on with other members of local
8 folks there, like myself, that live there and we have
9 **[inaudible]** NYCHA housing; I remember it was built
10 there in 1971 and... We're here to say that we welcome
11 investment in our community, but you can't build
12 self-sustainable housing without helping build self-
13 sustainable people. We felt that this plan is a put-
14 upon; it has not included us in the fact that we've
15 suffered through 40 years of disenfranchisement,
16 crippling -- social engineering policies that have
17 crippled our schools; we have schools that are
18 **[inaudible]**... I heard somebody talk about a school
19 bein' built, but my daughter is a guidance counselor
20 at Thomas Jefferson and in that school there are four
21 different schools, but also there's a curriculum
22 that's the same thing in that school that's out at
23 Rikers Island; I can't understand that; where is the
24 investment in the people? See we're jumping ahead of
25 ourselves here to talk about buildin' a community,

1 but you're building it on the backs and the blood of
2 the people there. Proverbs 12:5 says that the plans
3 of the righteous are just; the council of the wicked
4 is in deceit and in blood. There's a lot of blood
5 out in East New York and the blood flows because you
6 can't talk about building when you're not building
7 the people; we've got 35% unemployment, we have 18-
8 year-olds and 40-year-olds that don't have jobs; this
9 is an opportunity for this plan to address the ills
10 of my community; we're skipping a step here; we're
11 not talkin' about how to build our people more. I've
12 got young men that are bein' demonized around me
13 [sic], they're not Martians, they didn't fall off a
14 planet not mine [sic]; they came out in the policy
15 and the dictate of a government that don't give a
16 damn about them. Nothing's affordable without a job,
17 but you've gotta built people who have that aspect;
18 we've suffered through crack, heroin, designer drugs
19 now and you're pumpin' it into those communities and
20 our communities get those drugs, we're like test
21 pilots for those drugs. But I wanna see this plan
22 take an opportunity to stand for the fact that..
23 invest in the people. See this is.. I'm a homeowner
24 there; I'm getting offered crazy money for my house
25

1 now and I say it's crazy, I'm not sellin'. My
2 daughter went to school; she makes \$60,000 a year as
3 a guidance counselor; if I sell to somebody who
4 doesn't look like me, then she'll never be able to
5 buy back in the community [bell] our [inaudible]. So
6 what we're looking at, the 26% increase in the value
7 of property has not increased with the fact of pay
8 scale, and what I'm trying to tell you with this and
9 all of us are saying is that, this plan is not a plan
10 for us by us; it's a plan bein' put upon us.

12 And I would like to finish with something
13 here and I'll be quiet, because I wanna show that we
14 are people who demand our rights, we've been treated
15 as a colony and I'll say this, there was a great
16 document written well over 300 years ago, but it
17 wasn't thinkin' about us people of color when it was
18 written, but it goes to people of god -- We the
19 people -- and you could substitute United States with
20 East New York -- in order to form a more perfect
21 union, establish justice, and insure domestic
22 tranquility, provide for the common defense, promote
23 the general welfare and secure the blessings of
24 liberty to observe ourselves and the prosperity of
25 our future. We're asking for that kinda protection

2 as citizens and respect us, but this is our land.
3 Thank you.

4 [applause]

5 COUNCIL MEMBER ESPINAL: Hold the
6 applause. Just wanna thank all of you for coming
7 into City Hall and leaving the neighborhood to
8 testify on the plan. You know, I take your input
9 very seriously 'cause this is -- you are the people
10 who this would affect at the end of the day, right,
11 and Brother Paul, don't sell, you're right, you can't
12 sell your home; a lot of people are selling their
13 home because they can't pay their mortgage and they
14 think the deal they're getting is the best deal they
15 can get, but I encourage owners to hold on.

16 Roy, farms, I'm a big fan of farms and I
17 look forward to working with you and pushing for more
18 farms in the neighborhood... [interpose]

19 ROY FRIAS: Yeah, we've gotta get you on
20 the farm too.

21 COUNCIL MEMBER ESPINAL: I would love to
22 be there.

23 ROY FRIAS: Yeah.

24 COUNCIL MEMBER ESPINAL: I've been
25 pushin' the administration to find a space for

2 Cypress Hills to create their urban farm space,
3 'cause I know it'll create jobs and push for more
4 green foods in the neighborhood.

5 Zulmilena, thank you for all your work,
6 you're... [crosstalk]

7 ZULMILENA THEN: Thank you.

8 COUNCIL MEMBER ESPINAL: your portfolio
9 is very impressive and we look forward to continue
10 working with you and Landmarks to make sure that your
11 input is taken to serious consideration.

12 And the gentleman from the Bronx, you
13 have your Councilwoman from the Bronx here, as I'm
14 sure she heard you.

15 And Rene, I hear you as well. Thanks for
16 coming.

17 COUNCIL MEMBER BARRON: Just wanna thank
18 the panel; as with the previous panel, you've been
19 very vigilant and consistent. Thank you for coming.

20 [background comments]

21 BROTHER PAUL MUHAMMAD: Council Member
22 Espinal, we've grown together. That's my auntie over
23 there and that's my brother over there, Brother
24 Jumaane; we're joining forces to make this city do
25 what it has to do, justice or else.

2 COUNCIL MEMBER ESPINAL: Thank you.

3 [background comments]

4 I'd like to call up the next panel. We
5 have... [background comments] Meredith Marshall from
6 BRP Development; David Bryan from Brooklyn A; Martin
7 Dunn from Dunn Development, and Michael Wadman from
8 Phipps Houses. [background comments]

9 Just so that we can know who's on the
10 panel, Michael Wadman, you're up? Okay. David
11 Bryan? Meredith Marshall and Martin. Okay. Again,
12 you may begin and just state your name before your
13 testimony and then the next speaker can follow and do
14 the same.

15 MEREDITH MARSHALL: Hello. Okay. Good
16 afternoon everyone. My name is Meredith Marshall and
17 I'm Co-founder and Managing Partner of BRP Companies,
18 a New York-based firm at the forefront of developing
19 affordable, mixed-income and mixed-use workforce
20 housing in New York City. We are also now active in
21 Philadelphia and Newark, New Jersey. Thank you for
22 this opportunity to testify today in support of the
23 proposed East New York Community Plan.

24 By way of background, I was born at
25 Brookdale Hospital and raised in East Flatbush; I

2 attended public schools in close proximity to East
3 New York and I believe I have a unique understanding
4 of the challenges faced by tenants, landlords and
5 struggling small business owners; in short, I have
6 been all of the above.

7 Since our beginning in 1998, BRP has
8 developed over 600,000 sq. ft. of **[inaudible]** real
9 estate projects and we have over three million feet
10 currently in development. We broadly support the
11 de Blasio Administration's ongoing efforts to
12 increase the production of affordable housing for
13 low- and middle-income New Yorkers and we hope to
14 contribute to that effort in every way possible.

15 My firm has successfully built affordable
16 housing in four boroughs and is completing the
17 rehabilitation of approximately 500 apartments in
18 East New York and we plan to commence construction on
19 another nearly 300 units that will be affordable to
20 both low- and extremely low-income residents later
21 this year. We are fully supportive of the East New
22 York plan because we believe it will facilitate the
23 construction of much-needed affordable housing,
24 mixed-income and mixed-use developments and in short-

1 term with government subsidies and in the long-term
2 without government subsidies.

3
4 It is no secret that there is a severe
5 shortage of workforce housing throughout the city,
6 but this largely a result of unprecedented growth in
7 household levels over extended periods which
8 outstretched the level of new housing construction.
9 As this trend continues, we need to develop supply or
10 **[inaudible]** solutions to alleviate the burdens of
11 increasing rent levels and displacement fears.

12 We are fully supportive of the East New
13 York Community Plan because it aims to strengthen
14 East New York and surrounding neighborhoods by
15 investing in new mixed-income housing, supporting
16 economic development programs targeting small and
17 minority women business enterprises and by allocating
18 substantial resources to build new schools, improve
19 public spaces in major corridors such as Atlantic
20 Avenue.

21 In addition to supporting the East New
22 York Community Plan, we also support other efforts
23 that harness market rate development in order to
24 increase the production of affordable housing. We
25 believe these desired outcomes will be accomplished

1 through the de Blasio Administration's Mandatory
2 Inclusionary Housing proposal and the changes sought
3 in this proposed ZQA. Simply put, the
4 administration's initiatives will enable for-profit
5 not-for-profit and firms alike to more quickly and
6 easily develop affordable and senior housing for low-
7 and middle-income New Yorkers and it will enable us
8 to design those buildings in ways that better serve
9 the populations in need.
10

11 Thank you again for this opportunity to
12 testify in support of the East New York Community
13 Plan and the creation [bell] of more affordable
14 housing and I'll be happy to take any questions.

15 COUNCIL MEMBER ESPINAL: Thank you.

16 MARTIN DUNN: Good afternoon. My name is
17 Martin Dunn from Dunn Development Corp., a Brooklyn-
18 based developer of affordable housing. I have a long
19 history of working in East New York, going back to
20 1992 when I spent five years working with the East
21 New York Urban Youth Corps. At the Urban Youth Corps
22 we worked on numerous projects in the rezoning area,
23 including multiple new construction projects on
24 Pitkin Avenue. We're interested in purchasing sites
25 in the rezoning area to do a new affordable housing

1 development and anything we do will be deeply
2 affordable because we can't build in East New York
3 without government subsidies and the government
4 subsidies require deep affordability, which we always
5 seek to exceed the requirement.
6

7 I want to mention two projects we've done
8 in East New York that I think shed light on these
9 proposals. The first is Livonia Commons, which has a
10 lot of similarities to Pitkin Avenue; we completed a
11 rezoning along a seven-block area that changed an R6
12 with a C2-3 overlay to an RF7-A with a C2-4 overlay,
13 exactly what's proposed for most of Pitkin Avenue.
14 It enables us to build higher density with reduced
15 parking; the result, new affordable housing deeply
16 affordable to the neighborhood, more than 60% of the
17 units are affordable to people earning less than 50%
18 and 40% of AMI, along with high-quality ground floor
19 retail, lots of economic development and jobs, and
20 that's what this new rezoning can accomplish as well.
21 Without the higher density and the reduced parking
22 requirements, we're not gonna be able to bring the
23 high-quality retail and community facility services
24 people are looking to see on Atlantic, Liberty and
25 Pitkin.

1 The second project is Liberty Apartments,
2 which we opened in 2010 in the rezoning area in
3 collaboration with Cypress Hills LDC. On that 30,000
4 sq. ft. site we were only able to build a three-story
5 building with 43 apartments because of the R5 zoning.
6 But the other thing I wanted to mention about Liberty
7 Apartments is that we did include 21% of the units
8 below 30% of area median income. The amount of
9 capital subsidy it took from the City to accomplish
10 that was \$10.9 million; that was for nine units below
11 30% AMI and the rest were at 60%; that was \$253,000
12 for ever apartment in the whole complex and that's
13 not including the value of free land provided by the
14 City. On Livonia Commons we received \$272,000 per
15 unit in City and State capital subsidies to achieve
16 that affordability; again, about 56% of the rents
17 were below 50% and 40% and the rest below 60%. The
18 reason I bring that up is because we do have to be
19 realistic, we're a champion of affordable housing and
20 build as deep as we can, but we have to be realistic
21 about the percentage of affordable units and the AMI
22 levels that can be required as part of rezoning; we
23 want this rezoning to result in the development of a
24 lot of new affordable housing and not have the cost
25

2 be so prohibitive that no development happens or only
3 very small amounts, and affordable housing needed at
4 all AMI levels in the East New York, at 30%, 40%,
5 50%, 60% and above 60% AMI, just like the City's and
6 State's termsheets require.

7 I have a little bit more time; I can talk
8 a little bit about what we saw at Livonia Commons --
9 about 1 in 8 renter households in all of East New
10 York applied for that project and we saw it pretty
11 evenly spread across income levels. Again, below 30,
12 below 40, below 50; below 60, but also a lot above
13 60; we had a lot of people that came to us saying we
14 make too much -- people from right around the project
15 saying we make too much to qualify for the unit. A
16 lot of people that come through the Urban Youth
17 Corps' youth programs, the college access programs,
18 they went away to college, have good-paying jobs, are
19 back living with family saying do we have to leave
20 the neighborhood to find a decent new apartment and
21 so I really think that, especially if it's averaging
22 and if the units at higher than 60% to make units
23 lower than 60% possible you can serve the broad needs
24 of the community. Also, the economic development
25 activity was very significant; we hired lots of local

1 subcontractors; [bell] we trained 145 residents;
2 hired 51 new jobs and 15 residents that worked with
3 subcontractors, so a tremendous amount of local
4 development and more opportunities in the retail
5 users that are coming in. Thank you.

7 DAVID BRYAN: Good afternoon; I'm David
8 Bryan; I am the Director of the Consumer Economic
9 Development Advocacy Unit for Brooklyn Legal Services
10 Corporation A; it's the only Brooklyn nonprofit law
11 firm dating from the 1960s that is managed by people
12 who look like and represent the community they serve.

13 I represent between 100 to 150 homeowners
14 every year facing foreclosure and other financial
15 catastrophes. We represent those homeowners in every
16 city, state and federal courthouse in Kings and
17 Queens County. I've worked for this firm for the
18 most part since I became a lawyer in 1998 and I'm the
19 product of the New York City public schools.

20 My first job as a lawyer was serving HIV-
21 positive clients in East New York and other parts of
22 Brooklyn; my job was located on the 2nd floor of the
23 Citibank building at the corner of Jamaica and
24 Pennsylvania Avenues at the mouth of what is now the
25 Jackie Robinson Parkway. At the time, serving HIV-

1
2 positive people in Brooklyn meant you were working
3 with people of color who were living in the shadows;
4 the stigma of AIDS was such that people who needed
5 help the most were the most afraid to obtain it. The
6 stigma of AIDS also meant that many people from
7 outside the community imposed their ideas of how to
8 resolve the issues in my clients' lives. Now some
9 ideas were good; some really weren't and the thing
10 that was most frustrating is that you had bright and
11 earnest people who would tell my clients that they
12 didn't know what was best for themselves; your years
13 of working and suffering counted for nothing because
14 the A team was on the job now and for all due
15 respect, I fear that's what's happening today.

16 East New York is a community of one- two-
17 and three-family homes and I congratulate the Mayor's
18 reliance upon legal services organizations and those
19 organizations' newfound commitment to represent small
20 homeowners, contrary to their past when they only
21 represented rent-regulated homes; that's admirable,
22 but it's not the answer to decent affordable housing
23 for the people of this community. The best attorney
24 cannot resolve an eviction case if there is no
25 affordable place for the tenant to return to live.

1
2 I wanna just say also that I'm happy to
3 be in the chamber with Councilwoman Barron and
4 Councilman Williams; it just seems recently we are
5 having these meetings about people who were in
6 financial distress and trying to find ways to resolve
7 it and I feel pleased that I'm here for that.

8 I write to you today -- excuse me -- I
9 came to you today because I wanted to talk to you
10 about what I've seen, researched and lived as an
11 advocate in this city that deals with problems that
12 are to be resolved by bright and earnest people.
13 Bright and earnest people have always come forward to
14 resolve problems in crisis and they do so from a
15 sense of public service. In the 1930s depression,
16 bright and earnest people came forward in the
17 Roosevelt Administration and they worked to solve the
18 housing crisis; they created various federal programs
19 that sought to resolve the freezing of the banks by
20 guaranteeing mortgages for lenders; those bright and
21 earnest people created what we now know as redlining
22 [bell] by using their own bright and very earnest
23 perceptions to safeguard the government's money by
24 keeping it away from people of color who everyone
25 knew couldn't be trusted to repay their mortgages;

1 MICHAEL WADMAN: Hi. Good afternoon,
2
3 thank you, Council Members for allowing us to present
4 today. My name is Michael Wadman; I represent Phipps
5 Houses. Phipps Houses is here to speak on behalf of
6 the rezoning proposal. We are the city's oldest and
7 largest not-for-profit owner and manager and
8 developer of affordable housing, particularly low-
9 income and very low-income rental housing. We own
10 and operate approximately 8,000 apartments throughout
11 the city, serving something like 20,000 people; this
12 will be our first development in Brooklyn should the
13 rezoning plan pass.

14 As a result of the rezoning initiative,
15 Phipps purchased a large site to form a Chloe Foods
16 site at 3301 Atlantic Avenue, which had been blight
17 on this part of the neighborhood for many years;
18 prior to that it had been an employer and an
19 important part of the community. As a result of the
20 rezoning, we should be able to build over 1,000
21 apartments on this site; every one of these
22 apartments will be low-income or very low-income or
23 extremely low-income, serving people at 60, 50, 40,
24 and 30% of AMI. We'll also have about 100,000 sq.
25 ft. of retail and community facility use on the

2 ground floor for job creation and to provide needed
3 services.

4 Without the rezoning, certainly this
5 level of impact would not be possible and as the
6 site's manufacturing currently, no level of
7 development would be possible. So we look forward to
8 this opportunity to provide low-income housing and to
9 really help change this particular part of this
10 particular neighborhood and Phipps is looking forward
11 to working in this neighborhood for many years to
12 come. Thank you.

13 COUNCIL MEMBER ESPINAL: Thank you. And
14 thank you, Phipps; I look forward to working with you
15 and creating a vision for that area of Cypress Hills.
16 It is a large site and I think a lot of good could
17 come out of it; you know, again, the need for fresh
18 supermarkets, the need for community space and for...
19 and even community center spaces; I know the YMCA is
20 looking for places to move into to expand their
21 presence, so I look forward to having those
22 conversations with Phipps and local residents and
23 local organizations.

24 Just one question for everyone; is it
25 possible, from what you see -- is it feasible to get

2 more affordable units or more affordable rates in
3 this current plan?

4 MARTIN DUNN: I think those of us that
5 develop affordable housing are gonna do projects that
6 are 100% affordable and our goal is to do as many of
7 the sites -- I think collectively the affordable
8 housing community's goal is to do as many of the
9 sites as possible. But one of the important parts of
10 mandatory inclusionary, the concept is using the
11 market to cross-subsidize affordable, which we don't
12 do; we're just an affordable housing developer, but
13 the City can only do so much affordable housing with
14 capital subsidy; the City's budget is only providing
15 so much affordable housing for capital subsidies, so
16 we do need opportunities for market rate units to
17 cross-subsidize the creation of affordable units;
18 that's many years away in East New York, but when it
19 finally does happen, it has to be something realistic
20 and so I think you can have a wider range that
21 averages to these numbers, but even at that it's
22 gonna take market rates to jump a super amount, so if
23 you have to wait until market rents are \$3,000 before
24 you see cross-subsidy; what's gonna happen to
25 displacement by the time you hit that rent level? So

2 again, early on, 100% affordable housing is what
3 we'll do if we can secure a site, but in the long-
4 term, the City has such a high need for affordable
5 housing that you have to have feasible cross-
6 subsidies.

7 I do agree with anyone who's said we've
8 gotta raise income so more people can afford it,
9 absolutely. We set a minimum wage of \$15 an hour on
10 all of our construction jobs so everyone who worked
11 on Livonia Commons could afford to live there.

12 COUNCIL MEMBER ESPINAL: And did I hear
13 correctly in your testimony; you said that Dunn
14 Development is looking to purchase sites in the
15 rezone area?

16 MARTIN DUNN: Yes, we have been working...

17 COUNCIL MEMBER ESPINAL: Okay.

18 MARTIN DUNN: and we do hope to do all
19 affordable deals.

20 COUNCIL MEMBER ESPINAL: Okay.

21 MARTIN DUNN: We were also looking for
22 sites before the rezoning along Pitkin Avenue and
23 Atlantic Avenue; on Pitkin Avenue in particular, done
24 multiple sites on Pitkin; because of the subway, it's
25 expensive to build on Pitkin and nothing was feasible

2 even to do affordable housing without rezonings. As
3 you know, the most recent project on Pitkin required
4 a rezoning to make even affordable housing feasible
5 and I think that's important.

6 MEREDITH MARSHALL: Okay. My firm
7 actually does low-income and mixed-income and market
8 rate housing through the city and other jurisdictions
9 and we find the same thing Martin finds in East New
10 York and the Bronx and to a less extent Bed-Stuy,
11 which has now changed, but 10 years when we built a
12 mixed-income in Bedford-Stuyvesant, no one thought
13 that you could be even \$2,000 for a two-bedroom
14 apartment; now you can get \$3,000; at the time we
15 advocated along with City Planning to upzone Fulton
16 Street Corridor and we had a lot of pushback from
17 residents; some people wanted more affordable
18 housing; some people didn't, but a lot of folks
19 didn't want increased density and we have a supply
20 imbalance in this city and so without the increase in
21 density, the zoning changes, and MIH, you cannot
22 address that imbalance, so we could max out the
23 City's subsidy for low-income and extremely low-
24 income housing, but if you look at the push for 30%
25 of AMI, I think that takes you up from \$20,000 to the

2 high 20s and 60% of AMI caps a family of four at
3 \$51,000; even, admittedly, in East New York where the
4 median income I think is \$33,000, you will exclude a
5 lot of people at 30% of AMI and even at 60% of AMI,
6 as Martin alluded to, we have many families that are
7 over income and are disqualified from the lottery.
8 So I think we need to push density; I like the
9 NextGen plan; I think we spoke to Councilman Williams
10 about that plan for NYCHA, that we need even more
11 housing on NYCHA sites, but we have a dearth of
12 housing in the city and if you did nothing,
13 gentrification would actually accelerate in East New
14 York; it's not the rezoning that accelerates
15 **[inaudible]** market forces and where you have
16 transportation you have a movement eastward in
17 Brooklyn that you know, people who make higher
18 incomes are just gravitating to those sites and those
19 communities.

