

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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HELD AT: 250 Broadway - Committee Room,
16th Floor

B E F O R E:
MARK S. WEPRIN
Chairperson

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ANTONIO REYNOSO
DANIEL R. GARODNICK
VINCENT IGNIZIO
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[Gavel]

CHAIRPERSON WEPRIN: Good morning. We ready to go? Okay. Good morning, I am Council Member Mark Weprin. I'm chair of the Zoning and Franchises Subcommittee. I'd like to welcome everybody here today. I'm joined by the by the following members of the subcommittee, Council Member Gentile, Council Member Gardonick, Council Member Torres and Council Member Reynoso. Those are members of the Subcommittee. We are also joined by Council Member Mark Levine and Council Member Laurie Cumbo who have items on the agenda in their districts. We're going to be jumping around on the agenda a little bit, I apologize. Be we are going to start in Brooklyn. Land Use #86, the Empire Boulevard Rezoning. I'd like to call up Jerald Johnson, I believe it is. Mr. Johnson, look at that, right on queue. Please state your name for the record and describe your application. Whenever you're ready. I am going to have slip out myself, personally for a few minutes and I'm going to leave the chair in Council Member Garodnick's hand when that happens in about 10 or 15 minutes. So whenever you're ready, Mr. Johnson.

2 JERALD JOHNSON: Does this go up on the
3 screen?

4 [Background talk]

5 JERALD JOHNSON: There you go. No,
6 that's okay I've got it here. I can see it.

7 [Background talk]

8 [Pause]

9 JERALD JOHNSON: Good morning Chairman
10 Weprin and Council Members. My name is Jerry
11 Johnson and I'm with the firm Fox Rothschild and we
12 represent the applicant in this action, 529 Empire
13 Realty Corporation. The action before you today is
14 a rezoning of a portion of four city blocks along
15 Empire Boulevard in the Crown Heights and Wingate
16 neighborhood of Brooklyn. The action is to modify
17 the R5 District on these block fronts to an R7A.
18 In addition, at the request of City Planning, we
19 are changing the commercial overlay on the site
20 from a C1-3 to a C2-4. And also at the request of
21 the Department of City Planning, we're reducing the
22 coverage of the overlay by approximately 50 feet on
23 the western side and the southern edge. And that's
24 to bring it up and it will make the residential

1 zoning consistent with the residential uses on the
2 site.

3
4 The applicant is the owner of four tax
5 lots on the northern side of Empire Boulevard. And
6 this project will allow him to redevelop the site.
7 It's currently developed with a parking lot and
8 some two and three story buildings with a ground
9 floor supermarket and a health facility. And this
10 is a site plan of the proposed development. This
11 is the project.

12 It will allow a new building with
13 approximately 114,000 square feet of floor area.
14 The ground floor will be retail space, supermarket
15 and potentially ancillary retail space, 24,000
16 approximate square feet. The second floor will be
17 21,000 of medical facility and/or community
18 facility space. And there will be 68,000 square
19 feet of residential use on floors three through
20 seven. There will also be an accessory parking
21 garage below grade for approximately 66 vehicles.
22 And the building complies fully with the R7-A
23 Zoning District designation.

24 Now if you have any questions.

2 CHAIRPERSON WEPRIN: Thank you very
3 much. I'd like to call on Laurie. Do you want to
4 start? Or do you have a question?

5 [Background talk]

6 CHAIRPERSON WEPRIN: I'll tell you
7 what, okay, let's do that. Richard do you want to
8 testify now, everyone in favor. Is that okay Mr.
9 Johnson? Please stay here for questions. This way
10 if the borough president brings up issues and has
11 questions, we can ask you both.

12 Mr. Bearak, just please state your name
13 again for the record and who you are. And then
14 give your statement.

15 RICHARD BEARAK: My name is Richard
16 Bearak. I'm land use director for Brooklyn Borough
17 President Eric Adams. I will be reading the
18 borough president's remarks.

19 I want to thank Chairperson Weprin and
20 members of the City Council Land Use Subcommittee
21 for Zoning and Franchises for the opportunity to
22 testify today on the Empire Boulevard rezoning and
23 also acknowledging Brooklyn members, Cumbo, Gentile
24 and Reynoso.

1
2 In my Land Use recommendation to the
3 City Planning Commission and the City Council, I
4 supported this proposed rezoning that is compatible
5 with the land uses and was represented to benefit
6 the neighborhood by providing a supermarket,
7 community services a substantial number of new jobs
8 and the inclusion of affordable housing units.
9 While the proposed rezoning would allow what the
10 applicant has expressed interest in developing.
11 Merely adopting the rezoning is not a sufficient
12 guarantee of what would be developed.

13 Before the city council takes action,
14 it is important to receive a commitment that my
15 recommendations will actually be realized in the
16 future in the development of this site. I am
17 concerned that there is limited access to fresh
18 food stores in many neighborhoods. It is a
19 priority of mine to create and maintain access to
20 healthy food options throughout all of Brooklyn.
21 Fresh and affordable food currently exist at this
22 site. And the city council should receive
23 assurances that a supermarket remains at the site
24 as is part of the new proposed development.

2 Not enough Brooklyn neighborhoods have
3 adequate access to healthcare services also, and
4 therefor as a result we should utilize development
5 opportunities of community facility space
6 preferably for affordable state of the art medical
7 services. According to the rezoning there is no
8 obligation on the development to actually provide
9 community facility space as suggested by the
10 applicant. I am seeking certainty that the
11 represented community facility space is actually
12 part of the final building plans.

13 I am committed to providing
14 opportunities for Brooklyn's working families to
15 have access to affordable housing. IF the building
16 were developed pursuant to the zoning resolutions
17 fresh floor area provisions, it is very reasonable
18 to expect the building to have at least 20% of its
19 residential floor area earmarked as affordable
20 housing. Including at least a 50% preference for
21 residents of community District 9.

22 To be certain that is promised becomes
23 reality, the council should seek a guarantee that
24 development proceeds according to the filing of a
25 legal instrument that assures a specific minimum

1 amount of floor area will be set aside for
2 supermarket use that is consistent with the zoning
3 resolutions fresh requirements for the type and
4 food products made available, community facility
5 space and affordable housing.
6

7 Finally the expected development from
8 this proposed rezoning provides an opportunity to
9 retain Brooklyn based contractors and
10 subcontractors especially at least 20%
11 participation for those who are designate MWB
12 establishments. As well as local hiring and hiring
13 for returning military veterans for the retail and
14 community facility tenants. I expect that the
15 developer would take steps to coordinate with the
16 appropriate monitoring agency so that we are able
17 to measure our success. Thank you.

18 CHAIRPERSON WEPRIN: Thank you Mr.
19 Bearak. I would like to call Laurie Cumbo, who
20 represents this area, who has questions.

21 COUNCIL MEMBER CUMBO: Thank you. Good
22 morning. I am going to forego my statement because
23 I have a number of questions. Some of which were
24 answered in the letter. But there are several
25 other elements of this project that weren't brought

1
2 to the screen in this presentation. So I want to
3 discuss those further. The first question I have
4 is, can you describe any other development projects
5 prior to this one that your client has engaged in?
6 Is this his first major development project? Or
7 have there been other projects in the past that
8 have been...

9 JERALD JOHNSON: This is the only one
10 that I am aware of. But he is a business owner in
11 New York City. He has a presence in Brooklyn and
12 in New York. And he is a long standing member of
13 the community.

14 COUNCIL MEMBER CUMBO: How long has
15 your client owned the property that we're
16 discussing at this time?

17 JERALD JOHNSON: Oh. I don't know that
18 answer but I can get it to you.

19 COUNCIL MEMBER CUMBO: And is the first
20 housing project that your client has engaged in?

21 JERALD JOHNSON: He's more of a
22 retailer, but I believe he has had involvement in
23 others, but I will follow through and find out the
24 exact relationship he has had with other housing
25 developments.

2 COUNCIL MEMBER CUMBO: Because that
3 would be very important in terms of..., I respect
4 this letter, but at the same time it's also simply
5 a letter. And so without any prior track record in
6 terms of has he done a housing project before, and
7 has his obligations that appear in the letter been
8 realized previously. Because without that we're
9 just hoping that what's stated in this letter will
10 actually be realized.

11 JERALD JOHNSON: Understood. I mean he
12 is a long standing member of the community and he
13 wants to redevelop this site in a manner consistent
14 with the plans that are in front of you. And he
15 has agreed to the affordable housing commitment.
16 He understands how important that is. And also,
17 you know, being a member of this community and
18 developing it in an appropriate manner. He is also
19 committed to the fresh program, for the supermarket
20 use as well as bringing a community facility and
21 medical facility back to the site.

22 COUNCIL MEMBER CUMBO: As a long
23 standing member, it would be good to know how long.

24 JERALD JOHNSON: Understood. I will
25 find out and I will get that answer to you.

2 COUNCIL MEMBER CUMBO: Thank you. I
3 wanted to go back in terms of the letter as you
4 spoke about its relationship with Brooklyn
5 Hospital. So that facility, I understand is a WIC
6 program.

7 JERALD JOHNSON: That's correct.

8 COUNCIL MEMBER CUMBO: Is the facility
9 open, not open? Has it been out of business? Has
10 there been any communication with Brooklyn Hospital
11 to find out, do they even have any interest in this
12 project?

13 JERALD JOHNSON: They..., I believe the
14 facility is open. I spoke to my client the other
15 day, and he said that it was.

16 COUNCIL MEMBER CUMBO: So it is open?

17 JERALD JOHNSON: It is open, yes.

18 COUNCIL MEMBER CUMBO: You don't
19 believe it's open?

20 JERALD JOHNSON: He said that it was.

21 COUNCIL MEMBER CUMBO: You know it's
22 open?

23 JERALD JOHNSON: He said that it was.

24 And when this moves forward he would work with them
25 to stay in the building if they would like, in the

1
2 new building. Or another similar facility bring it
3 back.

4 COUNCIL MEMBER CUMBO: Are we...

5 JERALD JOHNSON: I don't know the exact
6 nature of his ongoing relationship with Brooklyn
7 Hospital. I know they are the current tenant and
8 he has a good relationship with them now.

9 COUNCIL MEMBER CUMBO: But is Brooklyn
10 Hospital at this time aware that this change could
11 potentially happen? And that there would
12 potentially be this opportunity for them available.

13 JERALD JOHNSON: I would have to get
14 back to my client on that.

15 COUNCIL MEMBER CUMBO: Okay. When we
16 talk about community facility and community uses.
17 Is the community use what you're referring to as
18 Brooklyn Hospital?

19 JERALD JOHNSON: It would either be
20 like a medical facility, a community facility use
21 group 3 or 4. But yes, partly it would be the
22 medical facility, whether it's Brooklyn Hospital or
23 another facility. Or it could be other community
24 facility uses permitted by the zoning.

1
2 COUNCIL MEMBER CUMBO: Have those
3 potential other community ideas been discussed in
4 terms of..., if for whatever reason this program with
5 Brooklyn Hospital doesn't happen. Have there been
6 other ideas in terms of how that community space
7 could be utilized?

