

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

SUBCOMMITTEE ON PLANNING, DISPOSITIN, AND
CONCESSIONS

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June 22, 2015
Start: 01:10 p.m.
Recess: 01:27 p.m.

HELD AT: 250 Broadway- Committee Rm, 16th Fl.

B E F O R E:

INEZ E. DICKENS
Chairperson

COUNCIL MEMBERS:

ANDREW COHEN
DARLENE MEALY
MARK TREYGER
YDANIS RODRIGUEZ

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

Artie Pearson
Director of Land Use
Department of Housing Preservation and Development

Mark Kirzner
President
Sharp Management Company

Sarah Dabbs
Executive Director
Multi-Family New Construction Program

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[gavel]

CHAIR: Good afternoon. I'm Council

Member Inez E. Dickens, Chair of the Subcommittee
on Planning, Dispositions, and Concessions. I would
like to welcome everyone to today's hearing. And I
want to thank and acknowledge my Sergeant of Arms...
Collazo [sp?], my Land Use Director Raju Monda
[phonetic], Deputy Directors Amy Leviton and my
attorneys Ann McCoyhee [sp?] and Dillon Casey
[sp?]. I want to acknowledge my esteemed colleagues
who are members of the Planning Subcommittee;
Council Member Andy Cohen who gets the gold star
and Darlene Mealy who gets the silver star. We have
two items on calendar today. We will be hearing and
voting on both. Please mark your calendars for our
next subcommittee hearing which we held on July
20th. I am now opening up the hearing for Land Use
Item 219 the West 140th Street cluster seeking an
Article 11 tax exemption for property located in my
district in Manhattan and everyone will be put on
the clock because unfortunately this... depend upon
what you looking at. We have budget and I'm on
budget negotiating team and I came over when I
leave the table my district might lose money. So

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2 I'm asking everyone to bear with me and understand
3 that that is very important although land use is
4 critical in New York City. I would like to note for
5 the record that I am in support of this project and
6 I want to thank my colleagues for allowing me time
7 to negotiate the very best deal for my community. I
8 strongly negotiated with the developer to increase
9 affordability behind the normal 80/20 and beyond
10 normal 120 AMI. I can proudly say that this new
11 regulatory agreement will allow my community to
12 benefit 40 years of affordability instead of the
13 usual 30 years. I want to ensure that my residents
14 receive the most quality affordable housing even
15 after I am out of office. Yes. Alright I'm going to
16 ask that all those in favor please come up. That's
17 Artie Pearson from HPD. And I'd like to ask Mr.
18 Kirzner to please come up also at the same time
19 since you are in support and HPD has asked for
20 this. Please go on up. ...LaBotz. You will identify
21 yourself, turn on the mics... Please begin.

22 ARTIE PEARSON: Afternoon Chair Dickens
23 and members of the subcommittee. I'm Artie Pierson
24 the Director of Land Use at HPD and I'm joined by
25 Kerry LaBotz the Director of the LIHTC preservation

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2 year 15 program within HPD's division of
3 preservation finance. Land Use number 219 consists
4 of a proposed amendment to a UDAP previously
5 approved on November 26, 1996 under the HPD's then
6 neighborhood entrepreneurs program. The sponsor is
7 proposing to preserve five multiple dwellings
8 located within the exemption area located at block
9 20-25, lots 41, 50, 52, and 53 and block 20-26 lot
10 7 and is known as the West 40th Street cluster in
11 Manhattan. The project has a total of 91
12 residential units including one for a
13 superintendent. There is a mix of one, two, and
14 three bedroom units and the building is fully
15 occupied. The existing AMIs are primarily between
16 50 and 60 percent AMI with... with 20 units at 165.
17 The rents will average between 324 for a one
18 bedroom unit and 1394 for a three bedroom unit. J-
19 51 benefits for this building will begin to expire
20 in 2018 and in order to ensure continued
21 affordability for these units HPD is seeking
22 approval of an article 11 tax benefits that will
23 coincide with the expiration of a new regulatory
24 agreement for a term of 40 years. We can answer any
25 questions that you have.