20 COUNCIL MEMBER ESPINAL: This is one of
21 the last neighborhoods that are affordable in
22 Brooklyn and I think it's important that we try to
23 capture as much as we can here in this plan and make
24 sure that Brooklyn continues being the very soulful

2 place... the people who live there actually who made
3 Brooklyn so soulful, so.

4 MEREDITH MARSHALL: Absolutely. I mean
5 we started in Fort Greene 17 years ago, as I
6 mentioned in my comments, in 1998 and it was hard for
7 us to rent up apartments and we were selling, for
8 sale units then; it was hard to see units at \$180,000
9 for a two-bedroom apartment and now Bedford-
10 Stuyvesant, you can't find those numbers and we're
11 doing work in East New York but we actually had to
12 move to Queens to actually buy viable affordable
13 sites in Jamaica, Queens because East New York is too
14 expensive for us to build mixed-income housing, even
15 with substantial subsidies.

16 COUNCIL MEMBER ESPINAL: I just wanna
17 thank Brooklyn A for all the work you do; I know you
18 run a satellite kind of office out of my office and
19 your attorneys are very helpful, so thank you. I
20 think Council Member Barron has a question...

21 COUNCIL MEMBER BARRON: Yes, thank you; I
22 wanna thank... [crosstalk]

23 COUNCIL MEMBER ESPINAL: and Jumaane
24 after.

2 COUNCIL MEMBER BARRON: thank the panel
3 for coming and yes, the housing that has been built
4 in East New York by Dunn and company is 99%
5 affordable to the people who presently live there;
6 that's why we move forward in that kind of way. I
7 don't think that -- as we're talking about Phipps
8 building about 1,000 units of affordable housing at
9 60 and below, if we can find two more sites -- I
10 think someone has talked about acquisition, what is
11 the City doing -- if we can find two more sites and
12 build 1,000 each on those two sites, we would meet
13 the 3,000 which is earmarked in this plan for
14 affordable housing, so I'd like to offer that as a
15 solution to get these 3,000 units of affordable
16 housing for people who presently live in East New
17 York. And I wanna thank Mr. Bryan for the
18 outstanding work that you do, assisting people who
19 are in foreclosure and whose mortgages have been
20 almost stolen from them and wanna comment you and
21 work with you as we go forward. Thank you.

22 CHAIRPERSON RICHARDS: 'Kay, thank you
23 all for your test... oh... oh, Council Member Williams.

24 COUNCIL MEMBER WILLIAMS: Thank you, sir;
25 much appreciate it.

2 Thank you to the panel; I know a number
3 of you for quite some time through a lot of your
4 work; I appreciate it.

5 Back to the AMIs. I did wanna just
6 repeat the question again, and you can answer them
7 both, because you looked at the MIH and you're
8 looking at this; is there an ability to go deeper
9 that is reasonable? And I wanted to ask also, in you
10 opinion if HPD -- I like the ELLA program; I really
11 like her, 'cause she's good, but is there a way to do
12 another kind of termsheet and program that you think
13 is feasible to get to 30%, because right now the
14 program doesn't exist, right, so can we get -- I mean
15 more of the 30%; I think we're stuck at 10 at 30?
16 Just in your opinion those two questions.

17 MARTIN DUNN: Well I think you can do
18 more at the deeper levels if you do more at a little
19 bit higher levels, again, not 130% AMI, but if you
20 did -- for every one you did at 30 you did one at 90,
21 you know you're still... the projects are more
22 sustainable. One of the challenges; a 30% AMI I rent
23 for a one-bedroom apartment is \$395; it only covers a
24 portion of the operating costs; forget the cost to
25 build it and so it's such a deep subsidy, and again,

1 since there's such demand across AMI levels, we had
2 as many people over income from Community Board 5 as
3 under income, right; as many people made too much as
4 made too little and so you can... the averaging is a
5 good solution and I think what you would see, since
6 you know the ELLA termsheet requires so many units
7 already at the lower level; if you had units or, 70,
8 80, 90% of median adding in, it would increase the
9 overall affordability. So I think that's feasible,
10 but having projects where you can't even support
11 without rental subsidies, the operating expenses,
12 much less -- that's not sustainable for the long-
13 term; forget building it up front; it's not
14 sustainable for the long-term, the cash flow
15 **[inaudible]** 'cause you know, trends downward over
16 time.
17

18 MEREDITH MARSHALL: Yeah. I'm actually
19 not a fan of 30% of AMI levels without a long-term
20 operating subsidy, for the points that Martin made;
21 it's just unsustainable and we have a lot of 30% of
22 AMI units; you have to cross-subsidize those units
23 for higher rents, but also, if you look again at the
24 median rents, a lot of East New York would be
25 precluded from those 30% units and we look, you know,

2 just... and **[inaudible]** at a few other markets and a
3 lot of the 30% AMI units are residents in NYCHA
4 developments who aren't at risk of being displaced.
5 So if you take those out, what is the real median
6 income of people who really need housing; I think
7 most of those units are above 30% of AMI.

8 COUNCIL MEMBER WILLIAMS: So... go ahead.

9 MARTIN DUNN: I was gonna add something
10 about household size. I think it's important to look
11 at who's applying for housing from East New York. Of
12 all the applications we got from Community Board 5,
13 which again was about 1 in 8 renter households
14 applied, 68% were one- and two-person households and
15 41% were one-person households; there's a huge demand
16 from single people and two-person households for
17 housing and we're not building enough smaller units.
18 Only 14% of the households that applied -- and we had
19 more three-bedrooms than studios or we had more of
20 the two and three's than the studios and one, but
21 only 14% of people that applied from East New York
22 had households of four people or more and so I think
23 we also need not just to look at the AMIs, but look
24 at what unit size we're building; we have lots of
25 young people that can't move out of their parents'

2 houses and you have a lot of older people, seniors
3 that need affordable units that are looking for
4 studios or one-bedrooms.

5 COUNCIL MEMBER WILLIAMS: I mean that's
6 interesting, 'cause I think most places feel like we
7 need a lot bigger units, places for families to grow;
8 we don't see too many four-bedrooms; we need three-
9 bedrooms, so it's interesting that you say that, but
10 if we followed that logic, wouldn't it stagnate a
11 community because they wouldn't be able to grow if we
12 only had one-bedroom apartments?

13 MARTIN DUNN: I'm not saying just build
14 one-bedrooms; I'm saying we need to build more
15 smaller units. I think what you see in the market is
16 that a lot of the family size units are taken up by
17 roommate situations. I think actually in East
18 Brooklyn about 40% of households are one-person
19 households, but we have a tiny number of studio
20 apartments, so you have three, four, five roommates
21 renting the larger apartment, three- and four-bedroom
22 apartments, it's hard for families to compete with
23 roommates renting those where you're bringing three
24 or four incomes into them. So I think building more
25 studios and one-bedrooms would -- I think people

2 prefer their own units and if you had an affordable
3 unit of your own instead of being with a bunch of
4 roommates, I think it's gonna free up a lot of family
5 size units.

6 COUNCIL MEMBER WILLIAMS: And then
7 lastly, just based on what you were saying; looking
8 at the East New York plan as it is now and the MIH
9 plan; have we cross-subsidized as much as we could,
10 in your opinion, to go as deep as we can and make it
11 a viable project and proposal? And also, can we
12 revise, in your opinion, the ELLA spreadsheet or
13 another spreadsheet to do exactly what you're saying?

14 MARTIN DUNN: I think for the MIH option,
15 I think it's already a deep requirement for cross-
16 subsidy. The termsheets could subsidize further,
17 it's just more dollar per project and so I'd have to
18 say that's not a decision for me; it's a decision for
19 the City about how many units do you build versus how
20 deeply affordable they are, right, so it's the same
21 pot of money and again, that's not for me. But yes,
22 you could require more deep affordability in City-
23 subsidized deals by putting in more subsidy if they
24 would reduce the number of units, and that's a hard
25 trade-off; I think that's always been the trade-off

2 when you're trying to meet a unit count and some
3 units are more expensive to build than others.

4 MEREDITH MARSHALL: Yeah, I think at some
5 point -- I think everyone on both sides are sort of
6 searching for the same solution and I think lower-
7 income neighborhoods it's more difficult to get there
8 because if you were to strip away the subsidies and
9 give the land away for free, you could not meet the
10 demand for housing and build market rate housing. I
11 believe all think that statement's correct. So I
12 think we need a way to -- maybe new tools to provide
13 for 30% of AMI, but you know, my statement's not -- I
14 saw some people disagreeing with the statements --
15 30% is just, for us, unsustainable because you know,
16 long-term, you know, if you were to build a 100%
17 affordable development at 30 and 50% of AMI, the
18 rents couldn't cover the operations and maintenance
19 of the building... [crosstalk]

20 COUNCIL MEMBER WILLIAMS: I got that, but
21 it's about \$600; right, to...

22 MEREDITH MARSHALL: Goin' to \$700 now.
23 So... [crosstalk]

24 COUNCIL MEMBER WILLIAMS: I got it. But...
25 but...

2 MEREDITH MARSHALL: Right, so I mean... so
3 that's the main issue with ELLA. But I would say
4 this though, you know at some point rents will
5 appreciate based on demand and then you could trade
6 tax exemptions; you don't have a ta... [background
7 comments] a 421-a tax abatement now, but you could
8 sort of trade the tax incentives with density to sort
9 of give you a better mix, but right now I don't see
10 the upper tier rents being sufficient enough to
11 cross-subsidize at 30% AMI level in East New York.

12 COUNCIL MEMBER WILLIAMS: Thank...
13 [crosstalk]

14 MARTIN DUNN: Yeah and when 421-a is
15 overlaid, especially if you go to the averaging,
16 you're gonna end up with more units, right; if 421-a
17 requires units at one level and you're going to
18 broader levels, you'll get deeper affordability than
19 421-a. And again, raising the wages, so for a 40%
20 AMI two-bedroom you need to make \$12.00 an hour and
21 for a one-bedroom you need to make \$10.00 an hour; if
22 we can raise wages, it eliminates or most
23 significantly eliminates the need for the 30% AMI
24 units.

2 COUNCIL MEMBER WILLIAMS: Can you repeat
3 that again, at 40%...

4 MARTIN DUNN: Yeah, so to afford a 40%
5 AMI two-bedroom you need to make \$12.00 an hour
6 working 40 hours a week and you need to make \$10.00
7 an hour to afford a 40% AMI one-bedroom. Actually,
8 when I hear the discourse about 40% AMI is not low
9 enough, people keep talking about the maximum; what
10 matters is the minimum; it doesn't matter how much
11 you can make, it matters how much you need to make
12 and so for a 40% AMI studio you need to make \$19,200;
13 for a one-bedroom you need to make \$20,500; for a
14 two-bedroom you need to make \$24,700. So yes and for
15 a three-bedroom \$28,500, so people talk about 40% AMI
16 and say wow, it's 40% AMI, you can make up to, you
17 know, \$40,000; that's too much, but you only need to
18 make \$24,000, so it's affordable at \$24,000 and so
19 you know...

20 COUNCIL MEMBER WILLIAMS: For a single
21 person?

22 MARTIN DUNN: No...

23 COUNCIL MEMBER WILLIAMS: Yeah.

24 MARTIN DUNN: for a two-bedroom. The
25 minimum incomes are based on the rent; not household

2 size; the maximums are based on household size. So
3 to afford a two-bedroom apartment you need to make
4 \$24,700; that's just about \$12.00 an hour. So at 40%
5 AMI, you pick up a lot of the neighborhood, 40, 50
6 and 60.

7 CHAIRPERSON RICHARDS: Alright, any last
8 comments?

9 COUNCIL MEMBER WILLIAMS: Yeah, I just...
10 when you're saying that 40% of AMI, the minimum, it
11 doesn't matter the household size?

12 MARTIN DUNN: Yes, it's by apartment
13 size. So the minimum... [crosstalk]

14 COUNCIL MEMBER WILLIAMS: But I mean the
15 minimum... the household size, for 40% of AMI...

16 MARTIN DUNN: Yes.

17 COUNCIL MEMBER WILLIAMS: at \$24,000.

18 MARTIN DUNN: For a two-bedroom... the way
19 the City's termsheet is right now, right, a two-
20 bedroom at 40% AMI you need to earn about \$24,700, I
21 think.

22 COUNCIL MEMBER WILLIAMS: 'Kay. But
23 that's a family of three.

24 MARTIN DUNN: No, that's the minimum.
25 The minimum is based on rent; not household size. So

2 the minimum for a two-bedroom is the same for a two-,
3 three- or a four-person household; the maximums all
4 change 'cause the minimum's based on a percentage of
5 your income towards rent.

6 MEREDITH MARSHALL: But a single person
7 would not qualify for a two-bedroom now... [crosstalk]

8 MARTIN DUNN: A single person... A single
9 person's not qualified for a two-bedroom, but two-,
10 three- and four-person households are... [crosstalk]

11 COUNCIL MEMBER WILLIAMS: Alright, so a
12 single person would have to be a studio or one... one-
13 bedroom... [crosstalk]

14 MARTIN DUNN: Or a one.

15 MEREDITH MARSHALL: Right.

16 COUNCIL MEMBER WILLIAMS: Okay. Thank
17 you.

18 MARTIN DUNN: There's a ratio and you
19 take housing and utility costs divided by, I think
20 it's 30... you know, a percentage; that's the minimum.

21 MEREDITH MARSHALL: Could I add one
22 thing? I think the discrepancy lies in the fact that
23 we're using \$86,000 which is sort of a metropolitan
24 AMI and I think a lot of folks are multiplying that
25 by 30% to get to the level, when there's actually a

2 factor that's a little more complex to get to the
3 actual acceptable range.

4 COUNCIL MEMBER WILLIAMS: But also, we're
5 just not comparing apples to apples, 'cause sometimes
6 they'll come and say a family of four or a family of
7 three, depending which number is best and that
8 breakdown here is usually never discussed, so we
9 usually just talk about one income band and one
10 apartment level, which makes it very difficult to
11 compare.

12 MEREDITH MARSHALL: Agreed.

13 COUNCIL MEMBER WILLIAMS: Thank you.

14 CHAIRPERSON RICHARDS: Last statement?

15 You've been good.. (CROSSTALK)

16 MARTIN DUNN: No. No.

17 CHAIRPERSON RICHARDS: Oh you're
18 finished? [background comments] It's fine.
19 Alrighty. Thank you all for your testimony.

20 [background comments] Good to see you again and
21 again and again. [laughter]

22 Alrighty, we're gonna go to Shai Lauros,
23 CHLDC; Shai, Shai. Oh hello; come on down. Rebecca
24 Crimmins; hope I said it right, Cypress Hills LDC.
25 [background comments] Emily Van Ingen, Coalition for

2 Community Advancement, and Paula Crespo, Pratt Center
3 and Coalition for Community Advancement. Alrighty
4 and Adrien Weibgen from Urban Justice Center. And
5 I'll just ask you all to state your name for the
6 record and which organization you're representing and
7 you may begin.

8 SHAI LAUROS: Shai Lauros, Cypress Hills
9 Local Development Corporation. I have laryngitis, so
10 maybe bear with me with a couple extra seconds.

11 CHAIRPERSON RICHARDS: You guys may wanna
12 disinfect the mic.

13 [laughter]

14 SHAI LAUROS: Good afternoon esteemed
15 Council Members. My name is Shai Lauros and I'm the
16 Community Development Director at Cypress Hills Local
17 Development Corporation. Our organization, CHLDC is
18 a proud member of the Coalition for Community
19 Advancement; we're a 32-year-old not-for-profit
20 community development corporation and settlement
21 house, with many concerns about the housing
22 development and preservation aspects of the rezoning
23 plan.

24 First on the centerpiece of the plan, the
25 6,500 units of housing built with 50% being

1 affordable and 50% at market rate does not adequately
2 address the dire housing needs of current residents.
3 Given the average AMI of East New York is just
4 \$34,000 a year, market rate housing is tantamount to
5 luxury housing; almost no one can afford it.
6

7 Second, we have serious doubts that HPD
8 can produce the 50% affordable units that they have
9 promised in the plan.

10 Third, HPD's definition of affordability
11 does not match what current East New Yorkers can
12 afford for housing.

13 Lastly, HPD's housing plan lacks specific
14 and committed resources, staff, targets, and
15 timetables to preserve housing in the community.

16 Cypress Hills and East New York residents
17 are not opposed to increased density if the resulting
18 housing is affordable to them; however, this is not
19 the case with the administration's 50% affordable and
20 50% market rate ratio. In the rezoning area alone
21 there are 5,246 households, representing 40% of all
22 households with severe housing needs defined as [sic]
23 those entering the shelter system, paying more than
24 50% of their income on housing or who are living
25 doubled up.

1 Further, the City's plan overstates a
2 number of affordable units likely to be generated by
3 the rezone, relying too heavily on sites that have
4 not been identified and the use of HPD subsidies that
5 are voluntary and do not offer permanent
6 affordability. So far only 1,200 units of the
7 promised 3,250 affordable units have been sited and
8 committed; that means the administration is upzoning
9 to allow more than four times the amount of higher-
10 income housing as they guarantee deeply affordable
11 housing. Land speculation in the community has
12 driven up the prices beyond what affordable housing
13 developers can afford for acquisition and still make
14 the numbers work, even with the density increases
15 between 100-200%. If the City does not have the
16 projects now in the affordable pipeline, we strongly
17 urge the Council to reduce the overall scope of the
18 rezoning; even the housing that will be subsidized by
19 HPD and produced through MIH will not reach those
20 most at risk of displacement; a third of East New
21 York residents, 33%, earn under 30% of AMI, but only
22 10% of the units to be built with HPD subsidies will
23 be affordable to these residents and MIH presently
24 does not include a lower affordability band.
25

1 The administration has repeatedly stated
2 that by increasing the overall supply of housing in
3 East New York it relieves rent pressures and prevents
4 displacement of the 12,635 low- and moderate-income
5 residents living in small homes in the rezone area;
6 that's not how New York City real estate works and
7 everyone in this city knows it, but more
8 specifically, we challenge the argument on other
9 grounds; [bell] if low- and moderate-income residents
10 cannot afford the market rate units and more than a
11 third cannot afford the affordable units or if these
12 residents are not lucky enough to secure units
13 through the lottery system, then the rezoning will
14 not have served as a preventative measure for
15 displacement; it will instead have hastened it.

17 The HPD housing plan produced five months
18 ago for the community includes numerous big picture
19 strategies for preserving housing and promoting local
20 economic development, but there are no specific
21 details included in the plan as to the targeted
22 number of units to be preserved, jobs to be created
23 or small businesses to be retained. The plan needs
24 quantifiable targets, funding, staff, and timetables.

1 Lastly, the Coalition for Community
2
3 Advancement has been advocating for the vast majority
4 of the new units, 5,000 units, to be affordable at
5 current neighborhood income and affordability bands;
6 we have also proposed desperately needed small homes
7 preservation strategies. We implore you, the members
8 of the City Council, our elected representatives who
9 most understand the needs of struggling East New
10 Yorkers to take action now and not approve the
11 rezoning plan without significant changes to increase
12 the number of affordable units, deepen the depth of
13 affordability and add a robust small homes
14 preservation plan. Thank you.

15 CHAIRPERSON RICHARDS: Thank you.

16 REBECCA GILLMAN CRIMMINS: Hi, my name is
17 Rebecca Gillman Crimmins; I'm a Project Manager at
18 CHLDC, working on developing affordable housing in
19 Cypress Hills and East New York. Thank you for the
20 opportunity to testify in front of the Council today.

21 We want to express our concerns with the
22 inclusion of Arlington Village site in the rezoning
23 of the Cypress Hills/East New York neighborhood. We
24 support the Coalition for Community Advancement's
25 demand to cut out Arlington Village from the East New

1 York rezone plan. This site is of extreme importance
2 to the community in that it is the single largest
3 development parcel in the neighborhood, a lot size of
4 310,000 sq. ft., with a total buildable area of
5 329,588 sq. ft. current allowable under existing
6 zoning. Under the proposed East New York rezoning an
7 increased 854,992 sq. ft. would be allowable, for a
8 total buildable development of 1,184,580 sq. ft. The
9 site is a critical location; it's located on Atlantic
10 Avenue, which is centrally sited and on the largest
11 thoroughfare in the neighborhood to be upzoned on
12 Atlantic Avenue.
13

14 Given the many years of disinvestment in
15 the property and the community by the previous owner,
16 the infamous Rita Stark, and given its sale to the
17 also infamous speculative developer Bluestone,
18 providing additional density on this site averts what
19 in any other neighborhood would require a developer
20 to go through an extensive public review process and
21 to make commitments to the neighborhood in the form
22 of, for example, a community benefits agreement or
23 similar. Evading this process makes the City not
24 only complicit in the actions of this developer,
25 which so far has included illegal renovation and

1 harassment of tenants, but actually rewards them for
2 their speculative behavior based on the assumption of
3 easily obtaining additional density without any
4 consideration as to how expansive the critical site
5 and should contribute to the needs of the
6 neighborhood. We must address what is wrong with our
7 city that a slumlord can earn almost \$30 million off
8 the backs of low-income tenants of this neighborhood
9 and pursuantly a developer can afford the
10 construction of any significant quantity of
11 affordable housing.
12

13 This is where the government must step in
14 now to ensure that what the market does not provide
15 but what the public needs actually happens. Perhaps
16 there should be a policy on any FAR increase on sites
17 over a certain very large square footage threshold
18 over which an increased amount of affordable housing
19 is required; say 50% affordable housing and we'll
20 call this East New York MIH Option 2. The stakes are
21 simply too high to allow the City to award extensive
22 FAR benefits to the site without any prerequisites to
23 meet the needs of the community by way of
24 affordability and other neighborhood needs as
25 expressed by the community.