8 JERALD JOHNSON: Yes. It could be
9 utilized for umm..., I mean we've had discussions, it
10 could be utilized for like a museum, a children's
11 museum or another type of museum. Another medical
12 facility, Kingsbrook Jewish potentially. The
13 Brooklyn Hospital could remain.

14 COUNCIL MEMBER CUMBO: And how would
15 you go about the process of selecting what that
16 community facility would be. Would the community
17 have any real tangible input in terms of
18 understanding what the facility and how the
19 facility could be utilized in the community?

20 JERALD JOHNSON: I mean, we could work
21 with the community board with the council member to
22 try to determine what the space would be like when
23 it moves forward.

24 COUNCIL MEMBER CUMBO: That's a good
25 idea.

2 JERALD JOHNSON: And keep you involved
3 in the process. You know, generally, as it moves
4 forward there will be plans, there will square
5 footages, it depends on the institutions square
6 footage needs and whether or not it fits into their
7 overall development plan and whether this would
8 work with them. But we would work with you and
9 other members of the community to try and find out
10 and to try to get a space that's appropriate.

11 COUNCIL MEMBER CUMBO: As far as the
12 supermarket goes, will it be the same supermarket
13 that will be reopening there?

14 JERALD JOHNSON: It may.

15 COUNCIL MEMBER CUMBO: It may. Or it
16 could be another type of supermarket. Or it could
17 just be..., you could use the full 24,000 plus square
18 feet to have a mixed-use of commercial spaces.

19 JERALD JOHNSON: Well, there is no
20 restriction currently to have a supermarket use
21 there. But the applicant is committed to bringing
22 that supermarket and/or another supermarket into
23 the space. As it was mentioned, the site is in the
24 district that permits fresh certification, fresh
25 program. And they will be seeking that and our

1 application has analyzed a development with a fresh
2 certification and then the floor area exemption
3 that allows a little additional floor area on the
4 site. As the borough president mentioned, it would
5 allow a small increase in floor area and you know,
6 should we go forward with that, we would endeavor
7 to utilize that floor area bump and it would fit
8 within the envelope of the building permitted on
9 the site now. And again that would be additional
10 floor area for residential use and affordable
11 programs.
12

13 COUNCIL MEMBER CUMBO: Can you speak to
14 me a little bit about the fresh program? Has your
15 client ever..., because your client is in the
16 supermarket business, I would imagine. Or is this
17 the only supermarket that he owns.

18 JERALD JOHNSON: He doesn't own the
19 supermarket.

20 COUNCIL MEMBER CUMBO: He owns the
21 property.

22 JERALD JOHNSON: The supermarket is the
23 tenant and he owns the property. He is in the
24 retailing business.

25 COUNCIL MEMBER CUMBO: Okay.

1
2 JERALD JOHNSON: And the fresh program
3 is a program adopted by the Bloomberg
4 administration, the prior administration, to bring
5 supermarkets with a certain size and breadth of
6 product, like fresh produce, fresh meats, to
7 neighborhoods that are underserved by those types
8 of uses. So that those food products will be
9 available to communities where they are not.

10 COUNCIL MEMBER CUMBO: How would your
11 client be able to impose that onto a tenant that
12 may not be interested in that?

13 JERALD JOHNSON: He could make it as
14 part of the lease negotiations. He gets a huge
15 benefit out of it, because he can then get the
16 floor area exemption for the space that's part of
17 the food market, which he can then add to the
18 building. So he can impose it as part of the lease
19 negotiations with the tenant. You can't..., you
20 know, to apply for the certification, you need to
21 have the floor plans and you need to have the store
22 designed, and you need to have the lease in place.
23 So it hasn't been done yet. And that's why it
24 wasn't done as part of the process.

2 And then the tenant also gets a benefit
3 as the borough president said, there's tax
4 exemptions, and they get some funding from the city
5 to go in that type of facility. So it's a benefit
6 to everybody involved to pursue that program.

7 COUNCIL MEMBER CUMBO: Do you know at
8 this time, why your client, because I know that it
9 was said that it would be pursued, but in the
10 letter which says that there will be a commitment
11 for whatever reason, why the 421A program
12 potentially would not be advantageous or are there
13 any reasons why you would not pursue it after a
14 full investigation. Because we're basically
15 looking into you doing the research to determine if
16 this is going to be a project that is going to be
17 feasible utilizing that particular program.

18 JERALD JOHNSON: I believe that he
19 would utilize the 421A program as long as it's..., I
20 mean it's up for renewal in a year. So when this
21 moves forward..., this project started a long time
22 ago. So, in order to do the full investigations,
23 you need to have a viable product that you can go
24 take to the programs and to get on the list and to
25 design your building pursuant to all the

1 requirements of the programs. But, if that program
2 is in place, he will pursue it. If there is
3 another one he will also pursue that. On the 421A
4 we are in an exclusion zone, so that any benefit of
5 the 421A must be utilized on site for affordable
6 housing. So the affordable housing would have to
7 be built on-site in order to accommodate that
8 program. And then if, indeed, in the future, there
9 has even some talk and the city rezones a portion
10 of Empire Boulevard and creates an inclusionary
11 housing designated area. We're not adverse to
12 that, and we would welcome it, and we would build
13 accordingly, if we hadn't gone forward first.

14
15 COUNCIL MEMBER CUMBO: The Crown

16 Heights community is really at the epicenter of a
17 lot of the changes that are happening in Brooklyn,
18 New York. And, as you know, housing is probably
19 the number one issue that all residents discuss.
20 And I've always come from the school of doing above
21 and beyond the call of duty. And I think it would
22 be great to have that level of commitment in this
23 particular district in Crown Heights. Would your
24 client consider changing and going above and beyond
25 the call of duty to doing a 70-30 mix versus an 80-

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2 20 mix. Going above the call of duty and being
3 exceptional and extraordinary versus just doing
4 what's required.

5 JERALD JOHNSON: We could look into
6 that. He could look in to that. Right now the
7 programs that do exist are, you know, 80-20s, but
8 we could look into that and the economics of it and
9 see if it works.

10 COUNCIL MEMBER CUMBO: Have you and
11 your client discussed that previously? Because
12 that's very important to me. I understand right
13 now that under this program, it's a small building,
14 relatively. So there are about 68 units you said?

15 JERALD JOHNSON: Currently.

16 COUNCIL MEMBER CUMBO: Give or take?

17 JERALD JOHNSON: Give or take.

18 COUNCIL MEMBER CUMBO: With 50% being 2
19 bedroom apartments and the rest being a mix of 1
20 bedroom and studios.

21 JERALD JOHNSON: Yes. That's what the
22 affordable programs require. That's correct.

23 COUNCIL MEMBER CUMBO: Okay. And so
24 with that, with the 20%, there would be about 13 to
25 14 affordable units?

JERALD JOHNSON: Yes.

COUNCIL MEMBER CUMBO: And this would allow for maybe just one or two that an additional family member could potentially benefit from.

JERALD JOHNSON: Yes. And if we did the fresh program and got the floor area exemption for the retail space, there could be an additional roughly 12 unites added to the mix. The floor area permitted goes up to roughly 80,000 for residential, under this scheme. And approximately 80 units. So it would also increase under that.

COUNCIL MEMBER CUMBO: It would increase the affordable portion of it?

JERALD JOHNSON: It would increase the overall residential density which would also increase the affordable component.

COUNCIL MEMBER CUMBO: And then we could move to the 70-30, is what you're saying.

JERALD JOHNSON: We would have to talk about that. We would have to analyze if to see if it works.

COUNCIL MEMBER CUMBO: I also wanted to talk about the MWBE.

JERALD JOHNSON: Yes.

2 COUNCIL MEMBER CUMBO: That is
3 something that in this letter appears to be a part
4 of your commitment as well. Can you talk to me
5 about..., I would imagine that you may not know that
6 much about it but, I want to make sure that that is
7 a critical part of this project. Where would you
8 do your recruitment in terms of making sure that
9 MWBEs are a part of this project?

10 JERALD JOHNSON: My understanding is
11 there is a program through the Borough President's
12 office. And we would work with them to do that.
13 My client also knows a number of people in the
14 community that have MWBEs and he would reach out to
15 them to be part of the project.

16 COUNCIL MEMBER CUMBO: Can you speak to
17 that as well? Thank you.

18 ROBERT BEARAK: I just want to correct.
19 We don't have a program. What we're trying to do
20 is take the current system that's set up through
21 council legislation actually, with the city
22 agencies. Take that and try to organize it in a
23 way where it's easier for the developers to have
24 access to the range of MWBE businesses. We're just
25 trying to make it more user friendly. So we're in

1
2 the infant stages of that. So if we could develop
3 something that helps connect developers to these
4 MWBEs, just to make it more attractive to utilize
5 MWBEs, especially in non-governmental projects
6 where it's not a requirement. So that's why we're
7 trying to raise the bar in getting this to happen.

8 COUNCIL MEMBER CUMBO: We're not about
9 the requirements. Certainly not. We want to
10 exceed the requirements at all times. But I just
11 want to state, as stated in your letter, the MWBE
12 piece is critical to that, as well.

13 Just want to discuss, the other part of
14 this project which I have great concerns about,
15 which I didn't see addressed in the letter, were
16 the properties that are individually owned. And so
17 the challenge that I have with this is that those
18 parcels of land that have houses on them right now,
19 once this zoning change happens, those properties
20 will become exponentially more valuable. And the
21 challenge that we face will be that those
22 individuals may want to sell those properties to
23 collectively to one person, who may want to build
24 luxury condominiums or others that wouldn't have to
25 go through this process that you're undertaking

1
2 right now. One of the things that I had asked and
3 didn't see in the letter was, if these individual
4 properties were owned by one person. Were they
5 owned by several persons? Or.

6 JERALD JOHNSON: I looked in the tax
7 records and what I could see is that they seemed to
8 be all individually owned. They're not
9 collectively owned or different entities owned
10 them. So right now, they're not considered
11 development sites, individually. But again, you're
12 correct, in the future, somebody could purchase all
13 of them and create two small development site. One
14 on Brooklyn Avenue. And the one opposite our site,
15 on..., at the corner of Lamont Court and Empire
16 Boulevard.

17 But again, right now, they're not
18 considered development sites. But I believe they
19 are all individually owned and not collectively
20 owned.

21 COUNCIL MEMBER CUMBO: Can you also
22 talk to me about umm, I'm skipping around here but,
23 what about the parking issue in terms of this
24 entire project. How will that be addressed? I

1
2 understand that there is going to be something
3 underground.

4 JERALD JOHNSON: That's correct.
5 There's a below grade parking garage that there's...,
6 and if you look on the plan on either end there's
7 an entrance and an exit. So there will be two
8 entrances and exits into the garage.

