

CITY COUNCIL  
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

SUBCOMMITTEE ON PLANNING, DISPOSITIONS & CONCESSIONS

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July 27, 2010  
Start: 01:30pm  
Recess: 01:54pm

HELD AT: Council Chambers  
City Hall

B E F O R E:  
STEPHEN T. LEVIN  
Chairperson

COUNCIL MEMBERS:  
Inez E. Dickens  
Peter Koo

## A P P E A R A N C E S

Ted Weinstein  
Director of Planning Bronx  
Dept. of Housing Preservation and Development

Carol Clark  
Assistant Commissioner  
HPD

Victor Hernandez  
Executive Director TIL Program  
HPD

Salvatore D'Avola  
Executive Director  
Restored Homes HDFC

2 CHAIRPERSON LEVIN: Okay, good  
3 afternoon, welcome to the Subcommittee on  
4 Planning, Dispositions and Concessions. Today is  
5 July 27<sup>th</sup>, 2010, my name is Council Member Stephen  
6 Levin, Chair of the subcommittee. I am joined to  
7 my right by Council Member Peter Koo of Queens,  
8 and to my left by Council Member Inez Dickens of  
9 Manhattan. We have several items on the agenda  
10 today. We will begin with Land Use #148, Bathgate  
11 Urban Renewal Plan, this is an amendment to an  
12 urban renewal area, Bronx Community Board District  
13 #3, this is in the Council district of Helen  
14 Foster, it's C 100259 HUX, application submitted  
15 by the Department of Housing Preservation and  
16 Development, pursuant to section 505 of article 15  
17 of the general municipal urban renewal law of New  
18 York State, and section 197-C of the New York City  
19 charter for the fourth amendment to the Bathgate  
20 Urban Renewal plan for the Bathgate urban renewal  
21 area. I'm here to testify on this item. We are  
22 joined by Ted Weinstein of HPD and Carol Clark of  
23 HPD as well. Ms. Clark?

24 MS. CLARK: Thank you, Mr.  
25 Chairman. Welcome, members of the Committee. Mr.

2 Weinstein, the director of HPD's Bronx Planning  
3 Office will give the testimony on this item. Ted?

4 MR. WEINSTEIN: This is a ULURP  
5 application to amend the Bathgate Urban Renewal  
6 Plan, it would create what is called the Fourth  
7 Amended Bathgate Urban Renewal Plan, and the sole  
8 purpose of this amending is to delete from the  
9 plan a part of a tax lot that is on the edge of  
10 the urban renewal area. The remainder of the tax  
11 lot is outside the urban renewal area, but because  
12 this piece is inside, the designated use for that  
13 piece can only be industrial. The idea here is to  
14 facilitate the development of a residential  
15 project on property adjoining the urban renewal  
16 area, but including the piece that's within the  
17 urban renewal area, and they can only use that  
18 piece by changing the designation, or by just  
19 deleting it from the urban renewal plan, which is  
20 the intent.

21 CHAIRPERSON LEVIN: Can you share  
22 with the Committee what the plans are for the  
23 residential development on that site?

24 MR. WEINSTEIN: Right. It's a  
25 proposal to build a building of 103 units, plus a

2 superintendent, it would be, counting the  
3 superintendent's, 52 two-bedroom apartments, which  
4 would be for general population, and 52 studios,  
5 which would be for formerly homeless veterans.  
6 They are still seeking their funding, so the  
7 project isn't definite yet. But that is the  
8 intent.

9 CHAIRPERSON LEVIN: And those  
10 studio units, assuming for the veterans, will be  
11 affordable, or will be supported housing, or?

12 MR. WEINSTEIN: It's referrals from  
13 the Department of Homeless Services.

14 CHAIRPERSON LEVIN: Has Council  
15 Member Foster indicated- -

16 MR. WEINSTEIN: (Interposing)  
17 Council Member Foster has indicated support for  
18 this amendment and the project.

19 CHAIRPERSON LEVIN: Okay. I do not  
20 have any further questions. Council Member  
21 Dickens? Council Member Koo?

22 COUNCIL MEMBER DICKENS: Thank you.  
23 Now what is going to be, even those referred from  
24 Homeless Services, what is going to be the AMI,  
25 what is the program, the subsidy program that's

2 going to be in place?