1 The City has said that cutting the
2 developer out means that they will build without any
3 affordability and the damage will be worse; however,
4 the numbers paint a different picture, such that,
5 one, the developer will not build the approximately
6 450 units now at market rate that is allowable with
7 the existing zoning if the site is cut out because
8 the current market rate of the neighborhood will not
9 cover the cost of construction and the debt required
10 to finance that development. Under MIH [bell] only
11 25% of the units will be affordable, so the gains to
12 the site and the developer are tremendous and yet the
13 community would only receive an estimated 207 units
14 of housing at 60% of AMI. To be clear; the negative
15 impact of the other 621 units of luxury housing added
16 to the neighborhood do not justify the 207 units
17 mostly unaffordable to the community. Lastly, in
18 fact, the damage is not worse if the site is cut out;
19 the damage is worse if the site is kept in the
20 rezoning plan. The major significance of the
21 Arlington Village site requires a real site-specific
22 public review process. Thank you very much for your
23 time.
24

25 CHAIRPERSON RICHARDS: Thank you.

1 EMILY VAN INGEN: Good afternoon. My
2
3 name is Emily Van Ingen and I'm the Director of
4 Programs for the Cypress Hills Local Development
5 Corporation, a member of the Coalition for Community
6 Advancement and I will testify today on the impact
7 that the rezoning will have a community that I care
8 deeply about and have dedicated the last 20 years of
9 my life to.

10 We're urging you to vote no on the City's
11 East New York plan unless it's the Coalition's
12 alternative plan.

13 One of the reasons we urge you to vote no
14 is based on the deep concern we have about the depths
15 of affordability articulated in the Mayor's plan.
16 What is included in the Mayor's plan does not go far
17 or deep enough for the current residents of our
18 community. Two-thirds of the residents living in the
19 East New York zoning area are rent-burdened, severely
20 rent-burdened, overcrowded or homeless. In an effort
21 to respond to our current needs and prepare for the
22 future, we're advocating for the creation of 5,000
23 deeply and permanently affordable housing units to be
24 created that are aligned with Community Board 5's AMI
25 numbers; not the New York City AMI figures.

2 The Coalition recognizes and appreciates
3 that the City has already included in the East New
4 York plan a commitment to build one new school
5 building that would accommodate approximately 1,000
6 students; as we heard earlier, that's not enough; it
7 does not satisfy the need for adequate education
8 facilities in the community. The East New York
9 zoning area, especially on the north side of East New
10 York, is already facing overcrowded schools and this
11 is before an estimated 24,000 new residents move into
12 the neighborhood.

13 CHLDC has been the lead agency of the
14 Cypress Hills/East New York Beacon at the IS 302
15 campus since 1993. Our Beacon Program serves over
16 1,100 community residents in over 20 different
17 programs and includes and ACS-sponsored foster care
18 prevention program that supports 45 families at risk
19 of losing their children to the foster care system.
20 The IS 302 building, which is at the heart of the
21 community and the heart of the rezone plan is already
22 facing serious space challenges with three schools
23 crammed into the campus that could result in the
24 elimination of our Beacon Program.

1 We're urging the City to develop a plan
2
3 that includes committing to the construction of
4 additional school buildings as well as a
5 comprehensive plan to deal with the current
6 overcrowding situation in our local schools and
7 allows us to maintain critical community services.

8 And I would note, we're also deeply
9 concerned about the lack of participation by the DOE
10 and the SCA in both the community meetings and these
11 hearings.

12 Lastly, the Coalition is urging you to
13 vote no unless the alternative plan is accepted
14 because we're deeply concerned about the tremendous
15 threat to tenant displacement. The City says that
16 the rezone would not result in a significant adverse
17 direct residential displacement impact; we completely
18 disagree. We have already begun to see an increase
19 in tenants coming to our housing office because their
20 landlords have either dramatically increased their
21 rents or told them they need to move out. We've
22 already begun to see land prices rise significantly
23 and homeowners receiving numerous calls, letters,
24 flyers; door knocks offering all cash to buy their
25 homes; this is all before the rezone is even

1 finalized; we anticipate this activity only
2 increasing in intensity. The Coalition has created a
3 comprehensive list of anti-displacement strategies,
4 incentives to keep rents low, disinvestments and
5 speculation; an anti-harassment district. [bell] I'm
6 urging you to vote no.
7

8 PAULA CRESPO: Hello, good afternoon. I
9 am Paula Crespo; I'm a Planner at the Pratt Center
10 for Community Development and one of several
11 technical assistance providers to the Coalition for
12 Community Advancement.

13 The community resources and facilities
14 that exist in East New York today, things like
15 schools, child care centers, spaces for youth, etc.,
16 are at overcapacity and are not sufficient in number
17 to meet the needs of the current population. This
18 rezoning is designed to lead to housing for tens of
19 thousands of new residents in the neighborhood;
20 however, there is nothing in the plan that outlines a
21 strategy or policy to ensure that as these new
22 residents come to the area community facilities will
23 be built to support them. We can't just naively
24 assume that enough school seats and child care slots
25 will be created to meet the needs of a growing

1 community. Downtown Brooklyn is only one example of
2 a rezone neighborhood whose recent residential growth
3 has placed serious strains on existing infrastructure
4 like school seats.

5
6 Therefore, provisions should be
7 established in the zoning to ensure that commitments
8 to build needed infrastructure, amenities and space
9 for community facilities are binding and will be
10 fulfilled over the multi-year course of the
11 residential build-out in East New York. The City
12 should consider mapping a special area-wide zoning
13 tool onto the rezoning area to accomplish this goal;
14 this could include but is not limited to a special
15 purpose district or a newly designed density growth
16 management area. Zoning could require that
17 developers of housing over a certain size get a CPC
18 certification that would either state that: a.
19 existing community facilities are adequate and can
20 absorb the new residential development, or b. that
21 the developer will be granted additional FAR or
22 developable space for the creation of a community
23 facility. The developer would then be required to
24 use that extra FAR to build out a space for a
25 community facility and they would be paid the fair

1 market value for it; as such, it would not be a
2 developer exaction.
3

4 Since the City is deploying zoning as a
5 tool to meet its ambitious housing creation goals, it
6 should also be using zoning to deliver the community
7 facilities that existing and new residents will need.
8 This is not a radical or a new idea; there is ample
9 precedent in the New York City Zoning Resolution to
10 privilege or any mandate very specific desired uses.

11 Given the magnitude of the impact on
12 communities that don't have enough community
13 facilities, the modest amount of time that DCP would
14 have to spend to assess if there are enough community
15 facilities before letting new residential development
16 move forward would be time well spent.

17 Finally, we also recommend that the City
18 use a tool called a PILOT or a payment in lieu of
19 taxes to dedicated fund to pay for [bell] developing
20 community facilities. As a technical assistance
21 provider to the Coalition, I strongly urge the City
22 to genuinely and meaningfully consider using the
23 power of zoning to ensure that the build-out of
24 community facilities keeps up with the significant
25

1
2 increase in population that this rezoning is intended
3 to spur. Thank you.

4 CHAIRPERSON RICHARDS: Thank you.

5 ADRIEN WEIBGEN: Good afternoon, my name
6 is Adrien Weibgen; I'm a Staff Attorney at the Urban
7 Justice Center Community Development Project and
8 working with the Coalition for Community Advancement.

9 CDP shares the City's desire to create
10 more affordable housing in East New York, but we have
11 grave concerns about the City's plans to upzone East
12 New York without any guarantees that it will meet its
13 goals that at least half of the housing is
14 affordable. Inviting the construction of many more
15 apartments that current residents cannot afford will
16 not help to alleviate their housing crisis because
17 this is not a supply and demand issue where the
18 benefits trickle down. Either the housing meets the
19 needs of current residents or it does not and there
20 is too much doubt in the current plan. The City has
21 to do more to ensure that a greater share of what is
22 built is deeply affordable; do not open the flood
23 gates of market rate housing in East New York because
24 this is a move that will not meet local needs, that

1 will increase the risk of displacement and that can
2 never be undone.

3 The City estimates that the rezoning will
4 produce over 6,000 new apartments and it is trying to
5 make over half of those affordable, but the City does
6 not have a concrete realistic way to get to the
7 number of affordable apartments it has promised. HPD
8 has committed to subsidizing just 1,200 units so far,
9 which is less than a fifth of the total; Mandatory
10 Inclusionary Housing can't get you the rest of the
11 way there to that halfway number, so the City would
12 have to subsidize almost 1,000 more units to meet the
13 goal of half affordable, but the City has not said
14 where or when these units will be built exactly and
15 it hasn't put a firm timeline on when they think that
16 developers will want to stop taking subsidies, but
17 one thing that they have said numerous times; the
18 only number they have put on is to say that we think
19 that most developers will need to take subsidies in
20 the first two years of the plan. They are talking
21 about a 15-year plan that allows for over 6,000 units
22 to be built and they only have a two-year financing
23 plan. Not doing a significant upzoning today does
24 not mean that you can't bring further density to East
25

1 New York in the future; it does mean that you
2 wouldn't irresponsibly open the door to market rate
3 housing without a clear vision of how you are going
4 to make more of the units affordable to the current
5 residents.
6

7 The second fundamental problem with the
8 City's plans is that the affordability levels simply
9 don't match the current neighborhood need; as many
10 others have noted, Mandatory Inclusionary Housing
11 would require a quarter of units to be affordable at
12 an average of 60% AMI, although it's true that to get
13 that average, developers could make lower rent units
14 -- the obvious converse of that is that they could
15 not and they don't have to make those lower rent
16 units, 'cause the only requirement that is currently
17 in MIH is that they make a quarter of the units
18 affordable at 60% AMI, which adds up to households
19 making over \$50,000 a year, which is well above the
20 local median income of \$34,000 a year for a family of
21 four.

22 One important point to remember is that
23 MIH is the forever plan, whereas subsidies are the
24 near-future plan, so when developers come here and
25 say that it's not possible to make more units

1 affordable at 30% AMI under MIH, [bell] that isn't
2 true in the future, because MIH imagines a very
3 different market condition than exists in East New
4 York today and it is feasible under the City's own
5 analysis to have an MIH option which sets aside 20%
6 of units at 30% AMI and that's a forever plan for
7 East New York that could guarantee that more units
8 are available at the current income levels.

9 HPD-subsidized projects will come closer
10 to meeting the neighborhood need, but close enough
11 isn't good enough and the question isn't whether this
12 plan is better than what Bloomberg did in the past;
13 the question is whether this is the best plan that we
14 can do now for East New York and the answer to that
15 question is no. Similarly, the question isn't
16 whether the administration has talked to the
17 Coalition and community members numerous times, and
18 we do commend people for doing that, but whether they
19 have actually listened to the Coalition and taken
20 elements of their plan as part of the formal plan,
21 and to a great degree the answer to that question is
22 no as well.

23 In HPD-subsidized projects, just a
24 quarter of apartments will be affordable to families
25

1 earning up to the local median income, so as a
2 reminder, so far HPD has guaranteed that they would
3 subsidize 1,200 units and that is all they can so far
4 guarantee; if a quarter of them are available at or
5 below the local median income, that means that of the
6 6,000 plus apartments the administration is talking
7 about building, so far they are only guaranteeing
8 that 300 of them will be available at or below the
9 local AMI; that is simply not enough; the risk of
10 allowing that many units to be built with a reward
11 for 300 units, doesn't make sense for this community.
12 The City should drive down the rent levels in the
13 projects that it subsidizes, which would require
14 increased money and as Ismene from MHANY pointed out,
15 that might mean the overall number of units is lower,
16 but in terms of meeting the need of the current
17 residents and not inviting a greater risk of
18 displacement; that is what people would prefer; they
19 would sooner have fewer units that meet their needs
20 and don't increase the risk of displacement than the
21 City's neighborhood economic diversity strategy,
22 which will only fuel the fire of gentrification.
23 East New York does not need additional thousands of
24 units of market rate apartments; as we all know, it
25

2 already has a very significant amount of unregulated
3 units that could go up in price overnight; it doesn't
4 need more.

5 CHAIRPERSON RICHARDS: Gonna ask you to
6 wrap up.

7 ADRIEN WEIBGEN: Yes, sorry. So in
8 closing, so the City should invest additional money
9 to drive the income [sic] levels down in the projects
10 that it subsidizes and if it's not able to commit to
11 subsidizing a greater share of units; it should
12 simply cut the size of the rezoning so that the share
13 of affordable units relative to market is greater.
14 And finally, East New York is not just a means to the
15 end of achieving the Mayor's housing plan; it is a
16 community with needs of its own that this rezoning
17 plan should meet; the rezoning should be for the
18 people of East New York or it should not be at all.
19 Thank you.

20 CHAIRPERSON RICHARDS: What would you say
21 to the panel that went up before you who Council
22 Member Williams raised the question on the 30% AMI,
23 and I think they raised concerns about continuous
24 operating funding to maintain the actual units?

1 ADRIEN WEIBGEN: So I am a lawyer, not an
2 affordable housing developer, so I would defer this
3 question to the affordable housing developer's
4 detail.
5

6 SHAI LAUROS: I'll take that question.
7 There's a couple different ways to provide subsidies,
8 but it is about subsidy. I don't know what exactly
9 the budget is going to be this year for the City, but
10 it's in the order of \$80 billion and fiscal
11 priorities are set, including by the City Council,
12 for how that money's spent and we've all seen waste
13 in every City agency and different types of funding,
14 so there's a question about how you allocate subsidy
15 and this being an affordable housing plan, or really
16 a growth plan, right, 'cause the 1,200 units are on
17 two sites; we have many avenues.

18 So there's federal subsidies, there's
19 state subsidies, there's city subsidies, there's city
20 funding; there's also even developer fees; it's been
21 put before us. Is Ismene [sic] still here? Oh.
22 Well she has said publicly previously that there are
23 developers who will take on development projects for
24 a smaller percentage of the developer fee. I don't
25 wanna get into the complexity of underwriting, but

2 there are many places within which to look; however,
3 I do agree with Meredith that it does require long-
4 term operating and maintenance subsidy.

5 CHAIRPERSON RICHARDS: Thank you for your
6 honest answer. Okay, I'm gonna go to Council Member
7 Espinal.

8 COUNCIL MEMBER ESPINAL: Thank you all
9 again for coming here; thank you for your advocacy.

10 My first question is regarding MIH. You
11 brought up that MIH can play different roles in
12 different neighborhoods if the land values are
13 different, so you're saying that MIH in Williamsburg
14 would yield less units, but in East New York you
15 would get more units if MIH was used properly or..
16 [crosstalk]

17 ADRIEN WEIBGEN: No, sorry. To clarify,
18 I just meant that Mandatory Inclusionary Housing,
19 it's a cross-subsidy scheme that only works if the
20 market in the neighborhood is strong enough to
21 support that cross-subsidy. So in East New York and
22 in many other communities where the current market
23 rents aren't that high, to build at all, for some
24 time developers will need subsidy, so they will be
25 taking HPD subsidies, but my point is that MIH is

1 what is left after the market is no longer in a place
2 where developers are wanting to take subsidies. So
3 what I was referring to is that there should be a
4 deep affordability option within Mandatory
5 Inclusionary Housing and a deep affordability band in
6 every MIH option. So what that band would basically
7 do is -- East New York, currently the MIH plan that
8 they're planning to us is to make a quarter of the
9 units affordable at an average of 60% AMI; it's not
10 changing that fundamental part, but it is saying that
11 within that 60% that you have to have a guaranteed
12 share of deeply affordable units at 30% of AMI. And
13 the effect of this -- if the City did that change
14 alone to this plan and didn't subsidize anything more
15 past the 1,200 units; doing that would dramatically
16 increase the amount of units that are available at
17 30% AMI or below for the community.

18 COUNCIL MEMBER ESPINAL: 'Kay.

19 SHAI LAUROS: If I could also just add
20 that we still need to provide housing for people at
21 30% of AMI and below, so it's incumbent upon us to
22 find a way to do so and part of the answer I think
23 really is about exploring whether or not you want to
24 build fewer units at deeper affordability or create
25

2 an East New York termsheet or financing program that
3 would create more units below 30% of AMI, for
4 example.

5 COUNCIL MEMBER ESPINAL: Okay. Now I
6 wanna talk about Pitkin-Berriman; it's something that
7 I'm bringing up because it's something I've been
8 informed about just now, over the weekend. Well
9 first of all, it was built on Pitkin Avenue and that
10 pretty much sets the basis on how high the buildings
11 will go on the rest of Pitkin Avenue and two years
12 ago my office actually allocated a million dollars to
13 the Capital Fund, the City's budget, to hit deeper
14 affordability levels...

15 SHAI LAUROS: Which we're very thankful
16 for, Council Member.

17 COUNCIL MEMBER ESPINAL: Thank you. So
18 my question is; what was the average AMI in that
19 building, 'cause I've heard a number and I just wanna
20 make sure it's correct?

21 SHAI LAUROS: I mean I can actually give
22 you the precise breakdown. There were seven units at
23 30% of AMI; nine units at 40% of AMI; nine units at
24 50% of AMI, and 35 units at 60% of AMI, and the
25 reason why we were able to get to those levels of

1 affordability is because HPD worked with us to
2 implement the ELLA termsheet; it was originally
3 designed for the previous administration's termsheet,
4 **[inaudible]**, and we were able to be able to do ELLA
5 with that financing gap between those two termsheets
6 with Section 8 Vouchers.
7

8 COUNCIL MEMBER ESPINAL: So that's how
9 deep you were able to go, exhausting all of your
10 resources... [crosstalk]

11 SHAI LAUROS: Yes.

12 COUNCIL MEMBER ESPINAL: and the
13 resources the City had. Okay. So if we used the
14 ELLA termsheet now; what do you think the apartments
15 would like today?

16 SHAI LAUROS: Well this is with the ELLA
17 termsheet, all of those units and that breakdown is
18 the ELLA termsheet, but if we didn't have the Section
19 8 Vouchers, it would not be financially feasible to
20 develop that project.

21 COUNCIL MEMBER ESPINAL:

22 ADRIEN WEIBGEN: Can I just add one quick
23 point? So that's another reason why having a deep
24 affordability band within MIH that meets the 30% AMI
25 level is so important because it's actually very

2 difficult for affordable housing developers that are
3 making a 100% building to reach a significant number
4 of units at or below 30% AMI, but by having a deep
5 affordability MIH band which would then exist in
6 every neighborhood that's rezoned and every site
7 rezoning in wealthier areas and that sort of thing,
8 like you'd be able to create a pool of units at or
9 below 30% AMI, which would otherwise -- it does
10 require a lot of subsidy.

11 COUNCIL MEMBER ESPINAL: Okay. I'm gonna
12 continue pushing for deeper affordability; I'm just a
13 little conflicted internally because I remember that
14 project being a success for the neighborhood and we
15 were touting how great this is gonna be, but the AMI
16 levels aren't as low as we're all talking or asking
17 for.

18 SHAI LAUROS: Yeah, it's as low as we can
19 go right now.

20 COUNCIL MEMBER ESPINAL: Okay. Thank
21 you; appreciate it. And thank you, Emily, for all
22 the work you do on behalf of The Beacon; wanna make
23 sure it stays in 302, so if DOE's listening, do not
24 push The Beacon out of the neighborhood.

1
2 SHAI LAUROS: Can I make one comment on
3 the small homes, 'cause it was raised previously and
4 relate this preservation issue? The issue of the
5 illegal basement dwelling units is virtually, as
6 others have said; I'll use this word, irresistible,
7 in order to makes ends meet in the neighborhood, but
8 secondly, CHLDC has been doing work with small homes
9 for many years and I can tell you that the owners do
10 not wanna take on debt and so the programs that HPD
11 described and the idea of loan programs is an
12 extremely difficult tool and I think that as these
13 policies are being proposed, especially since many of
14 them are really in their infancy and quite young,
15 there is obviously a difference between policy --
16 thank you -- and successful policy that actually is
17 tied to the reality and the constraints of a
18 particular neighborhood specifics, such as East New
19 York.

20 COUNCIL MEMBER ESPINAL: Cypress Hills
21 does support the idea of having legalized basements
22 in the neighborhood?

23 SHAI LAUROS: Yes, legalized basements
24 that are safe and healthy and... [crosstalk]

2 COUNCIL MEMBER ESPINAL: I do... I do... I do
3 too, if that was your question. [sic]

4 SHAI LAUROS: Yeah.

5 COUNCIL MEMBER ESPINAL: 'Kay.

6 SHAI LAUROS: And you actually cannot
7 proceed with many other types of programming unless
8 you legalize basements. For example, some of the
9 other City agencies are talking about solar, rooftop
10 solar; you would never be able to work with DOB and
11 get that approved if you have an illegal basement.
12 And similarly, there's likely about 500 sq. ft.
13 that's; very far away from a boiler, hot water tank,
14 etc., so there are safe ways to be able to do that.

15 The concept of the third unit where you
16 end up with a three-plus unit, multi-family dwelling,
17 which is different than the one- to two-unit; one of
18 the things that that requires is a different type of
19 stair; you can't have a wooden staircase; you would
20 have to a steel staircase. So these are things that
21 are addressable within a refinancing program where
22 you take advantage of what the square footage needs
23 are of the homeowner, especially for example an
24 elderly single person and then to be able to divide
25 up that home in a way where you could have rental

2 income; you can have the capital needs repairs and
3 legalize the basement. So there are ways to bring
4 all of these tools together, plus with the energy
5 efficiency.