9 COUNCIL MEMBER CUMBO: And that will
10 provide parking for how many?

11 JERALD JOHNSON: Accessory parking for
12 the building is roughly 66 spaces.

13 COUNCIL MEMBER CUMBO: Okay. And
14 that's just for the building.

15 JERALD JOHNSON: That's accessory to
16 the building. That's correct.

17 COUNCIL MEMBER CUMBO: Okay.

18 JERALD JOHNSON: It's not public.

19 COUNCIL MEMBER CUMBO: Okay. And my
20 final question is. If the rezoning that the de
21 Blasio administration is proposing for Empire
22 Boulevard actually happens, those parcels of land
23 that I just discussed that are individually owned.
24 How would those particular properties be impacted
25

1
2 by the rezoning proposed by the Bloomberg
3 administration?

4 JERALD JOHNSON: The de Blasio
5 administration? Or the, okay.

6 COUNCIL MEMBER CUMBO: Or what were you
7 thinking? Because I want to be clear.

8 JERALD JOHNSON: No you just said the
9 Bloomberg administration.

10 COUNCIL MEMBER CUMBO: Oh, I'm so
11 sorry.

12 JERALD JOHNSON: First you said de
13 Blasio and then you said Bloomberg. So I got a
14 little bit confused.

15 COUNCIL MEMBER CUMBO: Oh, I'm sorry my
16 mind is in a different world.

17 JERALD JOHNSON: Because we started in
18 the prior administration.

19 COUNCIL MEMBER CUMBO: Under the de
20 Blasio. I mean you started in the Bloomberg
21 administration now we're in the de Blasio. Its
22 budget time and I'm a little sleepy.

23 JERALD JOHNSON: Understood. So, I
24 mean basically they would, assuming that what would
25 happen in this location and what has been discussed

1
2 is a similar type of density which would be an R7
3 or an R7A, down Empire Boulevard. And that it
4 would also become an inclusionary housing
5 designated area. And if that's the case, the
6 zoning on those sites currently, if this gets
7 approval, will be R7A. But they will become..., they
8 will come under the inclusionary housing designated
9 area. And then that would become mandatory
10 inclusionary housing on the site. So they would
11 then be treated the same as the rest of the
12 rezoning. If indeed that is what happens on the
13 site, based on the study.

14 COUNCIL MEMBER CUMBO: Okay. Thank
15 you. Those are all the questions that I have at
16 this moment. Thank you.

17 JERALD JOHNSON: Thank you.

18 COUNCIL MEMBER GARDONICK: Thank you
19 Council Member Cumbo. I want to note that we've
20 been joined by Council Member Ignizio, the Chair of
21 the Land Use Committee, David Greenfield and
22 Council Member Richards.

23 I want to jump in with two very quick
24 questions. Then we're going to go to Council
25 Member Reynoso.

2 One is, you noted in your presentation
3 that there was a request that you reduce the
4 commercial overlay. It was a request made by City
5 Planning. Can you explain that a little bit, as to
6 what exactly that has to do with?

7 JERALD JOHNSON: So if you go to the
8 drawing on your left. You see the dark line which
9 is the difference between the R5 and the R71 in the
10 initial map. The commercial overlay extends a
11 little bit beyond that line in the R71 both on the
12 west and on the south. Those two blocks between
13 Brooklyn Avenue and Lamont Court. In City Planning
14 those sites are currently residentially developed
15 with no commercial use on them. And so City
16 Planning just wanted us to reduce the commercial
17 overlay to be coincident with the existing line and
18 where there are commercial uses.

19 COUNCIL MEMBER GARODNICK: So it
20 reflects what is actually present on the site.

21 JERALD JOHNSON: That's correct.

22 COUNCIL MEMBER GARDONICK: My other
23 question that I had was about the parking spaces.
24 I noted 66 accessory parking spaces. In this
25 current area that is not something that requires

1
2 any special action from the council. That is
3 you're as of right with the development of this
4 size?

5 JERALD JOHNSON: That's correct.

6 COUNCIL MEMBER GARODNICK: Thank you.
7 Let me go to Council Member Reynoso.

8 COUNCIL MEMBER REYNOSO: Thank you
9 Council Member Garodnick and thank you Council
10 Member Cumbo. I have a couple of questions. I
11 have a lot of questions actually. So bear with me
12 please.

13 Do you know how much tax relief you'll
14 be receiving on a yearly basis if you fall into the
15 421A inclusionary program..., and inclusionary
16 program?

17 JERALD JOHNSON: I do not know
18 specifically, what that number would be.

19 COUNCIL MEMBER REYNOSO: Do you know
20 roughly what that number would be?

21 JERALD JOHNSON: I mean it's what the
22 program requires. I don't have the numbers figured
23 out. It's based on what the taxes would be and the
24 relief.

1
2 COUNCIL MEMBER REYNOSO: In the..., for
3 the Land Use Committee hearing, I would appreciate
4 it if you guys could try to get that. Because I
5 just want to know how much money you're saving and
6 you're getting on a yearly basis from this tax
7 relief. To make sure that we clearly see what your
8 benefits are and what our benefits are going to be.
9 Also, I would like to note that the mayor's
10 affordable housing plan is going to be a lot more
11 aggressive than this old 80-20 model that I can't
12 stand, personally. I think we're giving away
13 everything when we do an 80-20 model. I do think
14 that the mayor, when he does his rezoning, might be
15 asking for more. I would love to hear from him
16 what his thoughts on this item are. And if we can
17 get more, like a 70-30, which was what Council
18 Member Cumbo was asking for. I would say hold to
19 guarantee that we get at least 30%. Just a note.
20 20% is minimum and mandatory. 30% isn't
21 exceptional, Council Member Cumbo, I just want to
22 say that. 30% is not exceptional. They're getting
23 this benefit and they're going to be making a lot
24 of money. What was this property before you got
25

1
2 it? Before the rezoning. What is the property
3 currently, I guess, is what I'm asking?

4 JERALD JOHNSON: The property is a 2
5 and 3 story commercial buildings. That have just
6 ground floor commercial use. There's no
7 residential on the site currently. And there's an
8 accessory parking lot that's just vacant.

9 COUNCIL MEMBER REYNOSO: What is the
10 price per square foot in rental for the commercial?

11 JERALD JOHNSON: Oh. I don't have
12 that.

13 COUNCIL MEMBER REYNOSO: I would also
14 appreciate it, if I could get that at the Land Use
15 Hearing. For the Land Use Hearing, the next
16 committee hearing. Because I'm going to defer to
17 Council Member Cumbo today, but I do want to note
18 that I have a lot of questions that I want to have
19 answered. It's pennies on the dollar commercial
20 converted to residential. Are these going to be
21 for sale, or are they going to be rentals?

22 JERALD JOHNSON: I think it was going
23 to be rental.

24 COUNCIL MEMBER REYNOSO: Okay.
25

2 JERALD JOHNSON: If it goes forward.
3 If it's an affordable program, it's easier to do as
4 a rental program as opposed to for sale.

5 COUNCIL MEMBER REYNOSO: So it would
6 probably be rentals. So it will be yours for a
7 long time. Alright. Because the amount of money
8 that you're going to be making per square foot is
9 going to be a lot. Outside of the tax relief that
10 you're going to be receiving, the conversion itself
11 is going to net you a lot of money. I just to make
12 sure that that's clear.

13 This is a letter. Letters in the
14 history. We rezoned all of the waterfront in
15 Williamsburg. And for the first portion of it, we
16 got letters. And it's pretty much destroyed our
17 community when it comes to the infrastructure and
18 the impact that it's had on our community. So we
19 started going into something that's more concrete
20 than a letter. And from what I'm hearing today,
21 from your testimony, and a lot of the questions
22 that Council Member Cumbo was asking, there was
23 I'll get back to you or I don't know. And that's
24 concerning. It's a concern. I want to make sure
25 that anything that's being asked for by the council

1 member can be put on something that's more
2 contractually obligated as opposed to faith effort.
3 Our history with developers in the City of New York
4 hasn't necessarily worked on faith or been positive
5 on faith. So I think we need to start talking
6 about this supermarket being there and mandating it
7 that it's there. The 70-30 being something that we
8 can mandate through our power or whatever we can
9 do. There's also issues of the hospital which I
10 wasn't aware of. Those are all items that we can
11 talk about making mandatory through this rezoning.

12 So, no soft commitments is what I'm
13 saying. I also want to be clear. On the 50% two-
14 bedrooms. So the 421A program allows for two
15 different types of bedroom settings or bedroom
16 makeup. One, it mirrors what you put in. So if
17 you put in 50% one bedrooms and 50% two bedrooms
18 and your market rate..., I mean 50% studios and 50%
19 one bedrooms in the market rate, that's exactly
20 what they get in the affordable housing program. I
21 want to be clear that 50% is option B. That
22 developers very rarely, if ever use, when we come
23 to the 50% two bedrooms.
24

2 You have an option, after we sign this
3 off, to build all your apartments, studios and one-
4 bedrooms and that all you're required to do is
5 match that. You don't need to give 50% two-
6 bedrooms? Am I correct? Or am I wrong?

7 JERALD JOHNSON: You're correct that
8 the program says that you have a unit mix in the
9 building and that the affordable program mirrors
10 that unit mix or the other option is 50% two-
11 bedrooms and the rest a mix of two-plus and the
12 rest is a mix of studios and one-bedrooms.

13 COUNCIL MEMBER REYNOSO: And
14 financially more beneficial are advantageous
15 portion of those options are definitely the
16 mirroring ones, especially if you're not building
17 two-bedrooms or three-bedrooms. So, I just want to
18 be clear that you have that option. And even
19 though you can tell us you want to build two-
20 bedrooms, when the option is given to you, I think
21 you're going to go for the one that makes you more
22 money. Not necessarily the one that's better for
23 the community.

24 JERALD JOHNSON: But it's also based on
25 a mix of the demand in the neighborhood and in this

1
2 neighborhood, I believe there's a demand for larger
3 units. So the two-bedrooms and plus would be a
4 definite mix that's proposed for this building.

5 COUNCIL MEMBER REYNOSO: Right. So in
6 the City of New York, the demand is for larger
7 bedrooms. And we know that developers don't care
8 about what the demand for the needy in the City of
9 New York are. What they care about is making
10 money. So it's about getting people in there that
11 are going to pay the most amount of money. So need
12 is completely irrelevant when it comes to
13 development. I just want to be very clear to you.
14 That's why we're here. Fighting for 80-20. If we
15 didn't have that option, we wouldn't even be
16 discussing 20% affordable housing. So I just
17 wanted you to be very mindful. I understand need,
18 but 90% of residents that apply for NYCHA for
19 example, 90% of them are looking for two and three-
20 bedroom apartments. The majority of them need
21 family housing. 90%. And the City of New York and
22 the especially the developers, haven't been
23 building larger apartments. What they've been
24 building are studios and one-bedrooms for a much
25

1
2 more affluent community. Or folks that have more
3 money and they can rent for higher rents.

4 So I understand statistics, but they
5 don't play in the real estate world. Statistics
6 don't mean much when it comes to housing.

7 [Background talk]

8 Okay, thank you very much. I
9 appreciate your time.

10 JERALD JOHNSON: Thank you Council
11 Member.

12 COUNCIL MEMBER GARODNICK: Thank you
13 Council Member Reynoso. Council Member Cumbo, the
14 floor is yours.

15 COUNCIL MEMBER CUMBO: Council Member
16 Reynoso. I just want to thank you for your point
17 of clarity on exceptionalism.