3 MR. WEINSTEIN: Well, for the  
4 general population, the two bedrooms, there will  
5 be 60% AMI.

6 COUNCIL MEMBER DICKENS: 100%?

7 MR. HERNANDEZ: Yes, the 52 units  
8 will.

9 COUNCIL MEMBER DICKENS: That's  
10 what I'm talking about, the 52 units.

11 MR. HERNANDEZ: Yes.

12 COUNCIL MEMBER DICKENS: And the  
13 studios for the referrals from Homeless Services,  
14 what will be the subsidy program? Will that be  
15 based upon, if welfare is paid, what is going to  
16 be the situation?

17 MR. HERNANDEZ: They're seeking  
18 funding from the State Homeless Housing Assistance  
19 Program.

20 COUNCIL MEMBER DICKENS: And can  
21 you please tell me what is the subsidy for that?  
22 Is there a cap on it, a maximum per-unit?

23 MR. HERNANDEZ: It would be lower  
24 income, I'm actually not positive- -

25 COUNCIL MEMBER DICKENS:

2 (Interposing) Low income, not very low.

3 MR. HERNANDEZ: Well, lower than  
4 60, yes.

5 COUNCIL MEMBER DICKENS: Thank you.

6 CHAIRPERSON LEVIN: Thank you,  
7 Council Member Dickens. Seeing no other  
8 questions, I will move on to our next item. Thank  
9 you, Mr. Weinstein. The next item is ... well,  
10 sorry, the next item, Land Use #71, which is non-  
11 ULURP #20105417 HAX, that's 100 West 163<sup>rd</sup> Street,  
12 has been withdrawn on the part of the applicant,  
13 as has Land Use ... that's in Community Board  
14 District #4 in the Bronx, in the district of  
15 Council Member Maria Del Carmen Arroyo. And Land  
16 Use #73, which is 20105419 HAX, 190 Brown Place,  
17 in the Bronx as well, Community Board District #1,  
18 in the Council district of Melissa Mark-Viverito,  
19 has also been withdrawn on the part of the  
20 applicant. So, going back, Land Use #72, which is  
21 20105418 HAX, 783 East 168<sup>th</sup> Street in the Bronx,  
22 that is Community Board District #3, also in the  
23 district of Council Member Helen Diane Foster, is  
24 an NRP. This item we will be hearing from Carol  
25 Clark, Assistant Commissioner at HPD. Ms. Clark?

2 MS. CLARK: Thank you, Mr.  
3 Chairman, and as you noted LU72 consists of the  
4 proposed disposition of one occupied, city-owned  
5 building, located at 783 East 168<sup>th</sup> Street in the  
6 Bronx, through HPD's Neighborhood Redevelopment  
7 Program, or NRP. Under that program, community-  
8 based not-for-profit organizations are selected  
9 through a competitive process to purchase,  
10 rehabilitate and manage properties. Upon  
11 completion, this project will consist of nine  
12 residential units of rental housing, including one  
13 unit for a superintendent. Council Member Foster  
14 has indicated her approval.

15 CHAIRPERSON LEVIN: Thank you very  
16 much. Can you tell me the affordability levels  
17 for this particular, the remaining eight units in  
18 this building?

19 MS. CLARK: The rentals that will  
20 be charged when the project is completed, there  
21 will be three two-bedroom units, and they will be  
22 \$740 per month, and six three-bedroom units, where  
23 the rent will be \$850 a month.

24 CHAIRPERSON LEVIN: And the  
25 applicants will be- -



2 MS. CLARK: (Interposing) Excuse  
3 me, that's the maximum collectable rent, up to.

4 CHAIRPERSON LEVIN: And so, what  
5 AMI does that translate to?

6 MS. CLARK: I will have to get back  
7 to you with that answer.

8 CHAIRPERSON LEVIN: Okay.

9 MS. CLARK: I'm not sure off the  
10 top of my head what that AMI would be.

11 CHAIRPERSON LEVIN: Okay. But the  
12 maximum rents are ... I'm sorry, could you repeat  
13 that, the maximum rents?

14 MS. CLARK: Sure, the maximum rent  
15 for the two-bedroom units, of which there are  
16 three, is \$740 per month, and the six three-  
17 bedroom units is \$850 per month.

