

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON GOVERNMENTAL OPERATIONS

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December 5, 2016
Start: 1:19 p.m.
Recess: 1:47 p.m.

HELD AT: Committee Room - City Hall

B E F O R E:

BEN KALLOS
Chairperson

COUNCIL MEMBERS:

David G. Greenfield
Mark Levine
Carlos Menchaca
Antonio Reynoso
Ritchie J. Torres
Joseph C. Borelli
Margaret S. Chin

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

[sound check]

[pause]

[background comment]

[gavel]

CHAIRPERSON KALLOS: Good afternoon and welcome to this hearing of the Committee on Governmental Operations. I am Council Member Ben Kallos, Chair of the Committee; you can Tweet me @BenKallos.

I would like to acknowledge the member of this Committee who are present -- Council Member Carlos Menchaca, who was the first member here, followed by Council Member Antonio Reynoso and Council Member Mark Levine, who helped us to make quorum just now. We're also joined by the bill sponsor, Council Member Margaret Chin.

Today the Committee will be voting on Proposed Int. 1182-A, a bill in relation to modification or removal of certain deed restrictions, sponsored by Council Member Margaret Chin, which I was proud to co-sponsor, along with our other colleagues and Manhattan Borough President Gale Brewer.

2 This bill was first heard in this
3 Committee on September 29, 2016 and has been amended
4 since then. The issue that prompted this legislation
5 and that was the subject of our prior hearing was the
6 removal of two deed restrictions from Rivington House
7 which led to its conversion from a community
8 healthcare facility into luxury housing, a conversion
9 which is recently not in the City's best interest and
10 which was undertaken without community input and
11 without a clear internal process within the
12 Administration for handling such removals; with this
13 legislation we are addressing those problems.

14 The bill would first establish a standard
15 to be used when reviewing a request to remove or
16 modify a deed restriction; there is a requirement
17 that the potential effect on the community be given
18 serious consideration, and the bill also swiftly
19 [sic] states that the Department of Citywide
20 Administrative Services (DCAS) cannot remove or
21 modify any deed restriction without approval of the
22 Mayor himself, with a similar requirement for the
23 Department of Housing Preservation and Development.

24 The bill also establishes a step-by-step
25 process for those reviews; among its requirements are

2 a comprehensive intake package, a due diligence
3 review, multiple recent appraisals, including an
4 independent appraisal, and the sharing of findings
5 with the Community Board and relevant elected
6 officials at least 60 days before any action on the
7 deed is taken.

8 The bill additionally establishes a
9 committee consisting of the First Deputy Mayor, the
10 First Deputy Mayor for Housing and Economic
11 Development, Corporation Counsel, and Director of the
12 Office of Management and Budget to review DCAS'
13 preliminary recommendation, issue a written
14 determination stating if approval would be in the
15 City's best interest.

16 Finally, it requires the creation of a
17 database of all City properties sold, exchanged or
18 otherwise disposed of by DCAS with deed restrictions
19 since 1966, all **[inaudible]** developed in greater
20 detail within the legislation but throughout the bill
21 an emphasis is placed on transparency, diligence and
22 ensuring that any actions taken are in the best
23 interest of the City.

24 Finally, in addition to our Committee
25 staff, Brad Reid and James Subudhi, I'd also like to

2 thank Kelly Taylor for her work on this legislation
3 and the hearing. Now I'll call on the primary
4 sponsor of this legislation, Council Member Margaret
5 Chin to make an opening statement.

6 COUNCIL MEMBER CHIN: Good afternoon.

7 I'm proud to sponsor this important legislation,
8 Int. 1182-A, that will increase transparency and
9 accountability for properties with deed restrictions.
10 It's hard to believe that an entire year has passed
11 since the Borough office [sic] discovered that the
12 Allure Group flipped Rivington House for luxury
13 condos. For the people of the Lower East Side, the
14 anger and disappointment has not faded. There are so
15 many questions to be answered and much work to be
16 done to restore our community's trust in their
17 government. But I believe that with this legislation
18 we have answered the call for immediate action to
19 ensure that what happened at Rivington House will
20 never happen again to another community.

21 In this legislation, we have clearly laid
22 out a public process and criteria for the removal of
23 deed restrictions. It also creates a database of
24 properties with deed restrictions so that everyday
25 New Yorkers, not just real estate insiders, will be

1
2 able to access this information. And perhaps most
3 importantly, this legislation requires the Mayor to
4 personally approve the lifting of deed restrictions.

5 I want to thank Chair Kallos for his
6 support of this important legislation and Speaker
7 Mark-Viverito and Borough President Brewer for their
8 leadership in the fight for good governance and
9 transparency and I urge my colleagues to vote aye.
10 Thank you.

11 CHAIRPERSON KALLOS: Now instruct
12 Committee Clerk William Martin to call the roll.

13 COMMITTEE CLERK: William Martin,
14 Committee Clerk, roll call vote Committee on
15 Governmental Operations, Introduction 1182-A. Chair
16 Kallos.

17 CHAIRPERSON KALLOS: Aye.

18 COMMITTEE CLERK: Levine.

19 COUNCIL MEMBER LEVINE: Aye.

20 COMMITTEE CLERK: Menchaca.

21 COUNCIL MEMBER MENCHACA: Aye.

22 COMMITTEE CLERK: Reynoso.

23 COUNCIL MEMBER REYNOSO: Aye.
24
25

2 COMMITTEE CLERK: By a vote of 4 in the
3 affirmative, 0 in the negative and no abstentions,
4 the item has been adopted.

5 CHAIRPERSON KALLOS: We will now hold the
6 vote open until such time as there is quorum for the
7 next committee in this room, and thank you.

8 [pause]

9 COMMITTEE CLERK: Continuation roll call,
10 the Committee on Governmental Operations. Council
11 Member Borelli.

12 COUNCIL MEMBER BORELLI: Aye.

13 [pause]

14 [background comments]

15 COMMITTEE CLERK: Continuation...

16 [pause]

17 COMMITTEE CLERK: Continuation roll call
18 vote, the Committee on Governmental Operations.
19 Council Member Torres.

20 [background comments]

21 COUNCIL MEMBER TORRES: I vote aye.

22 [pause]

23 COMMITTEE CLERK: Final vote Committee on
24 Governmental Operations, Introduction 1182-A has been
25

2 adopted by a vote of 6 in the affirmative, 0 in the
3 negative and no abstentions.

4 [background comments]

5 CHAIRPERSON KALLOS: Education Chair
6 Dromm [background comment] we are almost about to
7 gavel out from Governmental Operations Committee;
8 however, he who would cross the Bridge of Death must
9 answer me these questions three, ere the other side
10 he see. What is your name? [background comments]

11 COUNCIL MEMBER DROMM: Say it again.

12 CHAIRPERSON KALLOS: What is your name?

13 COUNCIL MEMBER DROMM: My name is Daniel.

14 CHAIRPERSON KALLOS: And what is your
15 quest?

16 COUNCIL MEMBER DROMM: Education reform,
17 but with a good R. [laugh]

18 CHAIRPERSON KALLOS: And what is the
19 average wind velocity of a sparrow?

20 COUNCIL MEMBER DROMM: Twenty miles an
21 hour.

22 CHAIRPERSON KALLOS: Close enough. Hold
23 on. For those watching at home, that is a reference
24 to Monty Python. [laughter] Hereby adjourn this
25 meeting of the Committee on Governmental Operations.

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COMMITTEE ON GOVERNMENTAL OPERATIONS

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[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 December 7, 2016