18 COUNCIL MEMBER GARODNICK: Thank you.
19 And seeing no other questions and no other members
20 of the public who wish to testify. We are going to
21 close the hearing on Land Use 86. We will also be
22 laying over this item until Thursday, 10:30 for a
23 Zoning Committee vote. We appreciate your
24 testimony today. We're going to now begin the
25 hearing on ...

2 [Mic off]

3 Land Use 88 and we're going to call up
4 the representatives. Before we do that Council
5 Member Ignizio has asked for a moment to comment.

6 COUNCIL MEMBER IGNIZIO: Thank you very
7 much. And gentlemen I just want to thank you for
8 coming in and working with our colleagues. And I
9 just don't want you to walk away, or anybody to
10 walk away that this board, that this committee is
11 based in an adversarial relationship. The best
12 way, we the council, can achieve the goals of
13 affordable housing in addition to working with the
14 communities, is to work with the development
15 community to say these are the needs of the
16 community. Some things, which my colleague had
17 mentioned which are important to his community,
18 cannot be required by law, but can be through
19 negotiations. So, in that vein, I want to extend
20 an olive branch to the development community and
21 not make it seem like we're here to be adversaries.
22 My colleagues are fighting very strongly for their
23 communities for what they believe their communities
24 need. But I think it's important to recognize the
25 best way to achieve that is through partnership and

1
2 not in an adversarial relationship. I'm not
3 speaking for Antonio or Cumbo or anybody else. I
4 must mean overall. My relationship on this zoning
5 committee for many years, that's always been the
6 best way to achieve the goals, which is through
7 negotiation. Thank you very much.

8 JERALD JOHNSON: Thank you.

9 COUNCIL MEMBER GARDONICK: Thank you.

10 And we'll let that be for the moment, the final
11 word on this application. We'll close the hearing
12 on Land Use 86 and open the hearing on Land Use 88
13 and call up the representatives for Artimus at 316
14 West 118th Street, Robert Ezrapour, Evan Kashanian
15 and Melanie Meyers. Welcome.

16 [Background talk]

17 COUNCIL MEMBER GARODNICK: Welcome.

18 And whenever you're settled.

19 UNIDENTIFIED FEMALE: Yes. Just a
20 couple of minutes to get settled.

21 COUNCIL MEMBER GARODNICK: Okay that's
22 fine.

23 UNIDENTIFIED FEMALE: Always the moment
24 of whether technology works.

2 COUNCIL MEMBER GARODNICK: Great
3 suspense, yes. It looks like you're going to get
4 it though. There you go.

5 UNIDENTIFIED FEMALE: So Evan, you want
6 to start?

7 EVAN KASHANIAN: Sure.

8 COUNCIL MEMBER GARODNICK: If you'd
9 just introduce yourselves and go right ahead.

10 EVAN KASHANIAN: My name is Evan
11 Kashanian. I'm representing Artimus. We are a
12 Harlem based community developer. We work where we
13 believe in building communities. As they grow we
14 work with local partners, with schools, with
15 churches and with all the community groups to make
16 sure that as projects happen, the community grows
17 around us. What you're looking at is developments
18 that we've done in the central Harlem area. This
19 is five-buildings. A before and after of the way
20 projects looked. We've also moved our office
21 recently to West 118th Street, between Frederick
22 Douglass Boulevard and Manhattan Avenue. And our
23 operation runs out of there now. So I'd like to
24 introduce Melanie Meyers to talk about the project.

MELANIE MEYERS: Good morning. Good morning. I was going to say Council Member Weprin, but I'll say Council Member Garodnick and the other members of the committee. Thank you for having us. My name is Melanie Meyers. I am a land use attorney with Fried, Frank, Harris, Shriver & Jacobson. And the application before you is a rezoning that would extend an existing R8A District over the block bounded by West 117th Street, West 118th Street, Frederick Douglass Boulevard and St. Nicholas Avenue. You can say on that site.

The project site itself is on the eastern portion of the block and the project that this rezoning would facilitate has three components. It's the creation of a cultural center for the community. It's the reuse of an existing building for residential and it's the creation of a new residential building on the south side. The two buildings that are on the site are really quite extraordinary. Now we can go to the next site.

What you're looking at is a structure which was the former St. Thomas Church that is located on 118th Street. And what you see in this picture is an image of the facility the church at

1 the time that the property was acquired by the
2 Artimus Company. It's a gorgeous structure. I'm
3 not sure you can tell from this building. It was
4 de-sanctified about 10 years ago and the church was
5 prepared to demolish the facility. The community
6 organized. The elected officials organized and
7 they were at least able to save the structure.
8 When Artimus acquired the property, the first thing
9 that they did was to work on stabilizing and
10 restoring the building. And what you see is the
11 façade of the building after the scaffolding was
12 taken down, about a month ago.

14 So, what would happen to this? The
15 other building on the site, I think is the next
16 building, is a school building that had been
17 operated by the St. Thomas Church. When it was in
18 operation it was for a school at that site. It was
19 also empty for a period of time, but is currently
20 being occupied by the Harlem Hebrew School.

21 The proposal for the church is to take
22 that structure and turn it into a cultural center
23 and performance space. And what you're looking at
24 now is a rendering of what the interior of the
25 building would look like. If we could move sort of

1
2 quickly, because a lot of work has been done. This
3 is the interior of the site and it would continue
4 to be looking as wonderful as this. Go ahead. And
5 what the proposal would be is to create on the
6 upper floor a performance space that could be used
7 by a variety of Harlem based cultural facilities.
8 And below grade, there's actually additional space
9 for individual users that could have additional
10 studio space and along those lines.

11 There's been a substantial outreach
12 with the community and a number of the users that
13 we see as being potential occupants and users of
14 the space are on here. And Artimus has reached out
15 through the community board, through the elected
16 officials, will be reaching out through cultural
17 affairs to help program the space. They've had
18 meetings, once the building was safe enough to
19 actually allow people in. There have been meetings
20 to talk to the different cultural organizations.
21 And we think when this is in place and works, it
22 will be a great amenity for the community.

23 So that's the part of the project on
24 West 118th Street. In addition to that, there
25 would be two residential projects being built on

1
2 the project site. Along St. Nicholas Avenue, there
3 would be about a 73-unit building that would be a
4 renovation and restoration of the school building
5 as well as an enlargement of the site.

6 On the southern side at 117th Street,
7 there would be a new building that would be about
8 74-units which would be a mixed income building.

9 This is just taking a look at the
10 property from the corner of 117th Street and St.
11 Nicholas Avenue. So you can see the two buildings
12 that would be constructed as part of this project.
13 The residential buildings. And what this would
14 require in order to allow it to happen, is a
15 rezoning. Frederick Douglass Boulevard is
16 currently zoned RA8 and we would proposed to extend
17 that district over the block to cover the project
18 site.

19 While we're doing that, we would also
20 be making some of the existing buildings in the
21 mid-block complying with current zoning controls,
22 as well as allowing for the restoration of the
23 cultural center and the creation of the new
24 housing.

2 And we think there's lots of
3 opportunities for this project. We've been
4 fortunate to receive the recommendation of approval
5 from the community board, the borough president,
6 and city planning. And we hope for your support as
7 well. Thank you.

8 COUNCL MEMBER GARODNICK: Thank you
9 very much. I want to note we've been joined by
10 Council Member Williams and this site for the
11 benefit of our colleagues is located in the
12 District of Council Member Inez Dickens who has
13 asked that I read the following into the record at
14 this morning's hearing.

15 Actually more specifically, she asked
16 Council Member Weprin to read it. But as I am
17 here, I will do it instead.

18 Good morning. I would like to thank
19 Council Mark Weprin, Chair of the Zoning &
20 Franchises Subcommittee and the other distinguished
21 members of the subcommittee for allowing me to
22 provide testimony on the West 117th Street rezoning
23 project which is located in my district and seeks a
24 rezoning. From R7A to R8A for the eastern portion
25 of the district. Sorry, eastern portion of the

1
2 block, bounded by West 117th and West 118th Street,
3 between Frederick Douglass Boulevard and St.
4 Nicholas Avenue.

5 This rezoning will facilitate a mixed-
6 use development containing approximately 151-
7 dwelling units and over 12,000 square feet of space
8 for local community users in the restored and
9 repurposed St. Thomas the Apostle Church located at
10 West 118th Street. The 151-dwelling units will be
11 provided principally in two buildings and newly
12 constructed residential building on West 117th and
13 through the conversion and expansion of an existing
14 school building fronting on St. Nicholas Avenue.

15 After several meeting with the
16 project's developer, Artimus Construction, to
17 address the concerns that are important to me and
18 my community. And having considered all the issues
19 and the commitments that have been made to me by
20 the developer, I am supportive of the project.

21 First, Artimus is committed to the
22 preservation of the former St. Thomas the Apostle
23 Church building which is over 100 years old, was
24 completed in 1907 and is known for its unique
25 historic architectural design. It is not however

1
2 designated by the city as a landmark and therefore
3 at risk of destruction. They will completely
4 restore the church façade and restore the building.

5 My community was completely against the
6 alternative, which was to have the church
7 demolished. Artimus will be able to preserve and
8 restore this historic cultural institution and
9 local community groups will be able to occupy it at
10 a significantly reduced cost. The developer has
11 assured me that the restored church building will
12 be used as community facility space, dedicated to
13 serving local community art and cultural groups as
14 well as allowing affordable rental rates for non-
15 profit groups.

16 With regard to affordable housing that
17 this project will provide and which is very much
18 needed in my district. Artimus has agreed to
19 increase the amount of affordable housing from 20%
20 to 30% of the dwelling units that will be
21 constructed in the West 117th Street building.

22 This new commitment which we were able to secure
23 will provide that 20% of these units will be
24 affordable to low income households making no more
25 than 60% AMI and an additional 10% of these units

1
2 will be affordable to middle income households
3 making no more than 165% of AMI.

4 In addition, Artimus has agreed to
5 explore potential further increases to the
6 affordable housing opportunities within the
7 development by committing to make every effort to
8 explore affordable housing programs that may be
9 available for conversion of existing buildings
10 including options for affordable home ownership,
11 prior to the conversion and expansion of the
12 existing school building to residential use.

13 Artimus has also agreed to work with my
14 office to insure that the Harlem Hebrew Charter
15 School which now occupies the existing school
16 building, will remain in my beloved village of
17 Harlem. Artimus will work with Harlem Hebrew
18 Charter Center and my office to identify and
19 evaluation relocation options to another property
20 within the Harlem community or potentially
21 returning to its current location.

22 Artimus has provided me with a letter
23 which outlines the above commitments which were
24 secured through our thoughtful discussions. And I
25 ask that it be made part of the record. I would

1
2 like to thank Artimus for working with me to
3 address my concerns. And am pleased that they
4 share my strong commitment to keeping my community
5 affordable. I am confident that we can continue to
6 work together to create affordable housing. Not
7 only for Harlemites, but for all New Yorkers. I
8 respectfully ask that my colleagues on the
9 subcommittee vote to approve this application.