18 CHAIRPERSON LEVIN: And what is  
19 currently ... the building is currently in use in  
20 what capacity?

21 MS. CLARK: The building currently  
22 has eight units that are occupied, it's a building  
23 that's being managed by Promesa HDFC. They've  
24 been managing the building since May 1<sup>st</sup> of 2008.  
25 Prior to that time, beginning in the year 2000,

2 the building was in the Tenant Interim Lease  
3 Program, which we called TIL, as you know. It was  
4 not successful in that program and was removed to  
5 the Neighborhood Redevelopment Program, or NRP.  
6 And the plan is to dispose of this to Promesa  
7 Court Limited Partnership, which will undertake  
8 the gut rehabilitation of the property, and remove  
9 the tenants and then move them back in once the  
10 rehab is completed.

11 CHAIRPERSON LEVIN: And do we have  
12 a sense of the timeline of how long that might  
13 take?

14 MS. CLARK: Eighteen months to two  
15 years is the estimate.

16 CHAIRPERSON LEVIN: And HPD or  
17 Promesa has been working with those tenants to  
18 provide them with interim housing?

19 MS. CLARK: Promesa has identified  
20 relocation resources for the existing tenants,  
21 yes, and they will work with them to make they're  
22 able to move back into the units once the rehab  
23 work is done.

24 CHAIRPERSON LEVIN: Do you know if  
25 those, where they're being relocated is local?

2 MS. CLARK: It is local. The plan  
3 is to have them be in the local catchment area,  
4 yes.

5 CHAIRPERSON LEVIN: Council Member  
6 Dickens?

7 COUNCIL MEMBER DICKENS: Thank you.  
8 Carol, let me ask you, because you know how I feel  
9 about tenant ownership, it's very important for  
10 the maintenance of the community. Had it become  
11 an HDFC or at what place were they within the TIL  
12 program? What happened, why did this fail? Were  
13 the courses that HPD has available, was that  
14 offered to the tenants? Do they have strong  
15 tenant organization? What happened that the  
16 tenants lost an opportunity to own their own  
17 building?

18 MS. CLARK: Well, they were in the  
19 TIL program, as I said, from 2000 to 2008, and  
20 they did take the programs and the educational  
21 courses which were offered. But for reasons I  
22 can't explain, I do know, however, there was a  
23 probationary period where they were notified that  
24 they were not going to be able to remain in the  
25 program if they didn't meet certain criteria.

2 They received that letter on the 1<sup>st</sup> of July of  
3 2007, and the probationary period continued until  
4 the 11<sup>th</sup> of November of that year, and then it was  
5 deemed that the tenant association was not strong  
6 enough to be able to sustain the home ownership  
7 opportunity we all would have liked to have seen  
8 be successful. But it was not, and so the policy  
9 was pursued that we described here.

10 COUNCIL MEMBER DICKENS: Carol, can  
11 you share with me some of the criteria with this  
12 Committee? Some of the criteria that they were  
13 lacking, as to why they failed, what happened that  
14 they weren't able to comply with in the  
15 probationary period?

16 MS. CLARK: They have to have a  
17 budget for the building, and be able to maintain  
18 that budget, and be able to pay for taxes and  
19 other items, the fuel, etc., the ordinary  
20 operating practices of home ownership. And they  
21 basically weren't able to make those  
22 responsibilities work.

23 COUNCIL MEMBER DICKENS: Did HPD  
24 do, other than the letter that they were served,  
25 did HPD contact and try to arrange for a meeting

2 personally with the ... is there a tenant  
3 organization? Let me go back to that.

4 MS. CLARK: Yeah, there is a tenant  
5 organization, and there was a lot of outreach and  
6 back and forth with HPD talking to the tenants in  
7 the building and making every effort to see them  
8 succeed. Our goal is to have home ownership  
9 whenever possible, as you know.