6 COUNCIL MEMBER ESPINAL: So just to
7 clarify something here [sic]; you're saying that
8 homeowners with illegal basements cannot apply for
9 the solar panel programs?

10 SHAI LAUROS: Correct.

11 COUNCIL MEMBER ESPINAL: What's the
12 reason?

13 [crosstalk, background comment]

14 SHAI LAUROS: Because if they are fined
15 [sic]... [crosstalk]

16 COUNCIL MEMBER ESPINAL: Is it because...

17 SHAI LAUROS: it will be deemed
18 ineligible because they will have an illegal occupancy
19 and they will get more fees and fines and violations
20 from DOB when they walk into their home and see the
21 illegal unit when they go down to the basement to --
22 in terms of the electrical and connections from the
23 solar feed [sic].

24 COUNCIL MEMBER ESPINAL: Uhm-hm. So
25 which is why it's important that we look at

2 legalizing these basements 'cause there are so many
3 programs out there that can help our homeowners, but
4 they can't access or they're afraid to use them..

5 [crosstalk]

6 SHAI LAUROS: Absolutely.

7 COUNCIL MEMBER ESPINAL: because of..

8 SHAI LAUROS: Right, it's like tens of
9 thousands of people, if not more; I can't remember
10 the precise number, unfortunately; I gave it in a
11 previous testimony.

12 COUNCIL MEMBER ESPINAL: Right. You also
13 run foreclosure help in your office; correct?

14 SHAI LAUROS: Yes.

15 COUNCIL MEMBER ESPINAL: Do you know what
16 -- like what's the reason that people are falling
17 behind on their mortgages, like what's the top
18 reason? Is it because they don't have a job; is it
19 because their tenants are not paying enough rent; is
20 it because the water rates are too high; what would
21 you say is like the number one or the top two
22 reasons?

23 EMILY VAN INGEN: It's a couple of
24 things, but the top one is loss of income and then
25 the second I would say is followed by either medical

2 or change of relationship, so people get divorced.
3 But we have lots of situations where a tenant stops
4 paying rent; since so many of the homes in Cypress
5 Hills are multi-family small homes, you're a
6 homeowner, you have a tenant, they stop paying rent;
7 now you're not longer able to pay your mortgage. But
8 loss of income is the number one for sure.

9 COUNCIL MEMBER ESPINAL: Alright. Thank
10 you; appreciate it. Thank you.

11 EMILY VAN INGEN: Thank you.

12 COUNCIL MEMBER ESPINAL: I'd like to call
13 up the next panel -- Shamona Kirkland.. [background
14 comments] There's a Jimmy who is from 57th Street.
15 Jimmy from 57th Street. Claire Hilger from Jerolaman
16 [sp?] Catholic Charities, Claire Hilger;
17 Mr. **[inaudible]** Kabir [sp?] or Dr. **[inaudible]** Kabir;
18 Danixa Carr; [background comments] Mayfield Goddard.
19 [background comments] Is there anyone else in this
20 room who's looking to test... uh no, no; you will get a
21 chance; we're just take... we're just balancing. I'll
22 be here all day. [background comments] Is there
23 anyone else in this room who's gonna testify in favor
24 of the plan? No. Okay. Just state... say your name
25 and then you can say your testimony.

1 SHAMONA KIRKLAND: Okay. My name is
2
3 Shamona Kirkland; I am an active member of the People
4 First Democratic Club located in East New York. I'm
5 here today to say that **[inaudible]** some of the things
6 that are on the Mayor's plan today. In looking at
7 the plan, they talk of an increase in health care;
8 whereas I think that is a great idea, I think it's
9 important that the health care fits the needs of the
10 community. We need a hospital in our community that
11 is focused on oncology and diabetes because we have a
12 high population of community members who are
13 suffering from these illnesses and there is no
14 specialized hospital for them to go to. A lot of the
15 community members have to go to Manhattan to get the
16 treatment that they need; we need a hospital in our
17 community that focuses on oncology and diabetic
18 treatment and preventive services for those diseases
19 and making sure that we have high-quality health care
20 for mental health services as well. So I do agree
21 with the health care improvement, but we definitely
22 need something that's specialized in our community.

23 The other thing that I would like to
24 address today is the importance of the 1,000 seats in
25 education; that is a great opportunity, but with the

1 increase of 25,000 residents with the density
2
3 increase, we need more seats in education; we need
4 more options for the community and the family members
5 who will be coming in to the East New York community.

6 And I don't see in the plan any plans on
7 higher learning, there is no talk of a university or
8 a college facility for families to increase their
9 education or to get job training to be able to
10 increase the economic issues that we have in the East
11 New York community.

12 Some of the other things that I would
13 like to address is the lack of information on the
14 middle income of housing where the families -- yeah,
15 we need affordable housing in the community, but you
16 do have family members who don't fit in those income
17 brackets that live in the community and need to be
18 able to stay in the East New York community as well;
19 there is no real talk of that; we need to improve
20 that in the plan before it is approved. Thank you.

21 DANIXA CARR: Hi, my name is Danixa Carr
22 and I'm also an active member of the People First
23 Democratic Club in East New York and I'm a young 20-
24 something who -- I'm a lifelong New Yorker, but you
25 know, is grateful to come back to East New York to

1 find housing, but I feel that contrary to the points
2 that were made earlier, a lot of my neighbors aren't
3 roommates, they are families working hard and they
4 need options as well. I agree, for example, that
5 there's 25% of housing set aside for low-income
6 families, but 30% would better address the need
7 because the average income in East New York is
8 between \$33-36,000 and 25% will, you know,
9 effectively shut out those 5% who are vying for those
10 available housing and I like also the \$36 million set
11 aside for tenant protection, but this information
12 needs to be easily disseminated in the neighborhood
13 and in the different languages, such as Bengali,
14 Spanish; Chinese to better get that information out
15 there and to make sure that all residents understand
16 and that it should be placed in resource centers,
17 libraries so that when people in the neighborhood are
18 looking for these resources they're able to find them
19 because not everyone has access to Wi-Fi; not
20 everyone can understand the internet and if this
21 information is readily available, at least tenants
22 can know their rights.

24 Also, as far as middle-income housing,
25 it's good that HPD is creating more than 12,000 units

2 for affordable housing, but there are some in the
3 area, for example, who can afford the housing, but
4 they can't pass the credit check and there needs to
5 be resources for them to improve their credit in
6 order to meet their standards so that they're not
7 pushed out by someone who has the credit and has the
8 income, versus they have the income, but not the
9 credit.

10 And also, I like the fact that, for
11 example, for housing units of less than 10 are being
12 built in the, I believe in the corridor between
13 Fulton Street and Atlantic Avenue, but the problem
14 with that is that under the current plan if
15 developers build units with less than 10 apartments,
16 they don't have to set aside any for affordable
17 housing and that's not fair to the residents of East
18 New York and so for a young working person like
19 myself who's looking to start a family and expand,
20 but I can't do that if [bell] that is not done.

21 MAYFIELD GODDARD-ADETIMIRIN: Hi, good
22 afternoon. My name is Mayfield Goddard-Adetimirin
23 and I'm a People's First Democratic Club member also.
24 I'm a homeowner; I live on Wyona Street, between
25 Fulton and Atlantic; I'm the president of my block

1 association. I've lived in the neighborhood for the
2 past 25 years; my husband and I have raised three
3 sons in that area. We lived in East New York when
4 East New York wasn't cool, okay, we lived in East New
5 York when people refused to say they were living in
6 East New York; they call it Cypress Hills, especially
7 on our side, because people were ashamed of what was
8 going on, but now our neighborhood has become the
9 hotbed. My eldest son went to University of Hartford
10 to school and I lost him to Connecticut; he found a
11 beautiful woman and they got married and they settled
12 in Connecticut because although I own a three-family,
13 it's not feasible for me to have my children living
14 there when I have to pay a mortgage. So right now
15 I'm about, this year and our older son gonna have...
16 we're gonna have our first grandchild and it's gonna
17 be a long distance relationship because my son cannot
18 afford to live anywhere close to where we live.

19 I do like a lot of aspects about the plan
20 -- the beautification, the green spaces, Highland
21 Park; my husband and I walk in Highland Park and
22 exercise in Highland Park; we love the tree lines on
23 Atlantic Avenue -- these are things we always wanted;
24 this is nothing new to us; we always wanted to live
25

2 this way; we always wanna live in these standards.
3 My block is a mixed block, we have an apartment
4 building on the block, but most of it are homeowners.
5 We love the safety that will come in with the tree-
6 lined streets and the median because anyone who lives
7 in that area knows Atlantic Avenue; a lot of people
8 lost their lives on that avenue.

9 I like the fact that as a homeowner my
10 property may be valued a little bit higher, but
11 that's a double-edged sword. Okay, not only here I
12 may be getting more, but in the interim, 'cause I
13 have no intentions of selling any time in the near
14 future, I'm gonna be stuck with taxes. I like the
15 idea of the new business development because I'm even
16 lookin' into something for myself and I'm likin' what
17 I see in the plan for women and other benefits that
18 would be for me.

19 Some of my concerns are the watchdog
20 agencies that are gonna be entrusted with a lot of
21 the implementation, you know, there are tax breaks;
22 right now we have the STAR Program and I do get that
23 credit, but will that program credit go up as my
24 property taxes go up? I see there's gonna be a water
25

1 bill credit. Suddenly in our area our water bill
2 jumped [bell] to a crazy level without explanation.

3
4 You know my two younger children are
5 still in college; I have one at University of
6 Rochester; I have one at SUNY Courtland; that's not
7 cheap; I pay, 'cause we're so-called middle-class, so
8 we get no breaks, I pay full tuition for both of my
9 children.

10 The home improvements that I'm hearing
11 about is good; makin' basements legal, but as the
12 prior speaker said, we're concerned about those
13 loans; what are the stipulations that come with those
14 loans; what homeowners' rights do I lose and I have
15 to give up to get a low-interest loan? Will I be
16 able to say who comes in my property; who goes out my
17 property? So there's so much fears, you know I love
18 the solar energy idea; I wanna improve my home, but
19 I'm scared of, you know, what is the implication of
20 getting one of these so-called loans? Up front it
21 looks great, but what is the backlash?

22 We would love to have a respectable
23 grocery store in our area; I don't wanna have to keep
24 buyin' my groceries from Fairway in the city and
25 Whole Goods in the city, because when I buy from my

2 neighborhood grocery, why do they spoil in two days
3 but my salad at Whole Foods goes for two weeks?
4 Something is wrong that the same lookin' tomato from
5 Fairway and from Whole Goods have a longer shelf
6 life..

7 COUNCIL MEMBER ESPINAL: My milk does the
8 same thing.

9 MAYFIELD GODDARD-ADETIMIRIN: Thank you;
10 you live in the area, and I'm saying, what's going
11 on, I buy fruits in the city and it's fine and I buy
12 fruits from my neighborhood and in two days, if I
13 don't freeze it so I could do my shakes in the
14 morning, it's a complete loss and that's not fair to
15 the neighborhood. I'm in agreement that we need
16 improvements; nobody's gentrifying us, my parents
17 gentrified me; gentrify means **[inaudible]**; I was
18 **[inaudible]** from the way I was raised; we're not
19 sittin' waitin' for anyone to come and gentrify us,
20 we wanted all these things; we wanted better schools,
21 we wanted better streets, we wanted flowers, I plan
22 flowers in my front yard; we, you know have a
23 beautiful block party every year; we do what we can
24 for the neighborhood so we're not waitin' to be
25 gentrified. I'm just saying that we're glad these

2 things are coming, but I'm just hopin' that there's
3 someone lookin' out for us because nothing in the
4 plans are talking about the middle-class and we wanna
5 be able to preserve what we have. Our lifestyle, it
6 may not be great, but it's what we have. Thank you
7 guys very much for listening.

8 COUNCIL MEMBER ESPINAL: Thank you so
9 much. Shamona, you used to live in East New York?

10 SHAMONA KIRKLAND: Yes, I was actually
11 pushed out before the rezoning situation happened..
12 [crosstalk]

13 MAYFIELD GODDARD-ADETIMIRIN: Yeah, we
14 were neighbors.

15 SHAMONA KIRKLAND: Yeah, I lived in East
16 New York for four years with my children; was a
17 strong advocate with Cypress Hills and a lot of
18 organizations, but I was penalized for getting a job
19 and improving my life, because once my income
20 increased I wasn't able to be eligible for subsidized
21 housing and rent was too high for me to manage on my
22 own bein' a single mom of two. And so I had to take
23 my kids out of the East New York schools, they're not
24 in schools in different neighborhoods and we live in
25 Canarsie. So I'm actually here as an advocate for

1
2 parents that I know that live in East New York, as
3 well as still an East New York advocate.

4 COUNCIL MEMBER ESPINAL: So what was the
5 rent that you couldn't afford in East New York, if
6 you don't mind just saying here [sic]... [crosstalk]

7 SHAMONA KIRKLAND: No, it's fine. I was
8 paying \$1300 a month as a single parent and at the
9 time my salary was about \$30,000 and I had to pay
10 like gas, health insurance and everything on my own,
11 so we were basically livin' spoon to mouth.

12 COUNCIL MEMBER ESPINAL: Okay. And then
13 your salary increased and you had to move out 'cause
14 the rent was still \$1300 or did it go higher?

15 SHAMONA KIRKLAND: My rent went up to..
16 I'm close to \$1500 now, but I had to work really hard
17 to make sure **[inaudible]** bonuses and increases in my
18 income to make sure that me and my family didn't end
19 up homeless.

20 COUNCIL MEMBER ESPINAL: Okay, yeah. And
21 you want to live in East New York?

22 DANIXA CARR: I currently live in East
23 New York, but my fear is that if I want to expand and
24 have a family, I won't be able to do so.

2 COUNCIL MEMBER ESPINAL: Okay. And you
3 live in a two- three-bedroom home...? [crosstalk]

4 DANIXA CARR: No, I live in... I live in a
5 one-bedroom; I actually live off of Crescent and
6 Fulton, which is almost the tail end of where the
7 plan is going to be affected. And also one of my
8 other concerns is that I'm afraid that my landlord
9 being, seduced by these outside people to raise rents
10 or even to sell the building is gonna pretty much
11 sell the building and I'm out of a place to live.

12 COUNCIL MEMBER ESPINAL: Okay. So what
13 I'm hearing is that no matter what AMI you're in,
14 we're all facing the same issue in that the rents are
15 gonna go up to a point where we can't afford it;
16 right?

17 SHAMONA KIRKLAND: Right, we need to
18 think of the mixed-income, 'cause you need to be able
19 to have affordable housing 'cause when I first moved
20 to East New York, I was making under \$18,000, so I
21 was given a housing subsidy and there was like these
22 predator landlords who would say, oh, pay me a side
23 deal and your subsidy will be like \$1,000, but they
24 would want you to pay out of pocket about \$400, but
25 after your subsidy is ending, there's no way you can

2 pay that high price rent, so you have to be very
3 strategic in trying to figure out how to pay your
4 rent. I'm afraid that these types of incidents will
5 continue as one rent goes up, people are, you know,
6 desperate for housing and there's no affordable
7 housing; you'll, you know, make a deal with anyone to
8 find a roof for your children to have a roof over
9 their heads, so my fear is that affordable housing
10 means affordable housing and that affordable housing
11 also address people that have assets and income as
12 well, like I shouldn't have to make \$23,000 a year
13 and not improve in my life to be able to afford to
14 live in East New York.

15 COUNCIL MEMBER ESPINAL: So you're a
16 family of three?

17 SHAMONA KIRKLAND: I'm a family of three,
18 yes.

19 COUNCIL MEMBER ESPINAL: And you can
20 afford rent between \$1,000 to \$1,500?

21 SHAMONA KIRKLAND: Right.

22 COUNCIL MEMBER ESPINAL: Alright. Okay.

23 And the homeowner, I'm very familiar with your story;
24 my parents bought a home there over 40 years ago, so

2 I know where you're coming from. Thank you for
3 coming and I hope to visit the block party for some...

4 MAYFIELD GODDARD-ADETIMIRIN: Yeah, July
5 16th.

6 COUNCIL MEMBER ESPINAL: Got it; put it
7 on my schedule.

8 Next panel -- Mr. Bill Wilkins, the man
9 from the IBZ; Shekar Krishnan; Samuel Chiera from
10 Brooklyn Legal Services Corporation A; Emily
11 Goldstein, ANHD, Jonathan Furlong from ANHD.

12 BILL WILKINS: So I'll get started. As
13 it says on the ceiling -- Government of the people,
14 by the people, for the people -- I submit that we
15 need to have more comfortable seating for our gallery
16 for the public, for the people.

17 My name is Bill Wilkins, Director of
18 Economic Development for the Local Development
19 Corporation of East New York; our motto is: Growing
20 businesses, changing lives, strengthening
21 communities.

22 As you know, we were birthed out of
23 industrial and manufacturing businesses over 36 years
24 ago and to this point we were the first industrial
25 BID, first in-place industrial park and empire zone;

2 we are also members of the Coalition for Community
3 Advancement of East New York; I will testify today on
4 the impact that rezoning will have on our
5 manufacturing businesses in the area.

6 For over three decades the LDCENY has
7 worked successfully and in partnership and
8 collaboration with EDC and SBS to create a vibrant
9 manufacturing district. We most recently have
10 assisted EDC with an industrial business survey last
11 summer; we've held numerous seminars and
12 informational sessions regarding rezoning, advocated
13 for the rehabilitation of Gateway signs in the BID
14 and now we await the rehabilitation of the EDC
15 Industrial Incubator and also the Workforce Solutions
16 Center.

17 The City has proposed the zoning of
18 almost all manufacturing properties in the rezoning
19 area to be MX zoning that Councilman Reynoso was
20 talking about earlier. These industrial properties
21 are currently zoned M1 and are located on Atlantic
22 and Liberty Avenues; businesses in the current M1
23 zone include metal fabricators, bakeries, sign
24 makers, and others. We are very concerned about the
25 manufacturing sector in our community, which has long

1 been the backbone of an otherwise bleak local
2 economy; manufacturing jobs pay an average of \$50,000
3 annually, good living wage jobs, that East New
4 Yorkers desperately need and deserve. The MX zoning
5 districts being proposed allow for industrial,
6 residential and commercial development, but in 14
7 other neighborhoods of the city, MX zoning has failed
8 to promote a real mix of uses or to preserve land for
9 manufacturing, as documented by the Pratt Center for
10 Community Development, without exception the MX
11 designation has resulted in a loss of industrial
12 land.

14 As I close, back in 2006 Mayor Bloomberg
15 commissioned a study of industrial and manufacturing
16 sector; one of the recommendations that came out of
17 the study was to protect and preserve M1-zoned land
18 in New York City; we just don't have inventory
19 available for businesses to expand, [bell] grow or
20 relocate; I therefore hope you will have the courage
21 not to approve the rezoning plan; however, if you do
22 approve the plan, we are in need for funding for the
23 Industrial Relocation Grant Program for East New York
24 companies. Thank you.

1
2 EMILY GOLDSTEIN: Good afternoon and
3 thank you for staying so long. My name's Emily
4 Goldstein and I'm the Senior Campaign Organizer for
5 the Association for Neighborhood and Housing
6 Development. ANHD is a membership organization of
7 New York City neighborhood-based housing and economic
8 development groups; our mission is to ensure
9 flourishing neighborhoods and decent affordable
10 housing for all New Yorkers.

11 We're concerned that the majority of the
12 new housing developed based on the current rezoning
13 proposal for East New York will be unaffordable to
14 the majority of people currently living in the
15 neighborhood. I know you've heard a lot on this
16 subject already today; I just want to reiterate that
17 the lowest affordability level actually guaranteed by
18 the current version of Mandatory Inclusionary Housing
19 that's working its way simultaneously through the
20 land use process is 60% of AMI or about \$51,800 per
21 year. Yes, developers do have the option to do
22 income averaging and make units at a lower level, but
23 there is no requirement for that, so those lower
24 level, deeper affordable units have no guarantee.

1 At the same time, it's wonderful that HPD
2
3 has committed to create a set number of units using
4 its ELLA program, where 10% of the units would be
5 affordable to families at 30% of AMI, where so much
6 of the local need is; however, that's only 10% of
7 units; that still doesn't match the local area's need
8 and those units are not permanently affordable, nor
9 can you guarantee that developers will choose to come
10 in and use an HPD subsidy program rather than waiting
11 out the market until the market does increase and
12 improve and they're able to do market rate
13 development.

14 You also can't guarantee, right, HPD can
15 talk about the next couple of years, but we don't
16 know what's gonna happen under a future
17 administration; we don't know what the level of
18 commitment to deeply affordable housing and to the
19 subsidies that that does really require is going to
20 be in the long-term; zoning is long-term; subsidies
21 are less so.

22 The mismatch between the new housing
23 likely to be built in the area and the income levels
24 of East New York residents makes a greater focus on
25 preserving the area's existing affordable housing all

1 the more important in order to ensure that local
2 residents are not displaced from their homes. We've
3 already heard that speculation is increasing, rents
4 are rising; land prices are rising. The City must
5 incorporate strong anti-displacement measures into
6 any land use action it takes to ensure that local
7 affordable units are not lost through speculation or
8 tenant harassment. Legal services are needed and are
9 welcome, but are not enough to counteract the profit
10 motive that leads many landlords to drive out long-
11 term residents in favor of higher profits.

12 One tool that can and should be applied
13 to help prevent the displacement of low-income
14 residents in East New York is the implementation of a
15 special district requiring a certificate of no
16 harassment when landlords apply for permits from the
17 Department of Buildings. If landlords with a history
18 of tenant harassment were either unable to renovate
19 their buildings to attract higher paying tenants or
20 had to provide a cure of permanently affordable
21 [bell] apartments in the building, there would be a
22 clear monetary disincentive for tenant harassment.
23 Based on the experiences of tenants and community
24 organizers in the Clinton Special District on
25

2 Manhattan's West Side, we believe this mechanism
3 would help to relieve the mounting pressure on East
4 New York's low-income tenants.