10 Sincerely, Inez E. Dickens, Council Member from the
11 9th Council District.

12 With that, Council Member Williams has
13 a question.

14 COUNCIL MEMBER WILLIAMS: Thank you so
15 much. I'm sorry I came late. I was just looking
16 over some of what you wrote..., and what you have and
17 what Council Member Dickens has. And so it says to
18 raise affordable housing from 20% to 30%. But..., so
19 we use the word affordable a lot and we kind of
20 stretch it out. I looks like 20% is 60% of AMI,
21 which I think will be considered affordable as most
22 people think. But the question is affordable to
23 who? Because then it says that 10% of the units
24 will be affordable no more 165% of AMI. I don't
25 think that's generally, 165% is not usually what

1
2 people are thinking is affordable. It is
3 affordable to somebody. But my question is..., but
4 my issue is usually on the lower income of the
5 spectrum. So, as far as I'm concerned, this is
6 still more of an 80-20 than anything else. And
7 that model seems a little outdated to me. And we
8 really want to see how we can dig in a little more
9 to more affordable units. And I wish the
10 Councilwoman was here so I'd be able to speak. Is
11 this the final numbers that you are presenting, or
12 are you looking to maybe push a little further down
13 into affordability for the units?

14 MELANIE MEYERS: I think that these are
15 the numbers that we're looking at. And the idea is
16 that this could..., that there are different
17 definitions of affordability. There are different
18 households and types of households that live in all
19 communities, including Harlem. And the goal here,
20 and the discussions were to look at a range of
21 affordability. So, I think it was correct to call
22 the 165% AMI to be a moderate or middle income.
23 Which is what we did. And so we were looking at a
24 low income component, a moderate income component
25 and market rate.

1
2 COUNCIL MEMBER WILLIAMS: I just want
3 to just say on the record, you know, obviously, I
4 am a fan of umm, mixed-income. I want to make sure
5 that there's a broad spectrum. I don't think that
6 80-20s work. And I think to me, this is exactly
7 what that is. And it helped, I think, what's
8 gentrified a lot of the communities that we're now
9 trying to make sure it doesn't get further
10 gentrified. And we want to make sure that there's
11 deep affordability in some of these communities.
12 And so I'm concerned about the numbers that are
13 presented today.

14 COUNCIL MEMBER GARODNICK: Thank you.
15 Any other questions for the panel.

16 [Background talk]

17 COUNCIL MEMBER GARDONICK: Council
18 Member Cumbo has a question. Mr. Richards could
19 you just pass that down?

20 [Background noise]

21 COUNCIL MEMBER GARODNICK: Well, it
22 wasn't exactly what I had in mind.

23 [Laughter]

24 COUNCIL MEMBER GARODNICK: Let's see if
25 Council Member Cumbo can take the hint.

2 [Laughter]

3 COUNCIL MEMBER GARODNICK: Here Laurie.
4 Laurie, Laurie.

5 COUNCIL MEMBER CUMBO: I was very
6 impressed with the mix of cultural institutions
7 that you proposed for the project. I wanted to
8 know if you've had discussions with these
9 organizations. Are these simply proposed or are
10 these organizations that are not only interested,
11 but economically prepared to move forward? And
12 what would be some of the ways that the project
13 would assist these organizations, because I'm
14 familiar with many of the organizations and the
15 ability to expand to another location. To have a
16 second location. Or to even expand on a larger
17 way, would be very cost prohibitive at this time.
18 Would this project allow any financial incentives
19 for these organizations to be a part of this
20 project?

21 EVAN KASHANIAN: Thank you for your
22 question. In answer to the first part of your
23 question. We've been talking with all of them. We
24 had a meet and greet with almost all of them who
25 came to the space. It was pretty amazing, because

1 we got a mix of comments from all of them which was
2 great. The second part of your question is, right
3 now we're looking for an operator for the space
4 that's going to try and tie all of these
5 organizations together. For example, if one art
6 group wanted to use it for presentation one day,
7 they would set it up for that, and if a dance group
8 wanted to use it for a show the next night, they
9 would set it up that way. And everybody would come
10 to it.
11

12 We've committed to work with local
13 groups to make sure that it's affordable for them.
14 And we've made that commitment to the community
15 board when they brought up the same question that
16 you had. So we're committed to make this a local
17 Harlem based community arts facility. And that's
18 probably the main aspect of this project. Because
19 there's nothing like it in Harlem. And when you go
20 inside this building, it's absolutely beautiful.
21 And we want to make sure it stays that way.

22 COUNCIL MEMBER CUMBO: I just want to
23 further clarify with that. So this would be not a
24 space where people would be looking to have a
25 cultural home necessarily. This wouldn't be where

2 someone's organization would be housed. This would
3 be a space where different organizations could
4 utilize this space in a cost effective way to do
5 different performances, exhibitions, programs, etc.

6 EVAN KASHANIAN: That's correct.

7 COUNCIL MEMBER CUMBO: Okay.

8 COUNCIL MEMBER GARODNICK: Thank you
9 very much Ms. Cumbo. Council Member Torres has a
10 question.

11 COUNCIL MEMBER TORRES: Yes, I want to
12 follow-up on Council Member Williams' questions
13 regarding the affordability. Is there a precise
14 income range that you're targeting? Or is it
15 simply 61% to 165% of AMI and then 60. Is there a
16 more targeted range. Because it's a wide gap.

17 EVAN KASHANIAN: No. 20% will be below
18 60. And then 10% will be at 165.

19 COUNCIL MEMBER TORRES: Right. But is
20 that..., so it's 10% of the units are going to be set
21 aside for those making between 61 and 165% of AMI.

22 MELANIE MEYERS: Correct. Right. So
23 the 20% would be tied to households that are to 60%
24 which could be between 40 and 60%. The 165%, those
25 units could be affordable to households making up

1
2 to 165%, but the rents would be tied closer to the
3 165 AMI level.

4 COUNCIL MEMBER TORRES: For those 10%
5 of.

6 MELANIE MEYERS: Correct.

7 COUNCIL MEMBER TORRES: Okay. So it's
8 not actually 61% to 165%. It's closer to..., do you
9 have some sense of what the range would be?

10 MELANIE MEYER: Maybe we could do it in
11 terms of what the household incomes would be for
12 165. Would that be helpful?

13 EVAN KASHANIAN: No. I think maybe...,
14 it's 10% of the units at 165% not between 60 and
15 165.

16 COUNCIL MEMBER TORRES: I'm sorry.
17 It's going to be at. Okay. No more than 165.

18 EVAN KASHANIAN: Right. And then 20%
19 below 60%. Between 40 and 60%.

20 COUNCIL MEMBER TORRES: Between 40 and
21 60.

22 EVAN KASHANIAN: Correct.

23 COUNCIL MEMBER TORRES: Okay. Thank
24 you.

25 EVAN KASHANIAN: You're welcome.

2 CHAIRPERSON WEPRIN: Okay. Any other
3 questions to the panel? I don't see any. So I'm
4 going to excuse this group. Thank you very much.
5 I'm going to ask if any other members of the public
6 are here that want to testify on this matter.

7 [Pause]

8 CHAIRPERSON WEPRIN: You can go.
9 Alright, I don't see anyone else here to testify.
10 So I'm going to close this public hearing on this
11 item. And we're going to move onto our next item.

12 [Pause]

13 CHAIRPERSON WEPRIN: Okay. We're not
14 moving down the Island of Manhattan. And we're
15 going to go to site 7, to the beginning of this
16 agenda, I believe. Alright. Yes. Council Member
17 Johnson's District. Land Use #62, 63, 64, 65

18 This is the Clinton URA Site 7. I do
19 love that Site 7. Like Area 51 or something, I
20 don't know.

21 [Pause]

22 CHAIRPERSON WEPRIN: I know we have a
23 lot of traffic. I apologize. So, you know the...,
24 we're going to call up the..., are you all together.
25 I've got more..., I've got four here. Okay.

1
2 Alright. I have Amar Sen, Joe Restuccia, Marcie
3 Kesner, Chris Valestra (phonetic), Thehbia Walters
4 and Charles Bendit. I don't know who's missing?
5 Chris, you're here to help if we need you.

6 Alright. So as you speak, please listen. For the
7 record we need to know who is speaking. So when
8 you speak, if you could please state your name and
9 when we come back to you, if you could state your
10 name again. It's a little annoying, but that way
11 when the record is transcribed we actually know
12 whose talking. So whenever you're ready. I don't
13 know who wants to start. So whenever you're ready,
14 please state your name.

15 THEHBIA WALTERS: Good morning, Chair
16 Weprin and members of the subcommittee. I'm
17 Thehbia Walters, Director of Manhattan Planning at
18 the Department of Housing Preservation and
19 Development. I'm very excited to testify in
20 support of Land Use Items, 62, 63, 64 and 65.
21 Which will collectively facilitate the Site 7
22 Project. We call this project Site 7 because the
23 vacant city-owned land portion of the project was
24 within site 7 of the now expired Clinton Urban
25 Renewal area. Located on West 52nd and West 53rd

1 Streets, between 10th and 11th Avenues. And
2 although the plan expired in 2009, the community
3 has used the goals of this plan to guide the
4 redevelopment of the area over the last 40 years.
5 Which are to provide for a range of income bands
6 and housing that exhibits good design in terms of
7 privacy, light, air and open space. While
8 providing community facilities, parks and retail
9 uses. It's our belief that this project
10 accomplishes these goals and more.

12 This project is an outstanding example
13 of the strong role of community and implementing
14 the goals of a neighborhood. And the partnership
15 between local non-profit organizations, elected
16 officials and city government.

17 We have a presentation for you this
18 morning to go through the details of this complex
19 project. There are three building being developed
20 as a result of this project. A 103-unit
21 permanently affordable project being developed by
22 Clinton Housing Development Corporation. A 405-
23 unit building that is 20% affordable, totaling 81-
24 dwelling units being developed by a joint venture
25 between Taconic Investment Partners and Ritterman

1
2 Capital and the city owned historically significant
3 former manufacturing building that is being
4 converted into 22 units of affordable housing by
5 Clinton Housing.

6 And there are also three beautifully
7 planned and assessable gardens that are being
8 created or expanding an existing garden. The top
9 line for the city is that there will be
10 approximately 208 units of affordable housing
11 created across three buildings through the use of
12 city financing, the inclusionary housing program,
13 partnership with an adjacent property owner and
14 through the use of city assets that include land
15 and development rights.

16 The project also provides commercial
17 space for two vested urban renewal tenants. I
18 thank you for your time and I'll turn it over to
19 Charles Bendit.