10 COUNCIL MEMBER DICKENS: Yes, all  
11 right, because, you know, that worries me. Okay,  
12 thank you.

13 MS. CLARK: You're welcome.

14 CHAIRPERSON LEVIN: Just a quick  
15 follow-up question. When the building went into  
16 the TIL program, were there any kind of capital  
17 upgrades done at that time?

18 MS. CLARK: No, there were none  
19 done at that time. It's typically not the case to  
20 do capital upgrades at the time the building goes  
21 into the TIL program.

22 CHAIRPERSON LEVIN: And then with  
23 regard to the tenant association, I mean, are they  
24 ... at this point have they expressed support for  
25 going into NRP? Have they expressed

2 disappointment with the decision to remove them  
3 from the TIL program? What response are we  
4 getting from the tenants association?

5 MS. CLARK: If I may, I'd like to  
6 invite Victor Hernandez, who's the director, the  
7 executive director of the TIL program and the 7A  
8 program at HPD, to come to the mic and answer that  
9 question for you.

10 COUNCIL MEMBER DICKENS: Excuse me,  
11 Mr. Chair, also, Victor, do they support Promesa  
12 taking it over?

13 CHAIRPERSON LEVIN: I imagine you  
14 mean Promesa specifically, and not just in  
15 general. Thank you, Mr. Hernandez.

16 MR. HERNANDEZ: Hi, hello. This is  
17 the building, the IG's office. The- -

18 CHAIRPERSON LEVIN: (Interposing)  
19 Sir, could you state your name for the record,  
20 please?

21 MR. HERNANDEZ: Sure, Victor  
22 Hernandez. This is one of those buildings where  
23 the IG's office was investigating because the  
24 tenants association, there was money being  
25 mishandled in the building. And it was one of

2 newsletters that we received, and it was in the  
3 news. That's one of the main reasons why it was  
4 transferred. And the tenants are in support of  
5 NRP, the ones that, you know, the ones that are  
6 remaining, and Promesa, yes.

7 CHAIRPERSON LEVIN: Okay, I don't  
8 have any further questions. Council Member  
9 Dickens? Okay. Council Member Koo?

10 COUNCIL MEMBER KOO: How do you  
11 pick the tenants?

12 MS. CLARK: HPD does not pick the  
13 tenants, the tenants are already in place in a  
14 city-owned building, under the tenant interim  
15 lease program.

16 COUNCIL MEMBER KOO: I see. So  
17 once they upgraded the apartments, it's the same  
18 tenants that stay there?

19 MS. CLARK: The same tenants would  
20 stay there, yes, that's correct.

21 COUNCIL MEMBER KOO: Okay.

22 CHAIRPERSON LEVIN: Thank you very  
23 much. Seeing no other questions, we'll move on to  
24 the next item, that's Land Use #75, the next two  
25 items are TIL items, so we'll invite Mr. Hernandez

2 to stay. Land Use #75-20105421 HAM, 565 West 125<sup>th</sup>  
3 Street in Manhattan. As stated before, it's a  
4 Tenant Interim Lease in Community Board District  
5 #9, Council district #7, that's the Council  
6 district represented by Robert Jackson.  
7 Testifying on this item, Assistant Commissioner  
8 Carol Clark and Victor Hernandez of HPD. Ms.  
9 Clark.

10 MS. CLARK: Yes. LU75 consists of  
11 the proposed disposition of one occupied city-  
12 owned building located, as you noted, at 565 West  
13 125<sup>th</sup> Street, through HPD's Tenant Interim Lease  
14 program, or TIL. TIL assists organized tenant  
15 associations in city-owned buildings to purchase  
16 and manage low-income cooperatives. This project  
17 consists of 20 residential units. Council Member  
18 Robert Jackson has indicated his support. Thank  
19 you.

20 CHAIRPERSON LEVIN: Mr. Hernandez,  
21 do you have anything to add?

22 MR. HERNANDEZ: No.

23 CHAIRPERSON LEVIN: Do any of my  
24 colleagues have any questions on this particular  
25 disposition? Council Member Koo? Okay, moving on



2 to Land Use #76-20105422 HAM, 626 West 136<sup>th</sup> Street  
3 in Manhattan, also in Community Board District #9,  
4 also a Tenant Interim Lease, also in the Council  
5 district #7 represented by Robert Jackson.