5 SHEKAR KRISHNAN: Good afternoon Council
6 Members. My name is Shekar Krishnan; I direct our
7 advocacy and litigation on behalf of tenant groups
8 and community coalitions at Brooklyn Legal Services
9 Corporation A, or Brooklyn A. We are a community-
10 based legal services office working for the
11 neighborhoods and families primarily of North and
12 East Brooklyn.

13 I've come here to oppose the rezoning
14 proposal in its current form and to support the
15 comments and perspectives offered by the Coalition
16 for Community Advancement.

17 Mayor de Blasio and his administration
18 have emphasized that this housing plan aims to build
19 and preserve affordable housing in order to foster a
20 more equitable and livable New York City. While
21 these goals may be the right goals, as with so many
22 things, the devils are truly in the details.

23 My office has approached the proposed
24 rezoning with a serious concern that was borne
25 through our extensive experience working with the

1 neighborhoods of Williamsburg and Greenpoint and
2 Bushwick in the decade following the waterfront
3 rezoning there. That rezoning too promised a
4 significant expansion of affordable housing; however,
5 while the promise of affordability has failed to
6 materialize, rampant speculation and luxury
7 development arrived in full force. Skyrocketing
8 property values have led to a massive increase in the
9 harassment and displacement of low-income long-term
10 residents, as well as the perpetuation of housing
11 discrimination and residential segregation.
12

13 As notable as its stated aims may be, the
14 proposed rezoning will not actually improve housing
15 affordability without substantial improvement to the
16 quantity of affordable units and the depth of
17 affordability demanded of developers and the ongoing
18 vigilance of government actors in enforcing our
19 housing laws.

20 One issue that has gone completely
21 unaddressed in the City's proposal, and really in
22 rezonings across New York City, is the need to ensure
23 that the City's rezonings will foster integration and
24 fair housing in East New York and Cypress Hills and
25 not perpetuate segregation.

1 The Coalition has urged the City to
2
3 consider fair housing impacts in its analysis and the
4 City has thus far flatly refused to do so. Let's be
5 very clear about this; New York City is the largest
6 recipient of Federal Fair Housing funding in the
7 country; it is also one of the worst violators of
8 fair housing laws in the country as well.

9 We don't need to look very far beyond
10 rezonings in Brooklyn, which also stands as one of
11 the most segregated boroughs in the city and one of
12 the most segregated metropolitan areas in the
13 country. Look in Brooklyn at the rezoning of the
14 waterfront, but not just there; the rezoning of the
15 Broadway Triangle on the border of Williamsburg and
16 Bedford-Stuyvesant and the way that litigation
17 revealed systemic flaws and failures in New York
18 City's enforcement of fair housing laws when it comes
19 to rezonings. [bell]

20 Under federal law, the City of New York,
21 as a recipient of HUD funding, is required to "take
22 strategies and actions that must affirmatively
23 further fair housing." To affirmatively further fair
24 housing is defined as "taking meaningful action in
25 addition to combating discrimination that overcome

1 patterns of segregation and foster inclusive
2 communities free from barrier that restrict access to
3 opportunity based on protected characteristics."
4 This duty "extends to all of the City's activities
5 and programs relating to housing and urban
6 development."

8 In light of Brooklyn's storied history of
9 residential segregation and the broad scope of the
10 City's proposed action in historically segregated
11 communities, it would be a clear violation of the
12 City's fair housing obligation to fail to consider
13 these impacts of the proposed rezoning on segregation
14 and discrimination.

15 The City has insisted that the proposed
16 action is rooted in a desire to ensure that a
17 neighborhood continues to serve diverse fair housing
18 needs and to protect neighborhood characteristics.
19 This does not go far enough, not does it comply with
20 fair housing laws. It is important that the low-
21 income residents of color in these neighborhoods who
22 have lived here for generations are not forced out by
23 rezoning actions that do not meet these needs and
24 will foster further displacement and in doing so
25 entrenched segregation that is only exacerbated with

2 this rezoning action by an AMI scheme that does not
3 meet the vast majority of families of color's needs.

4 This is a problem that it not just
5 specific to the East New York rezoning, but to
6 rezoning in New York City generally. These studies
7 are simply not done under HUD regulations and federal
8 law. The problem however is in low-income
9 neighborhoods the consequences are disastrous, so I
10 would urge the City Council to vote no on this
11 rezoning and substantially push the administration to
12 do better under fair housing laws. Thank you.

13 COUNCIL MEMBER ESPINAL: Before you
14 begin, I just have a question for the audience. We
15 are being pushed out of this room because of an event
16 that's gonna happen here around 4:00, so I just wanna
17 get a sense of how many people in the room are going
18 to testify. [background comments] Okay. Alright.
19 So I'm gonna push the clock; we're gonna go as far as
20 we can and then we have to move across the street to
21 250 Broadway; I believe it might be the 16th Floor.
22 Thank you.

23 JONATHAN FURLONG: Okay. Good afternoon;
24 thanks for the opportunity to testify today. My name
25 is Jonathan Furlong and I'm the Zoning and Technical

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Assistance Coordinator for the Association for Neighborhood and Housing Development. As you heard from my colleague Emily, we are a membership organization of over 100 housing groups across the city and my testimony today focuses on the needs of one- to four-family homeowners and what the City can do to provide critical help in maintaining the affordability of renters in small one- to four-unit buildings.

Small homes or those buildings with one to four apartment units are the predominant housing type in the study area of East New York; we would estimate that the number is closer to 3,300 units; I think HPD's testimony was slightly below that; most of the structures within the study area are over a century old and are in need of major system repairs.

Community Board 5 continues to be affected by the foreclosure crisis, with over 1,000 foreclosures filed in those zip codes within the Community Board last year.

We've been working with the Center for New York City Neighborhoods, as well as the Coalition for Community Advancement to put forward some housing

2 policies and ideas which we feel would sort of add to
3 the toolbox of what's already out there.

4 First of all, we'd like to create a Good
5 Neighbor Tax Credit that could protect unregulated
6 affordable housing by providing a tax break to
7 landlords of one- to four-family homes; in return,
8 those landlords would offer a protected lease to
9 tenants at below market rates; again, as Shai from
10 CHLDC pointed out, we would also strongly advocate to
11 pilot Shai's CDC's base campaign to retrofit and
12 legalize basement apartments to allow homeowners to
13 provide safe and affordable units in basements. The
14 ADU code or Accessory Dwelling Unit code would
15 legalize safe units even in areas that are currently
16 zoned to limit housing in single-family residences
17 and it would keep units affordable by creating a
18 conditional tax incentive for homeowners and
19 providing technical and financial assistance to
20 homeowners who participate in this pilot program.

21 We would also advocate for the
22 implementation of UHAB, the Urban Homesteading
23 Assistance Board recommendations to reform the City's
24 tax lien policy; we would like to see homeowners
25 enter into a repayment plan with the City that could

1 include a regulatory agreement; we would also
2 advocate for owners that continue not to pay
3 outstanding tax debt that the City should initiate
4 foreclosure and use the third-party transfer program
5 to transfer buildings to an affordable housing
6 provider.
7

8 Third, we'd like to create a capital fund
9 for upgrades for low-income homeowners to finance
10 roof replacements and energy efficiency measures to
11 offset rising housing costs and develop a retrofit
12 and small home repair market for local contractors.

13 As was noted before, we're very happy
14 that the City is working with small homeowners on
15 water and sewer rates and we would continue to
16 advocate that they continue those programs. [bell]

17 And lastly, enact a Flip Tax to
18 disincentivize real estate speculation. What we're
19 finding, particularly in East New York, and Michelle
20 Neugebauer brought this to our attention several
21 months ago, that large predatory equity companies are
22 buying up one- to four-family homes at auction and
23 basically making them into sort of unaffordable
24 rentals and so the first-time homebuyers within the
25 market get pushed out.

1 And lastly, we just really would like to
2 see the City overall expand the tools in its toolbox
3 -- everybody smile -- and you know, really push for
4 some of these policies to be put forward; we love the
5 fact that people are being provided legal assistance;
6 we love the fact that the help van is out there, but
7 these are reactive measures and we think that more
8 proactive stances can be put into place. Thank you.

9 SAM CHIERA: Good afternoon City Council
10 Members; thank you for this opportunity to testify.
11 My name is Sam Chiera; I'm a Staff Attorney at
12 Brooklyn Legal Services Corporation A; as you heard
13 from Mr. Krishnan, we serve the communities of North
14 Brooklyn and East New York and have done so for
15 nearly 50 years. Brooklyn A advocates to ensure low-
16 income tenants are protected in their homes in
17 neighborhoods facing massive displacement and we
18 would like to voice a number of concerns about the
19 current rezoning project.
20

21 One, that there are not enough deeply
22 affordable housing units proposed in the plan; that
23 the anti-displacement measures are insufficient; that
24 service needs, including schools, are not being
25 adequately addressed in that community as is;

2 economic development aspects of the plan need to be
3 strengthen, specifically protecting existing jobs and
4 industry, and there must be real accountability
5 mechanisms in place to ensure that the commitments
6 made today and during this process are kept for a
7 long term.

8 The affordability of the proposed housing
9 does not match the incomes of current residents, as
10 several people have testified today; currently 50% of
11 the housing will be market rate and 50% will be
12 affordable, but in East New York market rate housing
13 will be luxury, might as well be luxury housing, as
14 it is totally unaffordable for current residents. To
15 date only 1,200 units of the proposed 3,000 have been
16 identified and those do not reach the deep
17 affordability levels that we need in our community.
18 We need more deeply affordable housing and we
19 continue to advocate for 5,000 units to be
20 constructed. Without these objectives, this rezoning
21 will not benefit the existing community of East New
22 York it is intended to serve; rather, it will further
23 gentrification and displacement.

24 The Coalition for Community Advancement
25 has put forward over a dozen proposals for

1 strengthening anti-displacement, including
2 implementing an anti-harassment zone in East New
3 York; we need action and commitment on these
4 proposals. There is a severe shortage of school
5 seats that will be exacerbated by the rezoning; we
6 need additional commitments on these school seats and
7 all critical services that make a neighborhood
8 livable, healthy, safe, and strong; that is why we
9 have proposed a Special Purpose District that would
10 support the development of new services throughout
11 the life of the East New York Plan.

13 The economic development aspects of the
14 plan must be strengthened with additional resources,
15 preservation of manufacturing and stronger anti-
16 displacement strategies to retain the 500 mom and pop
17 small businesses on the impacted commercial
18 corridors. We also need firmer commitments on local
19 hiring strategies which will result in living wage
20 employment for East New York residents in the
21 construction, manufacturing, retail, and other
22 neighborhood growth sectors; too many communities
23 have been promised great things by developers and
24 City officials only to realize too late [bell] that
25 pledges made at zoning hearings, promises made to

2 Council Members and even agreements with the City are
3 not enough to secure meaningful community benefits;
4 this is why we have urged the City to modify its
5 plans to enshrine more commitments within the zoning
6 text and commit to high-level coordination,
7 accountability and an evaluation plan.

8 To make this rezoning a success it is
9 critical that the City establish and Office of
10 Neighborhood Development charged with ensuring the
11 effective and timely implementation of the rezoning
12 plan and related mitigation strategies. The City
13 also needs to establish a neighborhood cabinet to
14 serve as an empowered advisory board to work together
15 with the City agencies on neighborhood initiatives;
16 without community-driven input... [crosstalk]

17 COUNCIL MEMBER ESPINAL: For the sake of
18 time, I'm gonna ask you to wrap up..

19 JONATHAN FURLONG: Sure.

20 COUNCIL MEMBER ESPINAL: situation we're
21 in now.

22 JONATHAN FURLONG: Without community-
23 driven input and solutions, this rezoning will not
24 meet the needs of the neighborhood in which it sits.

2 For these reasons we strongly object to the rezoning
3 plan in its current form.

4 COUNCIL MEMBER ESPINAL: Okay, thank you.
5 Thank you. Thank you, Bill for coming to the signing
6 on behalf of the IBZ and manufacturing; as you heard
7 earlier, we've been pushing very hard in making sure
8 that the IBZ is being looked at and receives the
9 services and the resources it needs; the
10 administration can [sic] speak on my behalf; one of
11 the top things that I've been advocating for is the
12 IBZ and making sure that you have the resources to
13 make sure it's a thriving place. So I know you said,
14 have the courage to vote no, but I don't think voting
15 no is actually courageous for me, you know it's easy
16 to vote no, it's easy to say no; I've done it many
17 times on different pieces of legislation; I think I
18 should weather the storm and try to get us to the
19 best place we can be and if at the end I don't like
20 what I see, then we could talk about voting no, but I
21 think it's important that we go through this process
22 and try to get the best we can for our neighborhoods.

23 BILL WILKINS: And I just wanna
24 underscore the fact that I had mentioned the
25 Industrial Relocation Grant, because of us losing the

2 M1 inventory, that those businesses will need
3 assistance; when you have to shutter or close your
4 doors and move it's a significant cost that they
5 would have to bear the brunt of and that's a fund
6 that happens to be underfunded and we need to have
7 money put into the fund, especially for some of our
8 East New York businesses on Atlantic and Liberty that
9 will be looking for relocation spaces.

10 COUNCIL MEMBER ESPINAL: Duly noted.

11 Thank you. Call up the next panel. Moses Guerrero;
12 David Powell; Maria Collier; Barry Smith, Maria Hia
13 [sp?]. [background comments] Aida Castillo; Bishop
14 David Benke; Darma Diaz. Let's begin; just state
15 your name before you give your testimony. Press the
16 button for the...

17 MARIA CONTRERAS-COLLIER: I'm sorry.

18 Good afternoon, City Council Members, my name is
19 Maria Contreras-Collier and I'm the Executive
20 Director of the Cypress Hills Child Care Corporation.
21 I'm here to testify about the East New York rezoning
22 plan's impact on child care services.

23 The Cypress Hills Child Care Corporation
24 was founded in 1990 and runs a nationally-accredited
25 ACS Early Learn Child Care Center, a Head Start

1 Program and a Family Day Care Network. Annually we
2 serve 500 low-income, predominantly Latino families.

3 According to the City's Final
4 Environmental Impact Statement, the rezoning would
5 result in a significant adverse impact on publicly-
6 funded child care facilities. Specifically, 630
7 children under the age of 6 will need a publicly-
8 funded day care slot and an additional 203 slots will
9 be needed after available slots are used. We urge
10 the City to adopt the Coalition for Community
11 Advancement's proposal for a Special Purpose District
12 in the neighborhood to match the growth of preschool
13 population with new child care centers. We are
14 concerned over the lack of commitment for the new day
15 care facilities as part of the rezoning plan.

16 First, we know that the City's statistics
17 in the EIS are flawed; none of the child care centers
18 in Cypress Hills have additional capacity, including
19 ours, but we are shown as having open slots in the
20 EIS. Between Cypress Hills Child Care, St. Peter's
21 Lutheran Preschool, St. Malachy's Child Care Center
22 and Head Start, all in the rezone area, we have a
23 combined waiting list of 240 families who desperately
24 need child care for their infant toddlers and
25

2 preschoolers. The demand is greatest between the
3 ages of infancy and 3 years old.

4 The mitigation strategies proposed by the
5 administration in the Final Environmental Impact
6 Statement are not viable. The City believes that 4-
7 year-olds can be served by UPK; we wish that this was
8 true, but our public schools are already overcrowded
9 and unable to accommodate UPK programs; nonprofit
10 sponsors of UPK have no additional room or capacity.

11 The City also proposes that family day
12 care providers can absorb some of the influx of
13 children; unfortunately, this will only benefit
14 parents that can privately pay for child care
15 services, as ACS has a notoriously long waiting list
16 for vouchers.

17 Another mitigation suggested by the City
18 is that parents will travel with their children to
19 find day care centers closer to their job. Accessing
20 the J train with strollers and sleeping infants and
21 toddlers, especially in inclement weather is an
22 extreme hardship. [bell]

23 Another of the City's mitigation
24 strategies is a development of ground floor
25 commercial space that will allow community facilities

2 such as child care centers. While we hope that these
3 opportunities will arise, we know that from
4 experience that millions of dollars are needed to
5 outfit and equip new day care facilities; therefore
6 we request specific commitments be made to fund new
7 child care facilities to meet the current and future
8 needs of families and that the Council supports the
9 Coalition for Community Advancement's proposal.

10 In conclusion, we ask the City Council to
11 vote not unless the City commits to the
12 implementation of the Coalition's alternative
13 community plan. We must remember that early
14 childhood education is a game changer and Cypress
15 Hills' children and the future families need and
16 deserve quality services so that children can embark
17 on their educational journey with all the tools they
18 need to succeed. Thank you very much.

19 DAVE POWELL: Thank you. My name is Dave
20 Powell; I'm the Director of Organizing and Advocacy
21 for the Fifth Avenue Committee and also for Neighbors
22 Helping Neighbors, both in Brooklyn, but neither one
23 of which is in Cypress Hills or East New York, but
24 like Enrique from CASA in the Bronx, I'm here because
25 I'm concerned about what's happening or potentially

2 happening to our neighbors with this rezoning and
3 also because we see this coming down the road for us
4 in the future and we know that what happens in East
5 New York sets a precedent.

6 First and foremost, we wanna express our
7 support for the Coalition for Community Advancement's
8 Neighborhood Rezoning Plan and sort of emphasize what
9 we see is a flaw in the current administration's
10 plan; an overarching theme identified in CCA's plan
11 is that a lack of formal community input is a deep
12 and fatal flaw in the proposal that's been put forth
13 and there cannot be trust in this process, let alone
14 justice in the result without community residents at
15 the decision-making table. And again, we say this
16 because we're in solidarity with our neighbors, but
17 also because this is the kind of engagement that we
18 expect from the administration when they come to talk
19 to us about Gowanus and Sunset Park, which we know is
20 coming.

21 Secondly, the proposed rezonings in East
22 New York, Jerome Avenue and beyond, while admirable
23 in their goals for affordable housing creation, are
24 critically flawed in that they rely on inflating
25 current housing values without creating additional

1 protections for tenants and businesses that will
2 almost definitely face displacement. Simply put,
3 without such protections in place before any
4 rezoning, the forces of predatory real estate
5 speculation will find fertile ground in the Mayor's
6 proposal and any proposal that unleashes additional
7 density for market rate development.
8

9 This is a lesson our community has
10 learned firsthand. A prime example of this was the
11 destruction of 150-158 4th Avenue in the wake of the
12 2003 rezoning of 4th Avenue in Brooklyn. These were
13 five rent-stabilized buildings that provided 40 units
14 of deeply affordable housing to low- and moderate-
15 income families in our community -- I've attached a
16 one-pager about this to my testimony. The increase
17 in density was too tempting for this unscrupulous
18 landlord who viciously and persistently harassed
19 every last tenant out of these buildings until they
20 were empty. By 2009, these buildings were demolished
21 and today our community walks by a luxury development
22 that receives a 421-a tax break where 40 of our
23 beloved neighbors once lived.

24 Just down the block is 140 4th Avenue,
25 where two families are left to resist the

1
2 constructive eviction and harassment techniques of
3 the landlord as he recklessly slaps two additional
4 floors onto this eight-unit rent-stabilized building.

5 Diagonally across the street is 78 St.
6 Marks Place, another eight-unit building where two
7 households bravely fight against a landlord who first
8 harassed tenants out, but who has now shifted gears
9 and has applied to DHCR to demolish the building
10 legally.

11 The danger and harassment endured [bell]
12 by these families, only four of whom are still in our
13 community today, is a cautionary tale about the
14 destructive forces that are unleashed by increased
15 density and a call for additional tenant protection.
16 I therefore urge the City Council and in particular,
17 Council Members Espinal and Barron to vote no on the
18 proposal that is before you unless and until a
19 community planning framework and strong anti-
20 displacement measures put forth by the Coalition for
21 Community Advancement and that are integrated into
22 Int. 0152-A, which is before this Council and which
23 was mentioned previously for a certificate of no
24 harassment, can be integrated into the current plan.
25 And I will remind all Council Members that again,

2 although this is a local land use action, we all know
3 that what happens in East New York will likely set a
4 template that at least 14 more neighborhoods will be
5 subject to follow in one form or another.

6 And lastly, Councilman, I just wanna
7 thank you for your patience and for, you know,
8 frankly letting us not just have our three minutes,
9 but go over our three minutes; I wanna just commend
10 you for that because that's not the norm in this
11 chamber and we do appreciate that.

12 I want to invite you and Council Member
13 Barron to come to 4th Avenue and to see what's
14 happened in our corridor and really show you what we
15 think is the utility of having something like an
16 anti-harassment special district or a citywide zoning
17 amendment that would require that in addition to
18 reforms to the Department of Buildings and other
19 tenant protections that we think are essential if any
20 sort of upzoning is to be successful; it has
21 literally ripped our neighborhood apart and you know
22 we think there's a real lesson there to be learned.

23 COUNCIL MEMBER ESPINAL: Yeah, I would
24 love to. I'll make sure I connect you with my staff.

25 DAVE POWELL: Great.

1 MARIA HIA: Good afternoon. My name is
2
3 Maria Hia and I am a long-term resident of Cypress
4 Hills and East New York and I have a child in the
5 public school where the rezoning plan is in design.
6 And I work for 30 years in Cypress Hills to alleviate
7 the overcrowding situation in public schools. And I
8 decided really early thinking that well, for the
9 **[inaudible]** I will not have this problem again, but
10 unfortunately I'm here again testifying against the
11 lack of planning in the public school system.