20 CHARLES BENDIT: Thank you Chairman and
21 honorable members of the committee. My name is
22 Charles Bendit, I am co-founder of Taconic
23 Investment Partners. We are a developer, here in
24 New York City. While we've done things around the
25 country, we have focused our efforts most recently

1
2 in New York City. Some of the projects that we
3 have done include 111 8th Avenue, a conversion of
4 an old industrial building into what is no Google's
5 headquarters. We are the designated..., one of the
6 designated developers for the Spora Project, what
7 is now called Essex Crossing which will be a 1000
8 units, half of which will be affordable. We are a
9 co-developer of The Caledonia on 10th Avenue, one
10 of the first residential projects in West Chelsea.
11 We are the developer of The BankNote Building in
12 the Bronx. We own 1,400 units of middle income
13 housing in the Bronx. And we were the developer of
14 the largest condominium project in Brooklyn, in
15 East New York, which has provided 1,152 units of
16 affordable condominiums, in the range of \$275 a
17 square foot, for people in that community. Among
18 other things that we have done in the city.

19 We are proud to be a part of this
20 public-private partnership with Clinton Housing and
21 with HPD and we look forward to providing nearly
22 39% of the units as affordable units in this
23 project.

24 I'd like now to turn it over to Mr.
25 Restuccia.

2 JOE RESTUCCIA: My name is Joe
3 Restuccia. I am Executive Director of Clinton
4 Housing Development Company. We're a 41 year old
5 community development organization on the west
6 side. And we are extremely pleased to present to
7 you a project that is 39% affordable. That has 208
8 affordable units. But most important for us and
9 our community, it has a range of affordability.
10 The units range between 60% of AMI, 80% of AMI,
11 100% of AMI, 125% of AMI, and 165% of AMI. And our
12 biggest issue in our community is that we have many
13 people who are at the low end or at the high end,
14 but not in the middle. In this project, we are
15 able to serve people without them having to fall
16 through those donor holes of not being able to get
17 eligible for \$1,000, or \$200 or \$300.

18 This project not only provides
19 affordable housing, but we also provide a long term
20 home for two very long community tenants who are
21 commercial. One is Le Noble Lumber who has been in
22 business since 1965 in this location. And the
23 other one is Cybert Tire who has been in business
24 since 1916 at this location. They will both have
25 permanent homes at this location. However, Le

1
2 Noble Lumber realizing that the neighborhood has
3 changed dramatically around them is not coming back
4 with their current business of a lumber business.
5 They are bringing us an affordable supermarket.
6 And we have a Letter of Intent signed with the
7 supermarket today. So we know it's going to come
8 in, definitely.

9 The last thing is we are bringing open
10 space to this project. And there are three
11 community gardens that are being built. One
12 expanded. That really make a difference besides
13 the open space that surrounds the project. So we
14 thank you very much for this and working in concert
15 with our private partner and with HPD we have been
16 able to put together a bunch of very diverse trends
17 that bring together this urban renewal area was
18 condemned in 1969. This is the second to last site
19 to be finished. And we're very happy to be able to
20 do this. Thank you.

21 CHAIRPERSON WEPRIN: Thank you.

22 AMAR SEN: Hi. My name is Amar Sen.
23 I'm Senior Associate at Handel Architects. I'm
24 just going to quickly show you a little bit about
25 the building so you understand what we are doing.

1 Can you hear me okay? So this is...
2 sorry. DeWitt Clinton Park, 11th Avenue, 10th
3 Avenue, 53rd Street and 52nd Street. The two
4 projects, the Taconic-Ritterman Project is this
5 building here and this building here, with a 70
6 foot courtyard in between. It's all rental
7 residential. Their 20% affordable in that building
8 is distributed equitably throughout. The CHDC
9 building is here. Its 103 units. It's all
10 permanently affordable. And the courtyard
11 continues through the center of the block. The FAR
12 is 8 here and we've masked the bulk of the
13 buildings up towards the mid-block to stay
14 consistent with the Archstone Clinton Building
15 which is 350 feet. The Mercedes House is also
16 about 350 feet. AT&T 450 feet. And we're at 260
17 feet here and 171 feet, I think here. And the CHDC
18 building is 123 and 124, something like that.

19 This is the 53rd Street elevation and
20 one of the things that was comments from City
21 Planning early on was to break up the street well.
22 This is the 120 foot base height that's required,
23 the maximum base height and we've carved into that
24 in the CHDC building and then again on the Taconic-

1
2 Ritterman building to break up the street well.
3 There are a couple of waivers here that will go
4 with few on the next presenter. Height, setback
5 and rear setback.

6 [Pause]

7 [Mike stops]

8 AMAR SEN: ...perspective at the street.
9 It's continuous retail along the street. Both
10 buildings, the only interruptions are the Taconic-
11 Ritterman lobby, parking entrance for Taconic-
12 Ritterman and then the Le Noble and Cybert Tire
13 entrances over here. The CHDC lobby is around the
14 corner, accessed off a garden. And everything else
15 is retail. The bulk of which will be the new
16 supermarket.

17 And then, last but not least, a section
18 through the building showing how the retail spaces.
19 Some of the retail spaces are at grade and connect
20 down. The Le Noble, MLU space is here and Cybert
21 Tire is here. This is the CHDC building and this
22 is the Taconic-Ritterman building going up to 22-
23 stories and 260 feet. And that's it. And I'll
24 turn it over to Marcie Kesner of Kramer Levin
25

2 MARCIE KESNER: Good morning. My name
3 is Marcie Kesner. I'm a planner with the law firm
4 of Kramer Levin Naftalis and Frankel, land use
5 counsel to the co-applicants in this application
6 with HPD.

7 HPD and the co-applicant are proposing
8 a series of zoning actions to allow the
9 construction of the buildings that Amar Sen has
10 just shown you on block 1081, the northern block of
11 this project area. Which will contain up to 508
12 dwelling units. A provision of community open
13 space, low, moderate and middle income housing and
14 also protecting the rights of existing arts related
15 uses within 545 West 52nd Street, one of the
16 existing buildings on the site. The zoning actions
17 will also facilitate the rehabilitation and
18 expansion of the city owned building on the block
19 to the south which will provide 22 affordable
20 dwelling units.

21 Let me go through the zoning actions
22 which are before you. There are four basic zoning
23 actions before you. The first one is an amendment
24 to the zoning map for the project area. The
25 project area is entirely mapped within the Special

1
2 Clinton District. On the northern block we would
3 be proposing the rezoning of an existing M1-5
4 district to an R9 district with a commercial C2-5
5 overlay and a portion of a small R8-A district
6 would also be changed to the same R9 district with
7 a C2-5 overlay.

8 On the southern block an existing
9 portion of an R8 district would be mapped to a R8-A
10 district. A text amendment would also extend the
11 western area of C2 of the Special Clinton District
12 to these same portions of the blocks. These will
13 permit the development of the resident uses that
14 are before you. Increase the permitted density of
15 the site. And will provide for the special height
16 and special and setback regulations that apply
17 within the Special Clinton District within this
18 western area of C2.

19 The second major action also consists
20 of additional text amendments. One is to extend
21 the inclusionary housing program to these sites.
22 And the other is to expand the range of
23 inclusionary housing bonusable income bands for
24 developments on the project site which will allow
25 for an option of not just low income households but

1 also low, moderate and middle income households.
2
3 As Joe Restuccia has explained, this is very
4 important to the community to provide for a wide
5 range of income types in the neighborhood.

6 The third action would..., the third text
7 amendment would preserve the rights of the existing
8 tenants within the arts related facility located at
9 545 West 52nd Street would allow for..., so it
10 explicitly permits those uses within this special
11 district. The uses are related to the arts but are
12 not necessarily considered arts or community
13 facility uses which would have been permitted as of
14 right. They include theaters, rehearsal space,
15 offices, scenery, construction, film production
16 studios. These are all uses, art gallery. These
17 are all uses that the community wants to see
18 preserved in this neighborhood. The other uses
19 that would be preserved which would be permitted by
20 this text amendment are the Cybert Tire and the Le
21 Noble Lumber uses. So that again, the existing
22 character of the mixed-use neighborhood would be
23 preserved.

24 The third action is the designation of
25 the Urban Development Action Area and the approval

1 of a UDAA project pursuant to Article 16 of the
2 General Municipal Law by HPD. The disposition area
3 on the northern block includes both land and unused
4 development rights from the site at 545 West 52nd
5 Street as expanded pursuant to a ULURP that was
6 approved in 1994. On the southern block the
7 disposition site is the former manufacturing
8 building that will be converted into a 22-unit
9 affordable development. All the disposition areas
10 are proposed for disposition by HPD.
11

12 The fourth action. The final action.
13 Is a large scale general development special
14 permit. The designation of the northern block
15 which is outlined on the map before you in red,
16 which would include three existing buildings and
17 two new buildings. The Taconic-Ritterman building
18 and the CHDC building, being the two new buildings
19 and affordable..., existing affordable housing
20 buildings included in the site as well as the arts
21 related building at 545 West 52nd Street. The
22 special permit will allow for the transfer of
23 unused development rights from the western portion
24 of the proposed large scale, the R8-A portion to be
25 used on the CHDC and Taconic-Ritterman's portion of

1
2 the site. And additionally will allow for height
3 and setback waivers that would allow the building
4 that has been carefully designed with the input of
5 the community and CHDC to be built as shown. So
6 those include base waivers, front setback waivers
7 to allow for the shape of the street scape, the
8 street façade. As we've shown, it's a sort of loft
9 look. The waivers for height which would allow for
10 a taller building in the middle of the block
11 pulling the density away from DeWitt Clinton Park
12 and from 11th Avenue. And the rear setback waivers
13 which would allow for more workable and better
14 floor plans for the buildings in the upper levels
15 of the buildings. And would allow for better use
16 of space. We can go into more detail, if you would
17 like, about the height and setback waivers. I
18 doubt that's something that you want to see, but we
19 have maps and plans and they're in the brochures.

20 UNIDENTIFIED MALE: Mr. Chairman other
21 than that it's pretty straight forward.

22 CHAIRPERSON WEPRIN: Thank you. I am
23 going to call on Council Member Johnson who
24 represents this area. Who has a statement he wants
25

1
2 to make, and then there's a couple of members at
3 the moment that have questions.

4 COUNCIL MEMBER JOHNSON: Thank you
5 Chair Weprin for the opportunity to share my
6 support today for the Clinton Urban Renewal Area,
7 Site 7.

8 Land Use Items 62 to 65 represent a
9 series of actions as you've heard by HPD, the
10 Clinton Housing Development Corporation and
11 Taconic-Ritterman needed to effectuate the
12 development of three buildings located at 525 West
13 52nd Street, 540 West 53rd Street and 556 to 560
14 West 52nd Street. This application as you've heard
15 would facilitate two new buildings with
16 approximately 508 dwelling units, 184 of which will
17 be affordable. Building C which will be developed
18 by Clinton Housing Development Corporation will
19 contain 103 permanently affordable apartments
20 ranging from studios to three bedrooms. To
21 individuals and families earning up to 80, 100, 130
22 and 165% of AMI. Building D will be developed by
23 Taconic-Ritterman and will contain 405 apartments
24 with 81 permanently affordable to individuals and
25 families earning 40 and 50% of AMI.