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2 CHAIR: Thank you. Mr. Kirzner do you
3 have something you'd like to add?

4 MARK KIRZNER: Yes I'd just like to give
5 a little background on my management experience in
6 New York City. I'm the president of Sharp
7 Management Company which was open in 1988. We
8 manage over 4,000 units in which 33 hundred units
9 are in New York City. Of that 430 are HUD regulated
10 properties and units I'm sorry and 728 are low
11 income housing tax credit units which we have been
12 managing for ten years or less. So we have
13 experience in managing affordable housing in New
14 York City. Specifically north of 103rd Street to
15 the 214th Street in Manhattan Harlem we manage 672
16 units and 21 properties so this property on West
17 140th Street falls right in the area which we
18 manage affordable housing and we should hopefully
19 be able to continue to benefit the community by
20 extending this regulatory agreement out another 25
21 years.

22 CHAIR: Thank you. And I want to add
23 that I'm appreciative. It was a hard negotiation.
24 You're very hard Mr. Kirzner at negotiating but
25 you... finally I was not trying to destroy the

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2 development because it is right around the corner
3 from where I live. I want it to survive past my
4 tenor in the city council with an affordability
5 component that my community can afford to live with
6 and reside in. In addition the 40 additional years
7 for the HPD regulatory agreement over the usual 20
8 to 30 years is... is... is... will guarantee that
9 affordability will remain in place. However HPD at...
10 at my urging and my cajoling and my begging on
11 bended knee did agree to give you an incentive that
12 reduced the amount of your shelter rent. And I
13 wanted my colleagues to understand that. So that...
14 so I'm... although I'm grateful you know HPD played a
15 big part in what they did in... in assisting me in
16 the negotiations. Are... are there any questions from
17 my colleagues? Any other members of the public
18 wishing to testify? Seeing none I thank you...

19 [gavel]

20 CHAIR: ...for your testimony. I'm closing
21 the public hearing on Land Use Item 219. I am now
22 opening up the hearing for Land Use Item 244 the
23 excelsior two seeking a UDAP for property located
24 in Council Member Gibson's district in the Bronx.
25 Those who are wishing to testify please come up.

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2 Artie and Sarah Dabbs both from HPD. Anyone from
3 the public wishing to testify please come up.

4 ARTIE PEARSON: Again I'm Artie Pearson,
5 Director of Land Use from HPD. And I'm joined by
6 Sarah Dabbs, the Executive Director of the Multi-
7 Family New Construction Program. Land Use number
8 244 consists of a proposed amendment to a project
9 approved for disposition on February 7th, 2001
10 known as Nelson Senior Housing. The original
11 project completed construction in 2004 and contains
12 one multiple dwelling with 81 units of rental
13 housing for seniors located on Nelson Avenue and
14 West 169th Street in the Bronx. Currently the Owner
15 proposes to convey a portion of the project area
16 located at 126 West 169th Street which is block 25-
17 18 part of lot 31 that is underutilized parking to
18 facilitate construction of a new rental building to
19 be known as excelsior two HDFC and HPD's extremely
20 low and low income affordability program. The
21 sponsor will be adding this area to an adjacent
22 private property owned by it which is on lot 36 to
23 be... to build a new rental building. The new
24 building will be nine stories consisting of 59
25 rental units for low income households plus one

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2 superintendents unit. There will be a mixture of
3 unit types including studios and one and two
4 bedrooms that will be affordable to households up
5 to 60 percent of AMI. The rents will average
6 between 519 dollars for a studio and 1,065 for a
7 two bedroom unit. HPD is before the subcommittee
8 seeking approval to amend the prior project in
9 order to further the opportunity to create
10 affordable rental units. And Council Member Gibson
11 has been briefed and has indicated support for this
12 project. And we can answer any questions you may
13 have.