12 New York City is proposing a rezoning
13 plan that's not taking consideration the real needs
14 of our community. They are planning for 1,000 school
15 seats, which is really short for what they are
16 planning to develop. Now the public system, the
17 schools in our neighborhood, they are overcrowded; we
18 have trailers that are being used as **[including]**
19 schooling; those trailers were planned for a
20 temporary solution to alleviate overcrowding and now
21 some trailers are 13, 15 or 16 years old.

22 Now that we have the opportunity to build
23 schools from scratch, those trailers should not be
24 considered as a part of the permanent space, so we
25 should get rid of them and build real seats inside of

1 public schools, and also we should take the
2 opportunity to go along with the Mayor's agenda to
3 develop community schools in New York City and why
4 not in our community? So therefore we need more
5 space to provide service **[inaudible]** community
6 schools. And also we have to preserve those services
7 that are already in our schools, like The Beacon
8 Program and I was happy to hear from our Council
9 Member that yes, he is definitely supporting to keep
10 The Beacon Program, but there also are other programs
11 and there are other programs that we need to
12 implement because there is a great need for our
13 students to have extra support besides classroom
14 teachers; there is clinic in the schools [bell] that
15 are not being taken into consideration, there is
16 technological service that those students need, so I
17 really encourage you to support a plan that considers
18 the needs for the community and a plan that is
19 developed by the community and takes in consideration
20 what is needed for the existing community and for the
21 future members who are gonna be part of this
22 community. Thank you.

24 AIDA CASTILLO: Good afternoon members of
25 the City Council. My name is Aida Castillo; I'm a

2 lifelong resident of Cypress Hills; my parents are
3 homeowners in Cypress Hills; I work for the Cypress
4 Hills LDC, and I'm a member of the Coalition for
5 Community Advancement.

6 I am testifying on the need for the City
7 to help the owners of one- to four-family homes
8 preserve their housing and create protection for our
9 renters. I'll testify today on the importance of
10 anti-displacement strategies for tenants and owners
11 in small homes. We are urging you to vote no on the
12 City's East New York plan unless there are strong
13 anti-displacement policies, programs and resources in
14 place as outlined in the community's alternate plan.

15 The City's Final Environmental Impact
16 Statement ignores the huge threat to displacement of
17 low-income renters in small, unregulated homes and to
18 low-income homeowners themselves. The FEIS states
19 that the rezone would not result in a significant
20 adverse direct residential displacement impact and no
21 further analysis is needed. We disagree. Rezoning,
22 without locking in affordable rental units and small
23 homes and without preserving affordability for low-
24 income and senior citizen homeowners, will lead to
25 massive displacement. Small homes containing one to

1 five units are an extremely prevalent housing type in
2 the East New York rezone area, accounting for more
3 than 3,300 residential units. At three residents per
4 unit, nearly 10,000 people live in this vulnerable
5 housing type.
6

7 The rezone puts low-income renters at
8 greater risk of losing their apartments to
9 skyrocketing rents and homeowners at risk of losing
10 their homes because of rising real estate taxes and
11 increased pressures from scammers and speculators.
12 The area median income of homeowners in Cypress
13 Hills/East New York is significantly lower than the
14 citywide average, making local homeowners vulnerable
15 to housing market changes. Home values in the area
16 have risen by more than 150% since 2012; this has
17 caused an increase in property taxes and higher
18 rents. We are proposing ways to prevent displacement
19 in these homes.

20 As part of a long list of anti-
21 displacement strategies that the Coalition is
22 proposing, we are calling for specific ones for small
23 homes, incentives to keep property taxes and rents
24 low and disincentives to speculation. The Coalition
25 has proposed a Good Neighbor Tax Credit and a Flip

2 Tax. The Good Neighbor Tax Credit would be a
3 property tax credit to incentivize tenant protections
4 by requiring leases, tenant protections and
5 affordable rents in exchange for a real estate tax
6 credit.

7 The Flip Tax would be an investor
8 purchaser transfer tax and would increase the
9 transfer tax on transfers to non-owner-occupied
10 investor purchased units.

11 In addition, the Coalition is calling for
12 the creation of an Investor-Landlord Tax
13 classification [bell] which would reclassify
14 investment purchase small homes, one to four units,
15 as Class II properties to increase property tax
16 rates.

17 We have also asked the City to lower
18 water and sewer rates for low-income homeowners,
19 provide deep rehabilitation subsidies in exchange for
20 affordability for renters, create grants to retrofit
21 basement conversion programs that require homeowners
22 to sustain low-income tenants, and to create a fund
23 for capital upgrades for low-income homeowners to
24 finance roof replacements and energy-efficient
25 measures to offset rising housing costs.

2 Our neighborhood needs these tools; the
3 City must use all the tools it can to ensure that the
4 East New York rezone keeps current residents in their
5 homes and in their community. Because the City's
6 plan has failed to do so, we urge City Council to
7 vote no unless the City adopts the community's plan.
8 Thank you.

9 COUNCIL MEMBER ESPINAL: Thank you.

10 FEMALE VOICE: I'm not Darma Diaz, but
11 I'm reading for her; she was unable to leave work
12 today.

13 COUNCIL MEMBER ESPINAL: I was wondering.

14 FEMALE VOICE: I'm gonna read her
15 testimony.

16 Good afternoon, my name is Darma Diaz and
17 I'm a homeowner and long-time resident in Cypress
18 Hills; I'm also a proud member of the Coalition for
19 Community Advancement; I am testifying on the need
20 for the City to plan for more emergency services as
21 part of the East New York plan. We are urging City
22 Council to vote no on the City's East New York plan
23 unless it is the Coalition's alternative plan.

24 The City acknowledges that the rezone
25 will bring about 24,455 residents and workers to the

1 area, but the City says that the rezone will not
2 "create a sizable new neighborhood where none existed
3 before," and so there is no need to assess the
4 potential impacts to fire protection. It seems
5 impossible, given the density and built-up nature of
6 Brooklyn and the population increase that our
7 neighborhood wouldn't need additional fire protection
8 services. The Coalition continues to request that
9 the City include an assessment of the potential
10 impact to fire protection.
11

12 In addition, since both Engine 236 and
13 Engine 332/Ladder 175 are located directly next to
14 proposed development sites within the rezoning area,
15 the Coalition has asked that the FEIS assess how
16 developing those sites would potentially impact or
17 inhibit access to those emergency service facilities.

18 The Coalition is pleased that these
19 concerns were heard; however, the FEIS concluded that
20 no construction impacts would be expected and the
21 response times would, and I quote, "not be materially
22 affected by construction due to the geographic
23 distribution of the police and fire facilities and
24 their respective coverage area." The Coalition
25

1 believes that there would be a serious impact that
2 would threaten the safety of all of use.

3
4 Like with fire protection, the Coalition
5 asked that the FEIS assess what additional police
6 patrol, personnel and facilities would be needed to
7 serve the estimated additional 24,455 new residents
8 and workers. The request was also based in the fact
9 that the 75th Police Precinct is one of the
10 geographically largest in the city. The City's
11 response was the same as its response to the request
12 to study indirect impacts on fire protection; the
13 rezoning, and I quote; "will not create a sizable new
14 neighborhood where none existed before and therefore
15 is not needed."

16 The Coalition also specifically asked
17 that especially give the 75th large catchment area,
18 response times for emergencies in Highland Park be
19 assessed, given the increased demand for emergency
20 services generated by the 24,455 new residents in the
21 community. The City responded that the issue is
22 outside the scope of assessment, probably because
23 they believe that no sizable new neighborhood would
24 be created; just like with fire protection, this
25 seems impossible. [bell]

2 In conclusion, this plan must be more
3 than a housing plan; it must address the needs of
4 existing community members, especially our needs for
5 emergency services. Because the City's plan fails to
6 identify our neighborhood's increasing needs for
7 emergency services and to mitigate threat to public
8 safety, we urge the City Council to vote no on the
9 East New York rezone plan and instead advocate for
10 the adoption of the alternate plan presented by the
11 Coalition for Community Advancement. Thank you.

12 COUNCIL MEMBER ESPINAL: Thank you all.
13 Thank you. And day care was something we talked
14 about earlier, something we're looking into, so it's
15 one of the priorities of this plan. Thank you all.

16 [pause]

17 Sorry; I'm negotiating my lease here.

18 [pause]

19 We'll call up one more panel and then we
20 have to consider moving, if there are still people
21 who are going to testify. The next panel, we have
22 Rose Martinez; Betsy MacLean; Shayla Bussig [sp?];
23 sorry if I mispronounce your name; Amy from Staten
24 Island; Helene Leo [sp?]; Zintium Kai [sp?] from
25 Henry Street; Lisa from 964 59th Street; Leah

2 Archibald from Evergreen; Sophia Carlton from
3 Partnership for the Homeless; George Finley; Legal
4 Services NYC, Louis Enriquez; Melvin Faulkner from
5 Barron's office; James Malone. [background comments]

6 So can you just say your name very
7 quickly, 'cause I don't know who came up?

8 UMBERTO MARTINEZ: I'll be testifying for
9 Rose Martinez; my name's Umberto Martinez.

10 COUNCIL MEMBER ESPINAL: Okay.

11 SOPHIA CARLTON: I'm Sophia Carlton,
12 Partnership for the Homeless... [crosstalk]

13 COUNCIL MEMBER ESPINAL: 'Kay.

14 FEMALE VOICE: I'm testifying for
15 Evergreen, Lisa from Evergreen.

16 COUNCIL MEMBER ESPINAL: Leah?

17 FEMALE VOICE: Yeah.

18 COUNCIL MEMBER ESPINAL: Okay.

19 LUIS ENRIQUEZ: I'm Luis Enriquez from
20 Legal Services New York City.

21 MELVIN FAULKNER: If you can hear me, my
22 name is Melvin Faulkner; I'm **[inaudible]**.

23 COUNCIL MEMBER ESPINAL: Okay. You can
24 begin; state your name before your testimony.

25

1 UMBERTO MARTINEZ: I'll start. My name
2
3 is Umberto Martinez; again, I'm testifying for Rose
4 Martinez.

5 I'm here to testify today on the
6 importance of a retail plan to strengthen the
7 commercial corridors of the rezoning area and the
8 need to implement anti-displacement policies for
9 small businesses in Cypress Hills/East New York.

10 The Department of Small Business Services
11 should be commended for its commitment to conducting
12 a Commercial District Needs Assessment for the
13 commercial strips in the rezoning area. There are
14 roughly 500 small mom and pop retail and service
15 shops on these commercial strips that can benefit
16 greatly from the City's investments in business
17 attraction and retention services, storefront and
18 building improvements, merchant organizing, and small
19 business technical assistance. The Commercial
20 District Needs Assessment will identify the longer-
21 term projects that the City will implement to
22 preserve these commercial corridors. We need
23 commitments that the financial resources for these
24 strategic interventions will be available in the
25 following fiscal years.

1 The potential of small businesses is a
2 major concern of the Coalition, which has not been
3 adequately addressed; in the FEIS the City concludes
4 that the direct displacement of 88 businesses does
5 not constitute a significant adverse impact. It also
6 states that the rezoning intends to increase the
7 amount of retail space for local businesses and that
8 directly displaced businesses will be able to find
9 space in new developments. We question these
10 assumptions; we doubt that newly constructed retail
11 spaces without significant public subsidy can match
12 what small businesses are paying now on Fulton Street
13 and Pitkin Avenue and we ask where in Brooklyn will
14 these businesses go?

15 Furthermore, there is contradictory
16 projections in the FEIS about future retail growth in
17 East New York; the FEIS says that the rezoning will
18 not create new types of retail uses, such as a
19 destination retail; instead the FEIS expects new
20 businesses to be primarily local scale, commercial
21 activity to support anticipated residential
22 development; however, the FEIS omits an analysis of
23 the impacts of the C4-4D and the C4-4L zoning
24 districts proposed for each of the four corners of
25

2 the East New York rezoning area and the fact that
3 they are designed to foster regional commercial
4 centers that will compete with local merchants and
5 drive up rental prices.

6 The Coalition asked that the FEIS measure
7 and share the potential impact that new commercial
8 and commercial overlay zoning districts will have on
9 existing small retail businesses, including an
10 analysis of the impact of chain stores on local
11 businesses and the potential displacement that larger
12 commercial **[inaudible]** will likely create.

13 Mitigation strategies that need to be
14 studied are outlined by the Coalition in its
15 alternative plan and include setting aside spaces in
16 new mixed-use developments at current commercial
17 rental levels for neighborhood small businesses and
18 start-up entrepreneurs; coordination between the
19 City's housing and small business agencies in
20 implementing the retail plan and not locating new
21 retail in direct competition with existing small
22 businesses; [bell] the Good Neighbor Tax Credit to
23 create incentive for owners of mixed-use buildings to
24 keep rents affordable; storefront improvement grant
25 and building repair loans, grants that can

2 incentivize owners to keep long-term commercial
3 tenants and attraction of high-road retailers to
4 destination retail locations or downsizing the amount
5 of current proposed destination retail.

6 Lastly, East New York has one of the
7 highest rates of unemployment in New York City, at
8 19%; this is actually three times higher than the
9 unemployment rate citywide; we need to ensure that
10 the East New York rezone plan includes strides to
11 increase living wage jobs for local residents.
12 Because the City's plan has failed to acknowledge the
13 threat to current retail businesses and has failed to
14 generate sufficient mitigation strategies, we urge
15 the City Council to vote no on the City's plan unless
16 the City adopts the Coalition's alternate plan.

17 COUNCIL MEMBER ESPINAL: Thank you, sir.

18 UMBERTO MARTINEZ: Thank you.

19 COUNCIL MEMBER ESPINAL: I'm gonna have
20 to stop being as flexible with the clock, only
21 because we do have to leave at a certain point, so
22 you know, when the clock rings, just finish up your
23 testimony.

24 SOPHIA CARLTON: Hi, thank you for the
25 opportunity to testify. My name is Sophia Carlton

2 and I'm the Director of the Family Resource Center
3 that's the project of Partnership for the Homeless
4 and we are located in East New York.

5 The FRC serves hundreds of families each
6 year through our health, housing, education rights,
7 and family stability programs. Most of the people we
8 serve are either homeless or at risk of losing their
9 housing. Even with the City and State FEPS programs
10 intended to help families move out of shelters,
11 quality housing in East New York is still out of
12 reach for many. We are currently working with 43
13 families who have been approved for CITYFEPS and are
14 waiting to find decent, safe and affordable housing.
15 Most of these families would like to stay in East New
16 York or in surrounding neighborhoods but are being
17 forced to move to other boroughs where they have no
18 family or community connection. Our housing
19 advocates have found it challenging to find
20 affordable housing for families with four or less
21 people, as there are fewer units available at the
22 rent cap for these family sizes. Increasing rent and
23 stagnant rental subsidies are forcing families to
24 either accept subpar housing conditions or go into
25 apartments that are too small for their family size.

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2 We recently worked with one family of six that moved
3 into a two-bedroom unit against our recommendation
4 because they were so desperate to get out of the
5 shelter.

6 We are greatly concerned about the
7 condition of housing that is accessible for East New
8 Yorkers who are homeless. Many of the units that are
9 offered at or under the CITYFEPS rental cap do not
10 meet the Department of Housing and Urban
11 Development's basic habitability standard. The
12 unfortunate thing here is that even if we deem a unit
13 to have failed inspection and do not recommend that a
14 family accept it in present condition, they may be
15 under so much stress and pressure to move out of the
16 shelter that they are willing to accept even a roach-
17 infested unit with broken appliances and mold. These
18 are not units that just need a little TLC; this is a
19 huge issue that needs a city level intervention.

20 From 2013-2015, we saw a doubling of the
21 number of homeless families coming to us for
22 assistance who were at risk of eviction; most of
23 these are holdover cases in unregulated units where
24 landlords are not willing to renew their lease. We
25 are now seeing families who have been in their homes

1 for years, decades even, who are now facing eviction;
2 one elderly couple who came to us had resided in
3 their home for over 30 years, with the landlord just
4 beginning the eviction process this past year.
5

6 The area median income for East New York
7 is \$35,000, but the average income of families that
8 we serve at the FRC is significantly lower. We
9 support the Coalition for Community Advancement's
10 proposal to dedicate construction of permanently
11 affordable family size units at levels of
12 affordability that make sense for East New York's
13 AMI. Units available at 15% of AMI would allow the
14 families that we serve to at least have a chance of
15 accessing housing that's inaccessible according to
16 the current plan.

17 In addition, we support the Coalition's
18 proposal to dedicate funds to repair aging housing
19 stock, as well as incorporating an array of anti-
20 displacement policies to prevent further evictions.
21 If these recommendations are not incorporated into
22 the plan, families will continue to be evicted from
23 their homes and displaced from East New York at
24 alarming rates. [bell] The families we serve have
25 ties in East New York; they have existing social

1 networks and social capital that have taken years
2 even generations to establish; once we uproot
3 families from this community their foundation for
4 regaining economic stability is derailed and this is
5 simply not acceptable.

6
7 I look forward to being part of the
8 upcoming discussion on revising the rezoning plan to
9 ensure that the voices of homeless families are part
10 of this conversation. Thank you.

11 COUNCIL MEMBER ESPINAL: Thank you.

12 FEMALE VOICE: Good afternoon. I'm
13 speaking on behalf of Lisa [sic] from Evergreen,
14 comments and lessons learned on the 2005 rezoning of
15 industrial Greenpoint and Williamsburg. [sic] Your
16 North Brooklyn Business Exchange, I would like to
17 share our experience after the rezoning of the North
18 Brooklyn waterfront in 2005 in the hopes that it
19 illuminates the potential impact of zoning policy on
20 industrial employment in East New York.

21 Evergreen is a membership organization
22 that champions manufacturing creative production and
23 industrial service businesses in North Brooklyn and
24 beyond. We connect businesses with resources and
25 opportunities to help create and maintain high-

1 quality jobs at all skill levels. In 2015 Evergreen
2 served over 300 businesses in a variety of ways,
3 including helping link them with financing and
4 assisting them with city and state incentive
5 programs. The 2005 rezoning had a monumental impact
6 in the industrial business communities, both within
7 the rezone areas and in the protected industrial
8 business zone just outside of the rezoned area.
9

10 In the years leading up to 2005 rezoning,
11 we estimate that we lost over 100 companies with many
12 more jobs leaving fewer than 175 industrial firms in
13 the rezoned area. A survey conducted in 2006
14 demonstrated that we lost another 59 firms; on the
15 remaining 155 firms, more than half were tenants and
16 over half of these firms expected to have to move
17 because they had no long-term lease in place.

18 The protected Greenpoint/Williamsburg IBZ
19 area retained its M zoning, but has continued to
20 decline to approximately 66 industrial firms
21 employing fewer than 1,600 people at present.
22 Although there is a pocket of seven blocks of
23 predominantly industrial use in this IBZ, the
24 majority of this industrial business zone is
25

2 populated with hotels, nightclubs and large-scale
3 amusement.

4 At present there is a proposal pending to
5 create a district in the majority of this IBZ, which
6 is 14 blocks to allow for a very large-scale office
7 development in exchange for supplying on-site
8 manufacturing space.

9 Overall, there has been a 28% decline in
10 the numbers of manufacturing businesses since the
11 2005 rezoning; there are 2,000 fewer employees
12 despite the 40% increase in the number of service
13 businesses. [bell] Not only did this decline impact
14 the loss of manufacturers and local community jobs,
15 it also had a detrimental impact on residents who
16 were forced out of the community despite the City's
17 effort of incentivizing the development of affordable
18 housing. Some businesses have expressed their
19 concern that inflated rents caused them to lose
20 skilled employees due to them having to move to far
21 outside districts or even outside the city. Although
22 the proposed East New York rezoning has different
23 characteristics than the Greenpoint/Williamsburg
24 rezoning, we believe that any rezoning from M to R
25 will likely result in a loss of industrial businesses

2 and jobs both in the rezoned area and in the nearby
3 protected Industrial Business Zone.

4 COUNCIL MEMBER ESPINAL: Thank you. Can
5 I ask, please wrap up just if you have one more or
6 two more sentences you wanna add.

7 FEMALE VOICE: Yeah, I'd like to do that
8 quickly. At the time of the 2005 rezoning, the Mayor
9 and City Council agreed to a series of interventions
10 designed to address the community's concerns. Below
11 is a review of the points of agreement to preserve
12 industrial jobs in the wake of the
13 Greenpoint/Williamsburg rezoning. The Industrial
14 Real Estate Development Fund -- this fund was
15 established to allow nonprofits to develop affordable
16 industrial real estate that will stay industrial.
17 Four million was awarded to GMDC for the purchase of
18 the McKibbin Street building and Evergreen was
19 awarded two grants totaling \$3.7 million for the
20 purchase of a building on Cook Street and Dobbin.
21 Evergreen purchased another two buildings on Cook
22 Street with a \$2.4 million allocation from this fund.
23 Although the fund was supposed to have \$200 million
24 for development in CB1 after \$10 million was spent by
25 Evergreen and GMDC the fund was disbanded..

2 COUNCIL MEMBER ESPINAL: Sorry; I'm gonna
3 have to cut you off.

4 FEMALE VOICE: Okay.

5 COUNCIL MEMBER ESPINAL: but thank you
6 for your testimony.

7 FEMALE VOICE: Thank you.

8 LUIS ENRIQUEZ: Good afternoon. My name
9 is Luis Enriquez from Legal Services of New York
10 City. Thank you for the opportunity to testify.