2 I am pleased that Taconic-Ritterman has
3 agreed to the same fixtures and finishes in all the
4 units as well as distributed the affordable units
5 through 81.8% of this building. I am proud that
6 the precedent that this agreement sets for the
7 necessary distribution above the minimum threshold
8 acceptable to this community. The application will
9 also facilitate the rehabilitation of the existing
10 Captain Post Building with 22 studios and two
11 bedrooms all of which will be affordable to
12 households earning between 80 to 100% of AMI.

13 Overall this project will achieve 39%
14 affordability. Let me repeat, 39% affordability.
15 That is a big deal. Further, the proposed actions
16 will support the development of three new community
17 gardens which will contain 7,000 square feet of new
18 public open space. These gardens will join a
19 network of gardens in Hell's Kitchen operated by
20 Clinton Housing Development Corporation with keys
21 allowing entry to any individual who lives in the
22 neighborhood for \$2.00. Keys can be bought at the
23 local community board office.

24 I am grateful to Taconic-Ritterman for
25 their \$200,000 contribution to the Clinton Housing

1
2 Land Trust for improvements to DeWitt Clinton Park
3 across the street from their development. DeWitt
4 Clinton Park is an important public park with
5 active and passive space. This contribution will
6 set the park on a path towards modernization and
7 also help set the bar for private commitments to
8 local parks from developers in our community.

9 This project contributes to the
10 exemplary diversity of the community and represents
11 a model of public and private partnership to
12 revitalize an underutilized area in an inclusive
13 manner. It does through a diverse of uses that
14 complements trends in the neighborhood. Not only
15 does the provision of the affordable units at
16 various bands represent the priorities of the local
17 community, council and administration. But should
18 serve as a model to other projects on how to insure
19 a diverse and healthy mixed income community above
20 the standard 20% affordable projects without
21 overwhelming community opposition with out of
22 context height and bulk.

23 I'd like to thank my former colleagues
24 on Manhattan Community Board 4 for their
25 comprehensive and thorough work on this project.

1
2 It is a complicated development with many moving
3 parts, as you've heard from the many land use
4 actions today. And I'm proud to represent a
5 community and a community board district that
6 comprehends tricky land use projects.

7 Thank you to Taconic-Ritterman and to
8 Clinton Housing Development Corporation for your
9 collaboration on this project. Thank you to HPD
10 for your engagement and seeing this through to the
11 end. Thank you to the new administration for
12 taking this project seriously and in making sure we
13 got here today. And lastly I also want to say that
14 there are many parts of the city which are looked
15 at as food deserts in some way, where there is not
16 access to affordable food or groceries. This new
17 affordable supermarket is really going to be a big
18 deal and the facilitation of keeping two very long
19 term small businesses in the neighborhood, Cybert
20 and Le Noble is a big deal as well.

21 I am incredibly proud of this project
22 and Mr. Chairman I thank you for the opportunity to
23 testify here today. And I ask my colleagues to
24 please support this project.

2 CHAIRPERSON WEPRIN: Thank you Council
3 Member Johnson. Thank you Corey.

4 I'd like to call on Council Member
5 Williams, followed by Council Member Reynoso

6 COUNCIL MEMBER WILLIAMS: Thank you Mr.
7 Chair. First just on the face of it,
8 congratulations to the council member for
9 negotiating a deal and thank you so much.
10 Obviously on the face I think it's a wonderful mix.
11 It goes well and above the 80-20. That's been a
12 huge problem in the city. So it's just a wonderful
13 mix. I'm very excited to hear about the different
14 uses that are going to be there. And even just as
15 important, which often times doesn't come up, with
16 the fact that those commercial tenants were there a
17 long time, who don't have automatic lease renewals
18 and protections like rent stabilized tenants that
19 will be able to stay there. I would say,
20 hopefully, in future ones, we definitely need units
21 with more bedrooms. That sometimes is a problem.
22 No four bedrooms and very small amounts of three
23 bedrooms. And hopefully at some point we'll be
24 able to even go to 40% AMI. But I think these are
25 wonderful.

1
2 I do have a couple of questions. One,
3 with the..., even with this spread, all of the 60%
4 are in one building. I was trying to figure out
5 why they couldn't have been spread across the
6 buildings.

7 JOE RESTUCCIA: Two different AHP
8 funding streams. The Taconic-Ritterman building is
9 bonds. AH 20 bonds. Our building is HPD capital
10 money and HPD actually bank money. You know, HPD
11 subsidy. And that really created the split. Our
12 goal though was in the main building. The main
13 affordable housing building to have a broad range
14 of incomes. That was the real push that we did.

15 CHAIRPERSON WEPRIN: Thank you Joe
16 Restuccia. Make sure to state your name before you
17 speak.

18 [Laughter]

19 COUNCIL MEMBER WILLIAMS: I understand.
20 I sometimes get nervous when all of the low incomes
21 are condensed into one. Are MWBEs being used on
22 this project? And I'd like to focus a lot on the
23 Ms.

24 [Laughter}

2 JOE RESTUCCIA: Yes, we have the normal
3 MWBE commitments for these projects.

4 COUNCIL MEMBER WILLIAMS: Do we have
5 any numbers?

6 JOE RESTUCCIA: No. But we can
7 certainly get them to you.

8 COUNCIL MEMBER WILLIAMS: That would be
9 great. Thank you. Congratulations again. And
10 congratulations to Council Member Johnson.

11 CHAIRPERSON WEPRIN: Thank you Council
12 Member Williams. Council Member Antonio Reynoso.
13 Let's see if you can do this right this time there
14 Donovan. There you go, good job.

15 COUNCIL MEMBER REYNOSO: I want to
16 congratulate Council Member Johnson and the work
17 that the developers did in this case. It's the
18 contrast between what we were looking at in the
19 beginning of this session and what we're seeing now
20 is far and away. I'm really grateful for this but
21 I do want to ask one question. There's only 81
22 units in the Taconic-Ritterman building. There's
23 something that some folks are familiar with. It's
24 called the poor door policy. It's where all the
25 affordable housing is in one building and all the

1 luxury housing is in another building. So all the
2 poor people going through one side and all the
3 affluent people go in the other. And it's just a
4 concern. And in this case it seems like every
5 single building is all affordable and that the
6 Taconic-Ritterman project is not. It has the
7 majority of the luxury. So, I know that you guys
8 talked about different funding streams and why that
9 is the way it is. If you could just clarify that
10 for me a little.

12 JOE RESTUCCIA: My name is Joe
13 Restuccia. Absolutely. We have no poor door
14 policy. Our community board..., I co-chair the
15 housing committee of the local community board.
16 This is the kind of thing we fight against in every
17 single inclusionary application. And how we deal
18 with this is, number one, the units are distributed
19 to the greatest degree throughout the project.
20 There at 81% of the floors here, not 65% as
21 required by HPD. In many inclusionary projects,
22 the finishes, meaning the countertops, the floors,
23 the appliances are different. In this project,
24 they're the same. The amenities, anything, the
25 health club, the this, the that. They're

1
2 accessible to everybody. Our community board does
3 not permit and will not approve of an inclusionary
4 project that does not have everything distributed.
5 There are no poor doors on west side of Manhattan.
6 We won't stand for it. Period.

7 COUNCIL MEMBER REYNOSO: I appreciate
8 that. So the Taconic-Ritterman building cannot...,
9 couldn't take on, let's say..., there is 103 total
10 affordable units in the 540 West 53rd Street
11 building. We couldn't add ten more buildings to
12 the Taconic-Ritterman and put some luxury buildings
13 in the 540. Do you understand? I guess what I'm
14 saying is that all the poor people, right. Anybody
15 that's getting affordable housing is going to be in
16 one building. All of them.

17 JOE RESTUCCIA: No.

18 COUNCIL MEMBER REYNOSO: Let me just
19 finish. Yes, they're going to be in the 540 West
20 53rd Street, they're going to be in 560 West 52nd
21 Street and they're going to be in 464 West 25th
22 Street and in the Taconic-Ritterman building
23 there's only 81 units out of the 324. So there are
24 going to be buildings where there's only affordable
25 housing, right. And I understand that..., I see that

1
2 you guys got the keys. There's access inside the
3 building. There's a lot of things you guys did.
4 And 39% is extraordinary. I'm not taking away from
5 any of the great things that are happening. I'm
6 just concerned. I don't like when one group of
7 folks that tend to be Latino and Black, they get
8 the affordable housing portion. Let's say go in
9 one building, and then all the affluent folks go in
10 the other building. Like, that's a concern to me.
11 And you're saying you don't feel that that's the
12 case.

13 JOE RESTUCCIA: I know it's not the
14 case for the following reason. The only reason the
15 other buildings exist is because the financing is
16 all tied together. The Clinton Housing Buildings
17 are 100% affordable. They are also inclusionary.
18 But the moderate and middle income housing cannot
19 be financed without the luxury portion of that
20 other building being built. You tie it all
21 together and that's what gets you those moderate
22 and middle income units. And that's the exciting
23 part for us. We have tried to do this for over 15
24 years and have been unable to do this spread of
25 incomes. It's only low and luxury. Low and

1 luxury. We want to get the people in the middle,
2 because in my neighborhood, people who make..., you
3 know, it's the people that live in public housing
4 who now work in sanitation and someone works at HPD
5 and I can't give them an apartment or house them
6 because they make too much. They make \$2,000 or
7 \$3,000 to much. They make \$60,000 total combined
8 income. This project gives them a place to be.
9 And that's why you have to do all of these
10 balancing things to make it work out.

12 COUNCIL MEMBER REYNOSO: Well after 15
13 years congratulations and this is one project that
14 I'm going to probably be voting for it. So thank
15 you.

16 JOE RESTUCCIA: Thank you.

17 CHAIRPERSON WEPRIN: Any other
18 questions from members of the committee. Uh, I see
19 none. We're going to excuse this fine group and
20 thank them. Is there anyone else here to testify
21 on this matter, Site 7? I see none. We're going
22 to close this hearing and move onto the last item
23 on our agenda. And we appreciate the patience of
24 those who are here.

2 This is also in Manhattan. We are
3 going to do Land Use No. 87. I'd like to call up
4 Gloria Ann Kirstein, Michael Silverman and Jeff
5 Davis.

6 This is in Council Member Levine's
7 district.

8 [Pause]

9 [Mike off]

10 CHAIRPERSON WEPRIN: Alright. If that
11 panel could please make their way to the front.
12 Gentleman and lady, whenever you are ready. Again
13 the same rules apply as far as stating your name
14 before you speak so we can have a nice clean
15 record. And whenever you're ready, please.

16 MICHAEL SILLERMAN: Good morning Mr.
17 Chair and council members. Michael Sillerman at
18 Kramer Levin. We are counsel to the applicant for
19 this rezoning which is an affiliate of the Chetrit
20 Group which is a prospective purchaser of the
21 rezoning site. And rather than read my testimony,
22 I'd like to summarize it by reference to the maps
23 that were distributed to you.