14 CHAIR: Alright... Artie you said this is
15 a UDAP?

16 ARTIE PEARSON: This is an amendment to
17 a project that was previously UDAP.

18 CHAIR: And the affordability component?

19 ARTIE PEARSON: 60 percent AMI.

20 CHAIR: How many units?

21 ARTIE PEARSON: This is 59 units.

22 CHAIR: ...commercials?

23 ARTIE PEARSON: There are no
24 commercials.

25 CHAIR: The regulatory agreement?

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ARTIE PEARSON: ...want to... [cross-talk]

SARAH DABBS: [off mic] 50 years.

[cross-talk]

ARTIE PEARSON: Okay. [cross-talk]

SARAH DABBS: [off mic] The regulatory..

oh... [cross-talk]

ARTIE PEARSON: Yeah... [cross-talk]

CHAIR: Please identify yourself.

SARAH DABBS: Hi, Sarah Dabbs. I'm the

Director of Multi-Family New Construction Programs
in the Division of New Construction Finance at HPD.
The regulatory agreement will be 50 years
coinciding in... with a 420-C tax exemption. And
it'll be afford... the project is affordable under
our ELLA Program, the Extremely Low and Low-income
Affordability Program. So while the maximum income
is 60 percent of AMI there's also a ten percent of
the units at 30 percent of AMI, 15 percent at 40
percent of AMI, and 15 percent at 50 percent of
Ami.

CHAIR: Excellent. Council Member Cohen.

COUNCIL MEMBER COHEN: Thank you Chair.

I just have a... the... the first phase, the original
project, that was senior housing also?

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2 ARTIE PEARSON: The first phase was
3 senior housing. The second building is for low
4 income households.

5 COUNCIL MEMBER COHEN: Not necessarily
6 seniors.

7 ARTIE PEARSON: That's correct.

8 SARAH DABBS: Not necessarily seniors.

9 COUNCIL MEMBER COHEN: Oh okay. And in
10 the... the first phase there... there was apart... or
11 there... was there a parking requirement?

12 ARTIE PEARSON: Yeah So the first phase
13 had 25 parking spaces and so what they're doing is
14 they're actually just redesigning the current
15 surface parking lot so that it's more efficiently
16 using the space. So we're still maintaining 25
17 parking spaces for the senior housing and also
18 adding an additional nine parking spaces for this
19 new development.

20 COUNCIL MEMBER COHEN: Thank you very
21 much.

22 CHAIR: Thank you Council Member. Any
23 other questions? Seeing none and seeing that there
24 are no members of the public wishing to testify I
25 am now closing the public hearing on Land Use item

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244. I am now putting the two items up for a vote.

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I note for the record that the application we are

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voting on today has the full support of the local

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council member and my support as well. I will now

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call on my counsel to call the role on a vote to

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approve.

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COUNSEL: Chair Dickens.

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CHAIR: Aye.

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COUNSEL: Council Member Mealy.

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COUNCIL MEMBER MEALY: I just want to

12

congratulate my colleagues because tax exempt for

13

40 and... and 50 years is awesome. And I like the

14

AMI. So I'm looking forward working with HPD for

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any new projects in my district especially with

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senior and affordability. I vote aye.

17

COUNSEL: Council Member Cohen.

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COUNCIL MEMBER COHEN: I vote aye. Thank

19

you.

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COUNSEL: Land Use numbers 219 and 244

21

are approved with three votes in the affirmative,

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zero in the negative, and zero abstentions and

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they're referred to the full Land Use Committee.

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CHAIR: I want to thank the members of

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the public, my colleagues, council and land use

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staff for today's hearing. This is hereby

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adjourned.

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[gavel]

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CHAIR: But the vote will be held open

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for 15 minutes.

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COUNSEL: Council Member Treyger.

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COUNCIL MEMBER TREYGER: I vote aye.

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COUNCIL MEMBER RODRIGUEZ: Yes I will.

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COUNSEL: Council Member Rodriguez.

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COUNCIL MEMBER RODRIGUEZ: Aye. And with

12

this... [cross-talk]

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COUNSEL: Land Use number 219 and 244

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are approved with five votes in the affirmative,

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zero in the negative, and zero abstentions and

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they're referred to the full land use committee.

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COUNCIL MEMBER RODRIGUEZ: Great. This

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hearing is adjourned.

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[gavel]

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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 June 26, 2015