11 As the Council is aware, Legal Services
12 and Legal Aid received the first batch of City
13 funding to expand the provision of legal services in
14 the rezones. I'm a Deputy Director in the Brooklyn
15 Legal Services office and I happen to be one of the
16 ones that has been directing that work; in Brooklyn
17 we have in fact been very busy hiring a bunch of new
18 lawyers, training them, establishing relationship
19 with community-based organizations like New York
20 Communities for Change, like Cypress Hills LDC and
21 the idea of more lawyers for tenants in housing
22 court, I definitely favor that, but of course, as has
23 been expressed many times today, more lawyers for
24 people in housing court is not the only tool that
25 will get the job done in terms of preserving the

1 existing area residents in East New York and so we
2 are here to join our voice to the many concerns that
3 have been expressed today by many organizations and
4 unsurprisingly, our concerns are very much the same
5 as those that the Council has already heard today.

6
7 First, that the proposed rezoning will
8 accelerate gentrification in East New York and
9 therefore also increase displacement of low-income
10 tenants from the neighborhood.

11 Second, that the administration's
12 accompanied mandatory inclusionary proposal will not
13 create the amount of affordable housing needed to
14 counteract, to offset the displacement that this
15 community will see.

16 And third, that this will lead to a
17 situation where the character and accessibility of
18 the neighborhood will be forever transformed and many
19 current East New York residents will not remain to
20 enjoy any of the benefits of the proposed rezoning.

21 Now in my written testimony we developed
22 these points, but I'm just gonna close out by saying
23 or giving you a window of my experience as a tenant
24 representative in housing court, there's several
25 landlord behaviors that we associate with "a rapidly

1
2 MELVIN FAULKNER: Again, my name is
3 Melvin Faulkner and my area of expertise is
4 foreclosure; we're always in the courts fighting for
5 homeowners who actually, some cases, overextended
6 their monetary gains and basically they're before
7 judges. And basically what most of the banks want is
8 the property. Being honest with you, we tell
9 everybody that we go to court with; that's not part
10 of the transaction, we refuse to negotiate taking
11 back the person's property, because when they laid
12 out, they laid out thousands of dollars to put a down
13 payment, they're in over their head actually as far
14 as mortgages are concerned and the situations have
15 changed from the day that they implemented the loan
16 in the first place; some parents have separated, some
17 have died; what other circumstances they've been
18 through and basically what we're tryin' to do now is
19 salvage that home, 'cause everybody that's on my list
20 says, I wanna keep my house, regardless and basically
21 say okay, so what about the 30-year mortgage going to
22 40; we'll do the 40-year mortgage, but we want them
23 to keep the house. One of the primary things that we
24 say to everybody, please do not give that deed away
25 to nobody; once the deed's gone, we can't help you.

1 And I'm sure everybody at this table recognize when
2 people want to stay where they are, where are they
3 gonna go, to a shelter, shelters are full to
4 capacity, so there is no room the for shelter; if
5 anything, when we had a workable program called
6 Advantage, we actually could ask people to work with
7 their landlords; it was a moderate type of thing,
8 landlord, which was the owner of the property,
9 workin' with the tenant; that was salvageable, that
10 was workable, but what happened; the state comes
11 along and cut it right -- six months after it was
12 implemented, cut it right out; City followed them and
13 cut their amount [sic] and where did that leave the
14 tenant; tenant was now fighting against the homeowner
15 for the right to stay in the building. We were on
16 both sides of the coin there, I want you to
17 understand it; we had to look out for the tenant who
18 was not a part of that transaction with that lease;
19 the lease was a two-year lease by the governor and
20 basically he reneged on it; the city had to back them
21 and renege on that; where did that leave the
22 landlord, which was the owner, and the tenant; at
23 each other's throat. We cannot allow that to
24 continue on and we must come out with an [inaudible]
25

2 plan that in the future anything that the city or the
3 state does that they must abide by their own rights
4 and regulations, governor and everybody. We thank
5 you.

6 COUNCIL MEMBER ESPINAL: Thank you, sir.
7 Thank you panel, thanks for speaking. We
8 unfortunately are being pushed out, but I wanna get a
9 feeling -- can you still raise your hand if you're
10 gonna testify? One, two... keep 'em up... one, two,
11 three, four, five, six, seven... okay. So... we're gonna
12 continue **[inaudible]**... sorry; I'm losing my voice.
13 We're gonna continue tryin' to stay in the room. We
14 gotta go? Yeah. Okay, so we're gonna move to the
15 16th Floor over at 250 Broadway; it's right across
16 the street.

17 [pause]

18 [gavel]

19 CHAIRPERSON RICHARDS: Alrighty, we now
20 will resume hearing on East New York and I have the
21 honor of calling our Deputy Borough President, Diana
22 Reyna to testify. We're gonna swear you in -- no,
23 I'm joking.

24 DIANA REYNA: Nice... [crosstalk]

2 CHAIRPERSON RICHARDS: Push your mic; I
3 know that they weren't as fancy when you were here.

4 DIANA REYNA: I tell you, I'm just...

5 CHAIRPERSON RICHARDS: And also new
6 chair... that's a new chair you're sitting in too.

7 DIANA REYNA: So much spending.

8 CHAIRPERSON RICHARDS: Yeah.

9 DIANA REYNA: I don't know... I don't know.
10 I want to thank the committee and our Chair; Council
11 Members. My name is Dian Reyna and I'm the Deputy
12 Brooklyn Borough President; I'm here with our Land
13 Use Director, Richard Bearak, here to testify on
14 behalf of Brooklyn Borough President Eric L. Adams;
15 together we represent 2.6 million Brooklyn residents
16 who call this great borough home. I want to thank
17 the New York City Council for giving me the
18 opportunity to provide comments at this public
19 hearing on the East New York Community Plan,
20 represented by Council Member Espinal and Council
21 Member Barron.

22 On December 30th of last year, Borough
23 President Adams submitted a Uniform Land Use Review
24 procedure (ULURP) recommendation to disapprove with
25 conditions of an application submitted by the New

1 York City Department of City Planning to amend the
2 zoning of approximately 200 blocks in the
3 neighborhoods of Cypress Hills, East New York and
4 Ocean Hill. The response was issued following months
5 of dialogue with local stakeholders and community
6 activists, including a public hearing he held in the
7 courtroom of Brooklyn Borough Hall on Monday,
8 November 23rd.

9 Borough President Adams has recommended a
10 number of measures to ensure the proposal achieves a
11 meaningful creation and preservation of affordable
12 housing, including greater resources to combat
13 resident displacement as well as increase efforts to
14 build very low- and low-income units on previously
15 unstudied lots.

16 Additionally, his recommendations address
17 the need to document the City's commitment to the
18 holistic community development outlined in their
19 plan, including the establishment of a post-approval
20 follow-up body with local representation; this is
21 critical to the progress monitored and tracked on
22 behalf of residents and local representatives.

23 According to the Recommendations Report of the City
24 Planning Commission, there has been much progress in
25

1 furthering of commitments associated with the overall
2 plan, which we would like to thank the administration
3 for responding to.
4

5 Recognizing the added rental pressures
6 that the proposed rezoning will have on existing
7 residents living in housing not subject to rent
8 regulations, Borough President Adams has expressed
9 the importance of achieving permanent affordability
10 for affordable housing units created through the East
11 New York Community Plan beyond the proposed 25%
12 requirement of any new residential development with
13 more than 25 units. In particular he has focused
14 achieving agreements of permanent affordability at
15 the City-owned Dinsmore-Chestnut Urban Renewal
16 Disposition site and scattered a new In-fill
17 Homeownership Opportunities Program site, as well as
18 the City-financed former Chloe Foods site, where
19 Phipps Houses has now been on record that its
20 approximately 1,000 units will be permanently
21 affordable.

22 Borough President Adams has called for
23 accountability to put in place and sustain the Anti-
24 displacement initiative the City has proposed in
25 their East New York Community Plan, including code

1 enforcement by the New York City Department of
2 Housing Preservation and Development and funding for
3 free legal representation in housing court for all
4 tenants facing harassment, which is now a firm
5 commitment by the administration. This is critical
6 to tracking what would be residents that are perhaps
7 experiencing any type of harassment and eventually
8 being displaced and to recognize and follow those
9 families so that they can certainly have an
10 opportunity to apply post the certification of this
11 particular rezoning.
12

13 He has also expressed concern regarding
14 the potential for displacement on additional sites
15 identified through an analysis by our office which
16 may be attractive for future development. Efforts he
17 proposes include the potential implementation of
18 anti-harassment areas, creation of tax incentive
19 options for small property owners in return for
20 indexing rental unit lease renewals to increases by
21 the Rent Guidelines Board and cataloguing of
22 government-assisted housing with expiring
23 affordability requirements to proactively protect
24 affordable housing units with HPD now being proactive
25

2 with outreach to owners where affordability
3 requirements are soon to expire.

4 In addition, Borough President Adams has
5 recommended implementing further measures to address
6 the current and potential future displacement of
7 local residents; he has outlined a proposed
8 commitment of 50% preference for new area housing to
9 residents of Community Districts 5 and 16, inclusive
10 of former residents who were previously displaced, as
11 mentioned before, with targeted educational resources
12 and marketing outreach; he has also encouraged the
13 City to increase the supply of very low- and low-
14 income affordable housing through new opportunities
15 that have not been under consideration thus far,
16 including the Grant Avenue Field Municipal Parking
17 facility, the site previously considered for the
18 Brownsville Community Justice Center, as well as
19 development rights possessed by Local NYCHA
20 properties as land lease options and the PS 178 St.
21 Claire McKelway Annex.

22 Borough President Adams has highlighted
23 that this effort should be extended to houses of
24 worship with development rights, following the
25 successful engagement with clergy across the borough

2 as part of his faith-based property development
3 initiative. HPD is in fact engaged with entities of
4 two such faith-based properties.

5 His anti-displacement strategy also
6 includes zoning text amendments to encourage deeper
7 and more flexible bands of affordability in new
8 housing, a study of proposed residential districts to
9 better match the allowable zoning, including the
10 potential for targeted down-zoning to combat
11 displacement, as well as a codification of the
12 minimum threshold for family size units on HPD-owned
13 and HPD-financed sites. It is crucial that an
14 integration of income as well as unit distribution of
15 bedrooms are recognized within each income bracket
16 AMI range.

17 Regarding commercial development related
18 to the rezoning proposal, Borough President Adams has
19 reiterated his general displacement concerns and asks
20 for an assurance of access to food retail expansion
21 to support health, which is our FRESH zone in the
22 City of New York, grocery stores, making sure that
23 the appropriate size of no less than 10,000 sq. ft.
24 to actually ensure what would be quality access to

1 fruits and vegetables, ensuring that any lost
2 supermarkets are replaced on-site.

3 His recommendations highlight the need to
4 support local entrepreneurs and artisans who provide
5 quality local jobs, impacting his call for a
6 restriction on big box retail in the rezoned area and
7 financial incentives to prevent commercial
8 displacement. In particular, he has noted the need
9 to strengthen and preserve the East New York
10 Industrial Business Zone, inclusive of promoting new
11 urban agriculture uses and a \$20 million toward
12 financing and industrial development fund for the
13 East New York Industrial Business Zone, similar to
14 what was created in the Williamsburg/Greenpoint IBZ
15 of North Brooklyn.

16 In keeping with his pas ULURP
17 recommendations, Borough President Adams has
18 articulated the importance of local hiring, the
19 retention of Brooklyn-based contractors, and
20 subcontractors, especially those who are designated
21 locally-based enterprises (LBEs) and minority- and
22 women-owned business enterprises (MWBEs). HPD has
23 subsequently committed to promoting MWBEs in the
24 developments it subsidizes and that should be
25

2 mirrored before what would be any contract being
3 publicized so that language is recognized within any
4 RFP.

5 Because a number of holistic community
6 development measures outlined in the East New York
7 Community Plan are not directly stipulated in the
8 City's land use application, Borough President Adams
9 has advocated for the documenting of efforts to
10 address issues that will accompany an increased
11 population, such as access to jobs -- HPD has since
12 committed to connect local residents to job training
13 and job opportunities in developments it subsidizes
14 -- to sufficient school seats in addition to
15 Dinsmore-Chestnut, DOE has replacement of the
16 trailers in its five-year plan, quality open space,
17 City-lined parks -- redesigned community outreach
18 will begin this spring -- reliable transportation and
19 last, upgraded storm water, waste water green
20 infrastructure -- DEP has now 116 bioswales in its
21 pipeline.

22 Other strategies that Borough President
23 Adams has offered include a potential CUNY innovation
24 lab, neighborhood-based siting of a new Workforce1
25 Career Center -- SBS has now committed to opening the

1 center -- establishment of remote locations for local
2 access to City agency services in response -- in
3 response to this, HPD has moved forward to conduct
4 mobile van outreach and tenant resource fairs --
5 relocation of government offices from the Downtown
6 Brooklyn to Broadway Junction. Borough President
7 Adams will be calling for explicit agency relocations
8 through his response to citywide statement of need,
9 which would subsequently result in an improved
10 commercial development and quality of life
11 initiative. To ensure accountability for these
12 efforts in addition to other aspects of the final
13 plan, Borough President Adams is calling for a post-
14 approval follow-up body to be established that would
15 include appropriate agencies, Community Boards 5 and
16 16, local elected officials, community-based
17 development organizations, and representative
18 community organizations.

19
20 The Office of the Brooklyn Borough
21 President continues to monitor this process closely;
22 we look forward to working with the residents and
23 stakeholders of East New York to make sure the
24 affirmation recommendations are upheld as well as
25 hold the administration accountable, as the stewards

1 of this great city we must demand what will only be
2 beneficial to the environment, our local and regional
3 economy and our quality of life, but an East New York
4 Community Plan that will benefit generations to come.
5 Thank you so much.

6
7 CHAIRPERSON RICHARDS: Thank you so much
8 for your testimony. [clapping]

9 COUNCIL MEMBER ESPINAL: Just one
10 question, Deputy... [crosstalk]

11 DIANA REYNA: Yes, sir.

12 COUNCIL MEMBER ESPINAL: First and
13 foremost, I just wanna thank you and the Borough
14 President, I know we've been working very closely,
15 and Richard, all the work you've done in putting the
16 response together from the Borough President's
17 office, but how important is Broadway Junction to the
18 Borough President; I know it's one of the things he
19 actually spoke about firstly when I had my first
20 conversations with him.

21 DIANA REYNA: It's extremely important,
22 it's our transportation hub; it's dependant on making
23 sure that many of its riders are moving from east to
24 west into Manhattan, connection to Manhattan to come
25 back into Brooklyn, to go south; Broadway Junction is

2 one of the areas that we're calling for the Freedom
3 Ticket, where we want to reactivate what would be the
4 LIRR, access for less burden on existing
5 infrastructure to be able to have a sustainable
6 transportation model. We are in discussion with the
7 MTA, we're concerned about the L train and its
8 shutdown for repairs; the positions as far as how do
9 we move forward and grow our transportation needs
10 along with the population is something that we battle
11 every day, but we are certainly prioritizing Broadway
12 Junction as one of our -- it's Brooklyn's Port
13 Authority.

14 COUNCIL MEMBER ESPINAL: It is Brooklyn's
15 Port Authority; that's why I think it's important
16 that we take a close look at it and thank you for
17 again, your advocacy.. [crosstalk]

18 DIANA REYNA: Absolutely. Thank you for
19 all your work and representation and you have been a
20 dynamic leader in this plan; we hope to see greater
21 achievements through this plan and I know that we're
22 just beginning what would be conversations with City
23 Hall. Thank you.

24

25

2 CHAIRPERSON RICHARDS: Thank you, Madame
3 Deputy Borough President. If you can just fill out a
4 slip.

5 Alrighty, next we'll call the next panel
6 -- Naved Husain from CAAAV; Francisco Reyes, East New
7 York Coalition; Moses Ciello [sp?], Coalition for
8 Community Advancement -- sorry if I messed up your
9 name -- Deborah Malo [sp?], Business Outreach Center
10 (BOC), alright; Nancy Carin, BOC. [background
11 comments] We have two people who are representing
12 BOC; right? [background comments] Nancy Carin is
13 not here. Okay, gotcha. Alright. [background
14 comments] So we're gonna read through who's here
15 again? [background comments] Well... [background
16 comments] Alright and we'll ask you to identify
17 yourselves and the organization you're representing
18 as we move forward. [background comments]

19 NAVED HUSAIN: Good afternoon, thank you
20 for having me speak. My name is Naved Husain; I'm
21 the Lead Organizer at CAAAV, Organizing Asian
22 Communities. On behalf of hundreds of our members
23 that are low-income immigrants living in Chinatown as
24 well as in Queensbridge, we demand that any rezoning
25 should benefit the communities that have lived in the

2 neighborhood for generations and not simply benefit
3 wealthy developers. The problems that residents of
4 East New York are facing are the same problems that
5 residents in Chinatown, in Jerome Avenue in the Bronx
6 and in East Harlem are facing. The problem is that
7 there's not enough affordable housing and whatever
8 affordable housing there is available is being
9 delivered into the hands of the private market. Once
10 in the private market, developers and landlords hike
11 up rents so that the communities that have been
12 living there for generations can no longer afford to
13 live there. Overwhelmingly, the communities that are
14 being affected by this and that are being rezoned in
15 this destructive manner are low-income communities of
16 color, African-American, Latinos and immigrants of
17 all backgrounds. The very fabric of New York City's
18 diversity is being ripped apart through this process.

19 Not only are landlords and developers
20 pushing for policies that will essentially get rid of
21 affordable housing, but the manner in which they are
22 evicting tenants, using methods of harassment which
23 include hiring firms that are paid to harass tenants
24 in Chinatown, to using construction on site as a type
25 of harassment. Many of these actions run afoul of

2 the law and violate the dignity and peace of long-
3 time residents.

4 Residents of Chinatown have seen what bad
5 rezoning policy has done; about eight years ago the
6 East Village was rezoned to allow for more luxury
7 development; since then, there has been massive
8 displacement of low-income communities from the East
9 Village. In response to this, CAAAV, as well as
10 other members of the Chinatown community created our
11 own group, the Chinatown Working Group; we have
12 released our rezoning proposal that the residents of
13 Chinatown want the City to implement. In our
14 proposal we find much in common with what our allies
15 in East New York want; we demand and they demand that
16 any rezoning should create affordable housing units
17 that are pegged to realistic AMI levels, not the
18 inflated AMI levels currently used, but number that
19 reflect the actual incomes of people living in East
20 New York and in Chinatown.

21 We also demand that East New York and
22 Chinatown be deemed a special district, similar to
23 the Special Clinton District; this would help
24 discourage and penalize landlords and developers that
25 harass tenants through various means. We also demand

2 that the process through which the rezoning happens
3 is open and transparent to the community's needs;
4 this is the only way we can preserve affordable
5 housing and protect working New Yorkers and
6 immigrants that make up this city and make it run.
7 Thank you.

8 CHAIRPERSON RICHARDS: Thank you. You
9 may begin.

10 TRANSLATOR: They're gonna speak Spanish
11 and...

12 CHAIRPERSON RICHARDS: **Spanish [00:27:29]**
13 [background comments]

14 FRANCISCO REYES: **Spanish [00:27:36]**

15 TRANSLATOR: My name is Francisco Reyes
16 **[inaudible]**... you can hear me; right?

17 CHAIRPERSON RICHARDS: Pull it closer.

18 TRANSLATOR: Uh okay. My name is
19 Francisco Reyes; I've been livin' in Arlington
20 Village for 40 years and he's really tired and very
21 concerned because they wanna tall buildings
22 **[inaudible]** so he's really confused **[inaudible]**.

23 **Spanish [00:28:24]**

24 FRANCISCO REYES: **Spanish [00:28:26]**

25 TRANSLATOR: **Spanish [00:28:28]**

2 FRANCISCO REYES: **Spanish [00:28:30]**

3 TRANSLATOR: **Spanish [00:29:05]** He had
4 three children, they grew up there; **[inaudible]** the
5 developers, they want them to move to... they wanna
6 relocate the tenants to another area where it's been
7 abandoned for the longest time, so the apartments
8 they are offering them are not finished; they have
9 electricity for the 1940s and the first apartment...
10 Did you say something about the fires? No. **Spanish**
11 **[00:29:40]**

12 FRANCISCO REYES: **Spanish [00:29:41]**

13 TRANSLATOR: Yeah, on the first apartment
14 the first person that agreed to be relocated to...
15 because they were really pushing them and harassing
16 the tenants to move; the first family, they were
17 really lucky by a miracle they survived to a fire;
18 the apartment got on fire overnight right before
19 these people move, the stuff were already inside.
20 **Spanish [00:30:18]**

21 FRANCISCO REYES: **Spanish [00:30:22]**

22 [bell]

23 TRANSLATOR: **Spanish [00:31:14]** Yeah, he
24 is feeling so sad and very concerned again, because
25 these developers, they tried to move people out; he

2 feels **[inaudible]** that they are being pushed out
3 because these apartment are not really -- like I
4 said, they've been abandoned for a long time, so they
5 have lead and asbestos and **[inaudible]** things; they
6 don't even have a switch in the bathrooms, they make
7 a quick fix and they wanna put people in there, so
8 they feel like they really wanna push them out, that
9 the future is very uncertain for them. So they keep
10 saying they're gonna be linked up with them and they
11 don't know what's gonna happen, so they're asking to
12 think and consider the people that doesn't make
13 money, the poor people that already lives there for
14 such a long time to be considered to avoid to be
15 displaced.