24 The background here is that in 2007
25 there were 51 blocks on the Upper West Side between

1
2 97th and 110th Street that were rezoned to
3 contextual zoning to shift them from a building
4 form which was seen to be inappropriate for the
5 built context there because it permitted buildings
6 that were not built to the street line and it
7 permitted extremely tall buildings of 20 and 30
8 stories to be built. And the preference was to
9 rezone the entire area to a contextual envelope
10 which has a fixed height limit to it and requires
11 buildings to be built to the street line. And the
12 rezoning site here, which is shown on the maps, is
13 a mid-block site between Columbus and Amsterdam and
14 106th to 105th Street and that was proposed to be
15 rezoned to R8-A along 106th Street which would have
16 had a maximum height of 120 feet and R8-B on 105th
17 Street which would have had a maximum height of 75
18 feet. And in fact, that rezoning which was
19 strongly supported by Community Board 7 and by the
20 Manhattan Valley community was in fact adopted by
21 the City Planning Commission but the site is
22 currently occupied by Jewish Home Life Care, a
23 nursing home. And it was brought to the attention
24 of the council and this was at that point the
25 Speaker's district, the current Speaker's district,

1 that JHL intended to redevelop at that site and the
2 contextual zone would not have allowed them the
3 height of the new facility they wanted to build.

4 So it was as we referred to it, it was carved out
5 of the rezoning. It is the only block in this 51
6 rezoning area that was taken out. Subsequent to
7 that JHL determined not to redevelop at that site.

8 It has entered into a contract to sell the site to
9 our client. As part of the business deal, we
10 agreed to support a rezoning to restore the carve-
11 out. The carve-out reversal was very strongly
12 supported by Community Board 7, by a vote of 31 to
13 2, by the borough president and by the planning
14 commission and you'll hear from the local
15 community.

16 So, we respectfully ask you to reverse
17 and return to what should have been done from a
18 land use point of view here. Our client is not
19 going to acquire this site until Jewish Home moves
20 to another site on the west side or somewhere else
21 that's estimated to be no earlier than 2017 or
22 2018. So, we do not have a specific development
23 plan for this site, but we are committed to seek
24 and support the rezoning that we have so applied
25 for.

2 CHAIRPERSON WEPRIN: Great. Is anyone
3 else going to testify yet? No. You don't have to.
4 It's up to you. Okay. Make sure to say your name.

5 GLORIA ANN KERSTEIN: I'm Gloria Ann
6 Kerstein. I'm president of the Duke Ellington
7 Neighborhood Association, which is West 106th
8 Street runs right through the heart of Manhattan
9 Valley. Seven years ago, we never could have
10 foreseen that seven years hence we'd have the
11 possibility to regain the protection that our
12 community had fought so hard for back between 2004
13 and 2007. And to have the carve out approved at
14 that time for the Jewish Home was something that we
15 ardently opposed. So to be here today with the
16 possibility of regaining that protection for
17 Manhattan Valley is a big plus and a big bonus and
18 we don't definitely support getting this carve out
19 eliminated once and for all. I do want to just say
20 that the application that has been presented by
21 Chetrit Park West Village does not mention anything
22 about affordable housing, but I want to take the
23 opportunity to just say for public record, that
24 Manhattan Valley in the 30 years that I've lived
25 there, has been losing affordable housing hand over

1
2 fist and we would greatly be supportive of any
3 development on West 106th Street, Duke Ellington
4 Boulevard to include as much affordable housing as
5 possible.

6 CHAIRPERSON WEPRIN: Thank you very
7 much. I'm going to call on Council Member Levine
8 who represents this area now under the new lines.
9 Right? So, he has a statement to make and maybe
10 some questions as well. Council Member Levine.

11 COUNCIL MEMBER LEVINE: Thank you. I
12 mostly just want to make a statement. This is
13 largely uncontroversial. You heard the vote in the
14 community board and I am going to be supporting
15 this measure and encouraging my colleagues to do so
16 as well. I just have two important caveats to
17 point out. One does relate to the issue that
18 Gloria Ann raised of affordable housing. This is a
19 neighborhood where market pressures are pushing
20 tenants out because the rent stabilized stock is
21 renting at levels so far below what market rate
22 rents are. And we want to try to stabilize this
23 affordable housing stock as much as we can. And we
24 want to add to it where possible. So it would be a
25 tremendous lost opportunity if in this new

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2 development on 106th Street we gain no new
3 affordable units. Currently it would be an
4 entirely market rate, in practice means, luxury
5 project. So I'm going to encourage HPD and the
6 developer in the community to look at some ways to,
7 in the coming years, to bring affordable housing
8 into the project.

9 I also want to mention a second caveat.
10 Which is the current plan does not allow for retail
11 on the ground floor on 106th Street. This is a
12 very large façade. I believe its 600 feet and it
13 would be essentially a blank wall. I understand
14 that our community concerns about the disruption
15 that retail could create. But this is a wide
16 street and lacking in a number of amenities,
17 including a good green grocer and things like that.
18 So I'd like to engage in a dialogue with the
19 community, with the developer and with the planning
20 department. While we have some time in the coming
21 years, about whether we could introduce some retail
22 element to the design. I guess I'll just ask both
23 parties here if you could weigh in on that issue,
24 on the question of retail and how you see this
25 effecting the project.

2 GLORIA ANN KERSTEIN: I'd be happy to.
3 We did oppose having retail there, because Duke
4 Ellington Boulevard I think is the most beautiful
5 residential, pastoral, if you want, two-way
6 boulevard on the entire Upper West Side. And if
7 fact, I think I'm in Brooklyn, which I probably
8 shouldn't say as a Manhattanite when I'm walking
9 along Duke Ellington Boulevard towards Central
10 Park. And we don't want the disruption, the
11 deliveries, the, you know, we're already going to
12 have parking garages there for this development.
13 So we want to retain the tranquility that has
14 typified Duke Ellington Boulevard as just being
15 such an attractive place to be, now that our
16 organization helped get rid of the crack in the
17 neighborhood that reigned for so long. So,
18 however, for the retail you're talking about Mark,
19 you know, a good grocery store, this Chetrit Park
20 West Village is getting, the Jewish Home Parking
21 Garage on West 107th between Columbus and Amsterdam
22 is huge. Its seven stories and its 40 feet across.
23 And next to it is a lot on Columbus, right next to
24 it. So when we met about this application with the
25 Jewish Home and Chetrit, we said to them, why don't

1
2 you focus there? See what you can do about this
3 vacant lot. You have this huge garage, seven
4 stories, you know, next to it. And you could build
5 right there on the Avenue which supports commercial
6 activity. You could build a retail there. So I
7 just wanted to put that out to you. As something,
8 yes, we had thought about that. And thought that
9 they had this satellite site where they could
10 develop that in Manhattan Valley.

11 CHAIRPERSON WEPRIN: Thank you.

12 Council Member Levine has a follow-up.

13 MICHAEL SILLERMAN: Let me respond to
14 both.

15 CHAIRPERSON WEPRIN: Say your name.

16 MICHAEL SILLERMAN: Michael Sillerman.

17 With respect to affordable, I think both the
18 borough president and the planning commission
19 recognize that in terms of a specific project there
20 is no specific project. This is very much a future
21 loaded project. And that the extent to which there
22 should be and could be affordable housing is
23 something that should be taken up in the
24 comprehensive inclusionary analysis that the
25 administration is undertaking and there is time

1 here, and we're not rushing to do anything before
2 that. With respect to the retail. We thought it
3 was a reasonable thing to consider. There's 625
4 feet of frontage on 106th Street and it is a very
5 wide street. And the contextual envelope is very
6 restrictive. So it's hard to create any variety
7 there. We did have an environmental consultant do
8 an analysis of the need for retail in the area.
9 And the area is under retail in certain ways
10 because on Columbus and Amsterdam where there is
11 retail permitted. The physical form of the retail
12 spaces tend to be small. And there's a limit to
13 what you could put there. So we were hopeful that
14 with the right kind of retail overlay or the right
15 kind of restrictions, you could get something that
16 would be compatible but we were completely
17 responsive and beholden to the community when they
18 said, we didn't want it, we took it out. So if the
19 community and the elected officials choose to
20 pursue this, it's in your corner at your point. We
21 would be supportive, but we want to defer to our
22 neighbors on what's done here.

24 COUNCIL MEMBER LEVINE: I just want to
25 go on the record with one more really critical

1 point to explain my vote here. Which is that it
2 should not be in any way be misconstrued as
3 condoning the development of the JHL tower on 97th
4 Street. This is a project built on open space in a
5 development which was designed to have greenery and
6 light and air when it was created. It was really
7 designed to be an extension of Central Park. It's
8 been rapidly chipped away with..., chipped away from
9 by a series of projects. This latest development
10 would only further diminish the amount of open
11 space in this development, Park West Village. It
12 also abuts a school, a public school, PS 163. The
13 construction process will wreak havoc on the
14 education environment at PS 163. Noise, dust,
15 trucks coming in and out, the contamination of the
16 soil, the property led contamination. So for a
17 variety of reasons working against this development
18 on 97th Street, I just want to reiterate that my
19 support for this zoning change today should not be
20 confused for support of the project on 97th Street.
21 And with that Mr. Chair, I've concluded.

22
23 CHAIRPERSON WEPRIN: Thank you Mr.
24 Levine. I'd like to call on Council Member
25 Williams who has a question.

2 COUNCIL MEMBER WILLIAMS: Thank you
3 very much for your testimony. I just want to make
4 sure that I understood. So it was rezoned a few
5 years back and there was a carve out for this area
6 and now you're trying to bring it back. Is it an
7 up zone or a down zone?

8 MICHAEL SILLERMAN: On an absolute
9 basis, the amount of square footage that's
10 permitted goes down slightly and certainly the
11 height of what's permitted goes way, way down.

12 COUNCIL MEMBER WILLIAMS: And then
13 we're not taking about what's going to be developed
14 later.

15 MICHAEL SILLERMAN: We don't know
16 what's going to be developed.

17 COUNCIL MEMBER WILLIAMS: I'm going to
18 be supportive. My only concern here is now we may
19 have to tick back up to get all of the housing that
20 we're trying to get in the 200,000 unit affordable
21 plan, which many think has to be 400,000. But with
22 that said, I just want to make sure we put that out
23 there. We're probably be slightly in other
24 communities, going slightly up, hopefully not too
25 much up, but I'll be supportive of it.

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2 CHAIRPERSON WEPRIN: Thank you Mr.
3 Williams.

4 MICHAEL SILLERMAN: I mean, the
5 absolute square footage goes down, but the amount
6 of residential that can be built does increase.

7 CHAIRPERSON WEPRIN: Thank you. Any
8 other questions? Anyone have comments? We thank
9 you very much. We'd like to excuse this panel.
10 Anyone here want to testify on this matter? I see
11 none. So we're going to close this hearing and we
12 are going to recess this meeting until Thursday
13 morning. And we're going to recess the votes until
14 Thursday morning at 10:30 a.m. in City Hall,
15 Committee Room for a vote on all the items we heard
16 today. And that will be followed right after that
17 by the full Land Use Committee at 11:00 a.m. So
18 members of the subcommittee be there at 10:30 so we
19 can take care of the subcommittee business and then
20 the Land Use meeting will be at 11:00.

21 I thank everybody for their patience.
22 And right now this meeting is now recessed until
23 Thursday morning. Thank you.

24 [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 June 19, 2014