6 Testifying on this item as well is Assistant  
7 Commissioner Carol Clark and Victor Hernandez,  
8 Director of the Tenant Interim Lease program of  
9 HPD. Ms. Clark.

10 MS. CLARK: Thank you, Mr. Chair.

11 LU76 consists of the proposed disposition of one  
12 occupied city-owned building located, as you  
13 noted, at 626 West 136<sup>th</sup> Street, through HPD's  
14 Tenant Interim Lease program. TIL assists  
15 organized tenant associations in city-owned  
16 buildings to purchase and manage low-income  
17 cooperatives. This project consists of fifteen  
18 residential units, all are occupied. The project  
19 is 99% complete, and the tenants are awaiting  
20 returning to their apartments. Council Member  
21 Robert Jackson has indicated enthusiastically his  
22 support for this project.

23 CHAIRPERSON LEVIN: Mr. Hernandez,  
24 anything to add? Do my colleagues have any  
25 questions on this particular item? Okay, moving

2 on, we have one more item, Land Use #106, non-  
3 ULURP #20105624 HAK, that's 312 Hendrix Street in  
4 the borough of Brooklyn, Community Board District  
5 #5, it's an asset control area program, and that  
6 is Council district #37 represented by my  
7 colleague Erik Dilan. Testifying on behalf of HPD  
8 is Assistant Commissioner Carol Clark, and on  
9 behalf of Restored Homes, Sal D'Avola.

10 MS. CLARK: Thank you, Mr.  
11 Chairman. LU #106 consists of one vacant single-  
12 family home located at 312 Hendrix Avenue to be  
13 developed under the Asset Control Area program.  
14 In an effort to revitalize neighborhoods by  
15 bringing vacant homes back in use, by creating  
16 affordable home ownership opportunities for low  
17 and moderate income families, HPD and the U.S.  
18 Department of Housing and Urban Development have  
19 undertaken this initiative, known as the ACA  
20 program. Under it, one to four family homes  
21 acquired by HUD as a result of mortgage  
22 foreclosures are sold to a not-for-profit sponsor,  
23 Restored Homes HDFC, of which Mr. D'Avola is the  
24 Executive Director. They undertake rehabilitation  
25 and subsequent sale to qualified purchasers. In

2 collaboration with HPD, Restored Homes oversees  
3 the rehab of these buildings and conducts the  
4 marketing process to identify income-eligible  
5 purchasers. Today HPD is before the Council  
6 seeking its approval of a tax exemption to enhance  
7 the affordability of the project for eligible  
8 purchasers. Council Member Dilan has reviewed the  
9 project and has indicated his support.

10 CHAIRPERSON LEVIN: Thank you, Ms.  
11 Clark. Now, has the marketing for this particular  
12 home been commenced.

13 MR. D'AVOLA: Sal D'Avola, Restored  
14 Homes, yes it has.

15 CHAIRPERSON LEVIN: And what income  
16 guidelines are we looking at in this particular  
17 one?

18 MR. D'AVOLA: Sale price is  
19 \$275,00, and it is affordable to a family earning  
20 77% of AMI.

21 CHAIRPERSON LEVIN: 77% of AMI.

22 MR. D'AVOLA: Which is about  
23 \$59,000.

24 CHAIRPERSON LEVIN: How's it  
25 looking? How is the marketing going so far?

2 MR. D'AVOLA: We have an interested  
3 purchaser that we're in the midst of trying to  
4 qualify to purchase the home. The home has been  
5 completed, awaiting a sale.

6 CHAIRPERSON LEVIN: And that  
7 purchaser is within that income guideline?

8 MR. D'AVOLA: Yes.

9 CHAIRPERSON LEVIN: Do any of my  
10 colleagues have any questions on this particular  
11 item? Council Member Koo.

12 COUNCIL MEMBER KOO: How do you  
13 market the property? I mean, how do people know  
14 that this available for purchase?