16 CHAIRPERSON RICHARDS: Thank you. We'll
17 go to the...

18 TRANSLATOR: Uhm...

19 CHAIRPERSON RICHARDS: Or did they... they
20 did dual testimony or is he gonna speak too?

21 TRANSLATOR: He is still going... he say
22 that... no...

23 CHAIRPERSON RICHARDS: I'm saying next to
24 him; is he...

2 TRANSLATOR: Yes, he's... **[inaudible]** Yeah,
3 he's gonna **[inaudible]**.

4 FRANCISCO REYES: Okay.

5 CHAIRPERSON RICHARDS: So we're gonna ask
6 him to start... [crosstalk]

7 FRANCISCO REYES: Thank you very much.

8 CHAIRPERSON RICHARDS: Thank you.

9 Gracias.

10 MOSES CUELLO: Good afternoon everybody,
11 my name is Moses Cuello [sp?] and I got the same
12 problem with him; I live around 42 years in the
13 Village, but today we got people buy the property,
14 new owner and tried to pull me out my apartment.

15 TRANSLATOR: **Spanish [00:33:11]**

16 MOSES CUELLO: After I live...

17 TRANSLATOR: **Spanish [00:33:18]** Well he
18 express **[inaudible]** he say, but I'm the person who
19 organize them, the tenants association, everything,
20 what happened to them is he just receive an eviction
21 letter, after 42 years that they live there, so they
22 are really... when I accompany him to court, to housing
23 court for the first time and like I say... well they
24 feel very stressed out by that and they don't know
25 what the future is gonna have for them. So... **Spanish**

1 [00:33:57] [background comments] He can't really say
2 much, but that's it, the whole situation... his
3 situation is that he lives on Atlantic Avenue; right,
4 42 years; he... three kids? **Spanish [00:34:22]**

5 MOSES CUELLO: Yes, ma'am.

6 TRANSLATOR: He had three kids, they all
7 grew up in there; they still live there with their
8 wives, everybody knows, they are neighbors... he just
9 have this letter; some people, they're asking them to
10 relocate to a very insecure, unsafe apartments,
11 they're not even finished, and some other people just
12 receive... right after the City Planning Commission
13 vote yes, the next day... for this plan; the next day
14 they receive the relocation... the eviction letter.

15 COUNCIL MEMBER ESPINAL: Sorry; I'm just
16 gonna break in. So this is an eviction letter?
17 'Cause I remember originally the plan was to move you
18 to newer apartments...

19 TRANSLATOR: No, he got an eviction.

20 COUNCIL MEMBER ESPINAL: within the
21 Village and now... so now they're giving him a letter
22 to leave?

23 TRANSLATOR: Uhm-hm.

24 COUNCIL MEMBER ESPINAL: Okay.
25

2 TRANSLATOR: Yeah.

3 COUNCIL MEMBER ESPINAL: Okay. Let's
4 talk after the hearing.

5 TRANSLATOR: Sure.

6 COUNCIL MEMBER ESPINAL: Okay.

7 TRANSLATOR: And if I may, I have another
8 tenant that she's disabled; she couldn't come, but
9 like I said, she lives there for also like over 40
10 years; her name is Maria Flores; she live on the
11 Montauk side I think with the Council.. [crosstalk]

12 COUNCIL MEMBER ESPINAL: Did I visit her?

13 TRANSLATOR: Yeah, we visit her, we..
14 [crosstalk]

15 COUNCIL MEMBER ESPINAL: Yeah, okay; I
16 remember seeing her, yeah.

17 TRANSLATOR: her with you, Espinal and
18 she is disabled, as you saw her; she's in a
19 wheelchair and she never [bell] have accommodations
20 for a disabled person as it is and they are harassing
21 her to relocate, to move out of that apartment and
22 they're not even offering any accommodations or any
23 help; she doesn't have anybody to help her, and
24 they're working in her house, like they're creating a

2 very uncomfortable situation and with harassment
3 mainly.

4 CHAIRPERSON RICHARDS: 'Kay, thank you
5 and we're gonna talk after. And I'll ask you... ma'am,
6 if you can just fill out a slip, since you spoke on
7 the record.

8 TRANSLATOR: Of course.

9 CHAIRPERSON RICHARDS: Thank you.

10 TRANSLATOR: Thank you.

11 DEBORAH MESLOH: Hi, I'm Deborah Mesloh
12 [sp?]; I'm speaking for Nancy Carin, our Executive
13 Director at the Business Outreach Center Network.

14 We are the New York City business
15 provider for... thank you. We are the New York City
16 providers for East New York flatlands IBZ.
17 Manufacturing industrial businesses are thriving in
18 East New York; among East New York manufacturing
19 businesses are wood and metal product manufacturers,
20 corrugated and solid fiber box, food manufacturing,
21 electrical equipment and food packaging; East New
22 York also has a concentration of construction,
23 specialized trucking and wholesale jobs. Support for
24 these businesses and the jobs they create and sustain
25 is crucial to current and future equitable economic

2 development. Manufacturing jobs are livable wage
3 jobs; they average \$50,000 per year in contrast to
4 the average retail wage of \$25,000.

5 Mixed-use zoning is a threat to
6 industrial jobs; why? Because other uses attract
7 higher rents; the real estate market rewards
8 residential development over industrial. Mixed-use
9 zones would also encourage real estate speculation,
10 which drives instability and instability discourages
11 long-term investment in business and in the City's
12 workforce.

13 Industrial uses are not compatible with
14 residential development; close proximity to
15 industrial areas may present conflicts between
16 businesses and neighbors, truck transporting access,
17 on-street parking and early and late operating hours
18 present issues that impact residents and businesses
19 alike. Atlantic Avenue is also the only through
20 east/west truck route in the Borough of Brooklyn.
21 Just as housing needs a physical location, jobs also
22 need a place to live. No housing is affordable
23 without a job. We therefore applaud City Council
24 Member Espinal for maintaining a high priority or

2 preserving the East New York Industrial Business Zone
3 and proposing a jobs plan for the neighborhood.

4 To retain industrial and manufacturing
5 businesses and jobs in East New York we recommend
6 preserve existing M zones in Ocean Hill and along
7 Liberty Avenue; develop an area within the East New
8 York Industrial Business Zone designed to attract new
9 businesses to create jobs for community residents.

10 We also agree with the Association of
11 Neighborhood Housing Developers (ANHD) and their
12 recommendations to train local residents for jobs
13 with career ladders, ensure that local graduates of
14 workforce programs are given first priority for local
15 jobs; establish a [bell] Workforce1 Satellite Center
16 and a Youth Development Center in East New York
17 focused on local job placements. Workforce programs
18 must focus on jobs that will be created as a result
19 of the rezoning; provide small business support
20 services, including legal counseling and access to
21 capital. Let us not abandon the process of growing
22 the city's industrial and manufacturing sector to
23 create middle-class jobs. And again, in closing, no
24 housing is affordable without a job. Thank you very
25 much for listening.

2 CHAIRPERSON RICHARDS: Thank you and tell
3 Nancy I said hello; she does a great job in Far
4 Rockaway. We're gonna go to Council Member Espinal.

5 COUNCIL MEMBER ESPINAL: Just very
6 quickly on the IBZ. We met about a week ago and you
7 spoke about Atlantic Avenue and the whole DOT project
8 that is happening there; how can... Do you wanna give
9 us input on how you think that the DOT should plan
10 around the IBZ and Pennsylvania Avenue area?

11 DEBORAH MESLOH: Well I think basically
12 what we're looking for is a buffer zone and we see
13 that you can put in commercial, you know, commercial
14 buildings as a buffer zone, it's just that it's
15 really, really hard when you have industrial right
16 next to residential. You have truck traffic all the
17 time; we don't want children getting hurt because of
18 the truck traffic; we have that in areas of Queens
19 already where children are getting hurt because the
20 trucks don't see them. So you know, we're just
21 concerned, we wanna make that if this is implemented
22 that it's implemented correctly so that it's good for
23 everybody. Okay? Thank you.

24 CHAIRPERSON RICHARDS: Thank you all for
25 your testimony today.

2 COUNCIL MEMBER ESPINAL: And Arlington
3 Village folks, let's try to get back together and
4 talk about the issues there.

5 TRANSLATOR: Thank you **[inaudible]**,
6 you're always concerned about it.

7 CHAIRPERSON RICHARDS: Thank you, thank
8 you all for coming today. And our last panel --
9 Daisy Gonzalez, Community Voices Heard; Janelle
10 Johnson-Dash, My Neighborhood in CHLDC; Robert
11 Santiago from Highland Park Community Development
12 Corporation; think that says park. Okay. Rev.
13 Edward Mason, Cypress Hills LDC, CBFFH. Anyone else
14 here wish to testify? I thought I saw a reverend up
15 here, Rev. Edward Mason. No? [background comments]
16 Alright, so you gotta fill out a sign-in sheet.
17 [background comments] Is it some... oh okay. Oh you
18 weren't here.

19 COUNCIL MEMBER ESPINAL: We'll take the
20 bishop over the reverend, yeah... [crosstalk]

21 CHAIRPERSON RICHARDS: Come on up.

22 [laughter]

23 CHAIRPERSON RICHARDS: I wouldn't want
24 you to lie about your name, you know. God is

25

2 watching. [background comments] What's your name
3 again?

4 DAVID BENKE: My name... David Benke, B e
5 n... David Benke, still the same.

6 CHAIRPERSON RICHARDS: Did everybody else
7 get a slip, everybody else... anyone else wish to
8 speak? Alright, this is your last moment or forever
9 hold your peace. Alrighty. Not forever, but
10 **[inaudible]**. Alright, you may begin.

11 DAISY GONZALEZ: Good evening, my name is
12 Daisy Gonzalez; I'm a Community Organizer with
13 Community Voices Heard. Over the last eight months I
14 and hundreds of residents in East Harlem have been
15 working on the East Harlem Neighborhood Plan, so I
16 wanted to talk a little bit about that today.

17 We've been working on this plan alongside
18 the Speaker of the Council, Community Board 11 and
19 the Manhattan Borough President, along with a 21-
20 member steering committee to create hundreds of
21 policy recommendations for the future development of
22 the community.

23 As you know, East Harlem is one of the
24 communities set to be rezoned over the next couple of
25 years, along with East New York and the South Bronx.

2 East Harlem has a median income of about \$34,000,
3 similar to East New York, close to 37% of all East
4 Harlem households make less than \$23,000 per year and
5 that is at 30% of the AMI. East New York, the area
6 getting rezoned, 33% of households are at 30% AMI.
7 The median income in South Bronx is even lower, at
8 \$27,000 per year. So these are some of the last
9 remaining places where low-income people can attempt
10 to survive in the city. The people most at risk of
11 homelessness are the lowest earners, the percentage
12 of households that are at 30% AMI. So we really need
13 to have a set-aside for people at and below 30% of
14 AMI on private and public land and it needs to be
15 permanently affordable.

16 All of the these communities have worked
17 on community plans since the Mayor's announcement;
18 the East New York plan, you know it's sort of not a
19 community plan yet, right, and I feel like we've been
20 hearing about that today, right, that this a
21 community-based planning process, but I think based
22 on a lot of the comments today, like it's not
23 completely a community plan yet, because so many of
24 the needs and policy recommendations haven't been
25 addressed.

1 In the Speaker's district we have some
2
3 very good policy recommendations that I think we
4 really need to look at in all of the rezoned areas;
5 we need to have a united front, especially since
6 we've seen rezonings in the past displace people of
7 color and the lowest-income people more than anyone
8 else. So I wanna talk about some of these policies.

9 One policy that we voted on with the
10 Speaker is for affordable housing -- of all the
11 housing that is built after the rezoning, 50% needs
12 to be affordable across the board and there is a set-
13 aside for 20% at 30% AMI. One way to reach this goal
14 is with the changes that are being requested and
15 Mandatory Inclusionary Housing and through the
16 development of public sites being 100% affordable.

17 Another recommendation in the plan talks
18 about building pre-apprenticeship programs with
19 unions; in this plan, the East Harlem neighborhood
20 plan, all the parties approved a need for a more
21 robust density bonus program to get local hire, union
22 work and deeper affordability levels. [bells]
23 Also, a recommendation to require recipients of
24 public subsidy and City-owned property to be in a
25 state or federally approved apprenticeship program

2 for the trades they perform work in was approved by
3 the steering committee and the project partners.

4 There's another recommendation about
5 requiring prevailing wage and living wages for
6 workers if a landowner gets subsidy and City-owned
7 land and there is a lot more of these policies; they
8 are just a start and we'll be looking to strengthen
9 them throughout the process as well.

10 You know the East New York plan is going
11 to set a precedent for the upcoming rezonings so we
12 really need to ensure that these things are included
13 in East Harlem as well as in East New York and the
14 South Bronx and any other areas that might be
15 considered for rezoning; otherwise, I really wanna
16 urge you to vote no and I wanna talk a little bit
17 about Mandatory Inclusionary Housing. In that
18 program the developers get paid basically three
19 times, right; they get the upzoning, they get the
20 subsidy and they get an additional FAR within that
21 program and if that's gonna happen, then we need to
22 demand for 30% AMI if they're gonna be getting such a
23 deal. Thank you.

24 DAVID BENKE: Boom. Okay. Yes. My
25 name is Dave Benke... [crosstalk]

2 CHAIRPERSON RICHARDS: We found your
3 slip, by the way.

4 DAVID BENKE: You got my slip?

5 CHAIRPERSON RICHARDS: Yes, we had a
6 slip..

7 DAVID BENKE: **[inaudible]**

8 CHAIRPERSON RICHARDS: Prayer at work
9 [sic].

10 DAVID BENKE: Yeah, thank you for
11 signing that for me. You're going to heaven on the
12 express bus. [laughter] But not soon.

13 CHAIRPERSON RICHARDS: I found your slip
14 though.

15 DAVID BENKE: You found it. Okay, thank
16 you... [crosstalk]

17 CHAIRPERSON RICHARDS: Yeah.

18 DAVID BENKE: Thank you. Dave Benke,
19 the recently retired Bishop of Lutheran churches in
20 the eastern half of New York State; now the CEO of
21 Lutheran Social Services of New York, \$45 million
22 worth of contracts out there and for most of my life,
23 40 years, the Pastor of St. Peter's Lutheran in
24 Cypress Hills on Highland Place and Hale Avenue,

25

2 which is my cathedral and that's why my heart and
3 soul is attached to this rezoning.

4 We had a saying in the council bishops
5 after a long day like this and that was; everything
6 has been said on this topic, but not everyone has
7 said it and so I thought... [interpose]

8 COUNCIL MEMBER ESPINAL: We use that a
9 lot in the Council, so...

10 DAVID BENKE: Do you? Yeah, isn't it
11 interesting?

12 COUNCIL MEMBER ESPINAL: A lot of our
13 colleagues say the same thing... [crosstalk]

14 DAVID BENKE: Same thing? Yeah. It's
15 the same when people with a lot of wind in their
16 sails. Okay. I thought that Diana Reyna, on behalf
17 of the Borough President made a tremendous amount of
18 good points here today and I hope they are all taken
19 with deep seriousness; those were well thought out,
20 they mirror to many degrees what the Coalition for
21 Community Advancement has been saying, what I think
22 is also being said in East Harlem and by the Council
23 Speaker. So we have people at the top level of City
24 government here who are saying -- nobody's saying
25 don't rezone, nobody is saying don't engage change,

2 don't embrace change; all we are saying one after
3 another is, make this the right rezoning, make it the
4 right change. Theoretically I'm gonna be on a show,
5 a podcast on NYC and NPR, eight sessions of them
6 starting this week, but it's about the modification
7 of neighborhoods nationwide and the fact that
8 neighborhoods in areas like New York and San
9 Francisco and Oakland and Pittsburgh and wherever,
10 just for sale the highest bidder and that's not just,
11 that's not fair, that's not equitable. No person of
12 faith and values should ever okie dokie, that kinda
13 thing. So as long as these specific requirements are
14 put into this plan, we want it to work, we want it to
15 happen for the sake of those of us that have lived
16 our whole lives here, worked our whole lives here
17 that God my blessed to richly. Thank you.

18 CHAIRPERSON RICHARDS: Thank you so much
19 and thank you for the work you're doing in the
20 Rockaways as well... [crosstalk]

21 DAVID BENKE: Oh uh well, we're not
22 goin' anywhere.

23 CHAIRPERSON RICHARDS: We are very
24 appreciative of it...

25 DAVID BENKE: Thank you.

2 CHAIRPERSON RICHARDS: and I just wanna
3 be clear as we close out this hearing, that Council
4 Member Espinal and many of our colleagues have
5 certainly been listening to the community and we...

6 DAVID BENKE: Oh yeah.

7 CHAIRPERSON RICHARDS: trust me, are
8 pushing very hard on all fronts to bring back the
9 best deals we possibly can for our local community so
10 when you speak of jobs and affordable housing, the
11 question of density, homeownership; quality of life,
12 these are all things that we all take very seriously;
13 I don't know any council member goin' through a
14 rezoning whose, you know, interest is necessarily
15 making sure developers leave with the best deal; it's
16 really about ensuring our communities can leave with
17 the best deal. Many of our communities which have
18 had very little investment, such as East New York,
19 all the way to the Rockaways.

20 DAVID BENKE: All the way out.

21 CHAIRPERSON RICHARDS: So I just wanted
22 to put out there that we've heard everybody very loud
23 and clear today and these are things that even when
24 the cameras are not rolling, when there is no
25 hearing, that these are the issues that council

2 members have been pushing on, whether it's light or
3 dark...

4 DAVID BENKE: Yes.

5 CHAIRPERSON RICHARDS: and I think that...
6 I wanna commend Council Member Espinal as we close
7 out this hearing for the work that he's done around
8 East New York -- this is historic, my friend.

9 COUNCIL MEMBER ESPINAL: yes.

10 CHAIRPERSON RICHARDS: I mean who
11 would've thought that the City would be speaking of
12 investing billions of dollars in East New York? No
13 on would've imagined; right? But you know the thing
14 is to make sure we get it right as we move forward as
15 well and I wanna commend everybody for coming out to
16 testify. Now we'll pass it over to Council Member
17 Espinal, but I wanna thank the Land Use staff, Dylan,
18 Raju, I think I see Amy over there, for all of their
19 due diligence in getting us through this day and I
20 wanna thank the public for testifying, my staff,
21 Chief of Staff Mercedes Buchanan, my Deputy Chief of
22 Staff Jerrel Burney for the work that they've done,
23 our sergeant at arms, who kept us safe today; I wanna
24 even thank the administration for coming out and
25 taking all the hard questions today. And Rev., we're

2 just gonna ask you to lay your hand on 'em and pray
3 for them, you know, wait, there's a... wait, there's...
4 uh wait, the church and state... [crosstalk]

5 DAVID BENKE: Yeah, little issue there...
6 [crosstalk]

7 CHAIRPERSON RICHARDS: Okay, got it.
8 Right, do it outside.

9 DAVID BENKE: I'll do it out in the
10 hallway.

11 CHAIRPERSON RICHARDS: Do it out in the
12 hallway.

13 DAVID BENKE: I like you said lay your
14 hands and pray...

15 CHAIRPERSON RICHARDS: Exactly. That's
16 exactly.

17 DAVID BENKE: otherwise **[inaudible]**

18 COUNCIL MEMBER ESPINAL: I asked for... I
19 asked for a prayer over the weekend; did you
20 **[inaudible]** me?

21 DAVID BENKE: Oh I did, **[inaudible]**.

22 COUNCIL MEMBER ESPINAL: Alright.

23 DAVID BENKE: Yeah, we did have prayers
24 in church.

25 [background comments]

2 CHAIRPERSON RICHARDS: Well we pray in
3 here too. [background comments] Alrighty and hope I
4 don't get sued. Alright, I am now going to go to
5 Council Member Espinal for his closing remarks.

6 COUNCIL MEMBER ESPINAL: I really don't
7 have anything written out, but I just wanna thank
8 Donovan for your leadership, thank you for taking my
9 call last night at 11 p.m. last night to talk about
10 what we were gonna do today... [crosstalk]

11 CHAIRPERSON RICHARDS: You woke the baby
12 up.

13 COUNCIL MEMBER ESPINAL: I know; I'm
14 sorry about that, but I really appreciate just the
15 work you're doing and your friendship around this
16 issue. I wanna thank Raju Mann, who's spent
17 countless hours into.. they translate to days and my
18 staff, Courtney Patterson and Lloyd Lesbrans [sp?]
19 and Rick Arbello [sp?]. I wanna thank the Coalition
20 who came out and they spend the entire day here; they
21 have been around this issue since day one. I wanna
22 thank the Speaker's Office and Ramon and everyone
23 who's played a role. We're not done yet; we still
24 have 40 days to try to come up with something that
25 benefits our community. You know since I first ran

1
2 for office four years ago to the State Assembly, I
3 was crying on TV that East New York doesn't receive
4 the attention it needs and deserves and now we're in
5 the middle of attention; the eye's on us now, right,
6 we finally got to that point, you know and I've seen
7 cities across the state receive a billion dollars,
8 like Buffalo, through the Governor's Office and I
9 just always thought, when is it gonna be East New
10 York's time and this is our time, but it's our time
11 to make sure that we get the best plan for the
12 residents of our community, for everyone who's vested
13 into our community and make sure it's the best
14 community for the people who are gonna move into the
15 community as well. So I look forward to the days
16 ahead, look forward to continue working hard on
17 behalf of everyone in Cypress Hills, East New York
18 and Brownsville, so thank you guys. Thank you.

19 CHAIRPERSON RICHARDS: 'Kay, I wanna
20 thank everyone once again for coming out; I am now
21 laying over all items for future consideration
22 regarding this rezoning; I now will close the public
23 hearing portion of the East New York rezoning plan.
24 I wanna thank everybody for coming out today and we
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look forward to continuing to work through this plan.

Thank you all.

[gavel]

C E R T I F I C A T E

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 March 14, 2016