15 MR. D'AVOLA: Through a number of  
16 ways. We actually work very closely with HPD and  
17 we abide by HPD's marketing guidelines. We do  
18 advertisements in general circulation newspapers,  
19 local newspapers, we have them advertised on our  
20 website, HPD's website. We also work with local  
21 community organizations in those neighborhoods and  
22 they actually advertise and provide a lot of the  
23 outreach to identify buyers.

24 CHAIRPERSON LEVIN: Council Member  
25 Dickens?

2 COUNCIL MEMBER DICKENS: HUD also  
3 has some marketing guidelines, in addition.

4 MR. D'AVOLA: Yes they do.

5 COUNCIL MEMBER DICKENS: And have  
6 they been followed?

7 MR. D'AVOLA: Yes.

8 COUNCIL MEMBER DICKENS: Because  
9 you're supposed to advertise in the papers, etc.  
10 So, you know, I just wanted you to share, you  
11 know, for instance what were some of the local  
12 periodicals that you advertised in, please?

13 MR. D'AVOLA: Some of the local  
14 periodicals?

15 COUNCIL MEMBER DICKENS: Yes.

16 MR. D'AVOLA: The Courier News,  
17 which is one of the newspapers that are local  
18 throughout different communities, there's a local  
19 Cypress Hills newspaper which is where this  
20 particular home is located. We've advertised in  
21 the Caribbean News, which is another local  
22 newspaper, some Asian newspapers, with assistance  
23 from Asian-Americans for Equality, AAFE actually  
24 helped us to do some translations on some of these  
25 homes. Those are a few.

2 COUNCIL MEMBER DICKENS: Because  
3 HUD does require in their marketing process that  
4 the focus on marketing be to communities that  
5 ordinarily would not necessarily apply, is that  
6 correct?

7 MR. D'AVOLA: Yes, that's true.

8 COUNCIL MEMBER DICKENS: Thank you.

9 CHAIRPERSON LEVIN: Thank you,  
10 Council Member Dickens. Seeing no further  
11 questions, I have no further questions. Mr.  
12 D'Avola, thank you very much. Commissioner Clark,  
13 thank you. And that concludes the items on  
14 today's agenda. I will ask Christian Hylton,  
15 Counsel to the Committee, to call the roll. I  
16 recommend an aye vote on all items.

17 MR. HYLTON: Thank you. Council  
18 Member Levin.

19 CHAIRPERSON LEVIN: Aye.

20 MR. HYLTON: Council Member  
21 Dickens.

22 COUNCIL MEMBER DICKENS: I  
23 congratulate my colleague, Council Member Foster,  
24 on getting the affordability units for our vets,  
25 so very deserving, as well as for the 52 units for

2 the rest of the population, that will help us to  
3 remain in our communities. I am a little  
4 disappointed, although I understand about the TIL,  
5 because that's so very important that we begin to  
6 own our communities, if in fact we do not want to  
7 be displaced, and recognizing that HUD and HPD  
8 both ... well, HUD with the asset control, but HPD  
9 with TIL, works very hard and diligently to try to  
10 support, but as the Commissioner does know, that  
11 at times I have issues with the TIL program. So I  
12 vote aye on all and thank you.

13 MR. HYLTON: Council Member Koo.

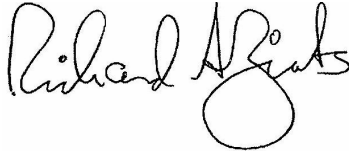
14 COUNCIL MEMBER KOO: I vote aye on  
15 all.

16 MR. HYLTON: By a vote of three in  
17 the affirmative, none in the negative and no  
18 abstentions, LU 148, LU 72, 75, 76, and LU 106 are  
19 approved and referred to the full Land Use  
20 Committee. LU 71 and 73 are approved, motions  
21 filed pursuant to withdrawal.

22 CHAIRPERSON LEVIN: We will not be  
23 leaving the roll open, so this meeting of the  
24 Subcommittee on Planning, Dispositions and  
25 Concessions is hereby closed.

C E R T I F I C A T E

I, Richard A. Ziats, certify that the foregoing transcript is a true and accurate record of the proceedings. I further certify that I am not related to any of the parties to this action by blood or marriage, and that I am in no way interested in the outcome of this matter.



Signature \_\_\_\_\_

Date July 30, 2010