

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

SUBCOMMITTEE ON LANDMARKS, PUBLIC
SITINGS, AND DISPOSITIONS

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November 17, 2021
Start: 10:10 a.m.
Recess: 10:32 a.m.

HELD AT: Remote Hearing (Virtual Room 3)

B E F O R E: Kevin Riley
CHAIRPERSON

COUNCIL MEMBERS:
Peter Koo
I. Daneek Miller
Inez Barron
Mark Treyger

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

Makita Marshall NeSmith, Urban Planner
New York City Housing Preservation and
Development

Lin Zeng
New York City Housing Preservation and
Development

Alice Freedman
New York City Housing Preservation and
Development

Juliana Bernal Guinand
Habitat for Humanity

Rick Fudge
Habitat for Humanity

3 SERGEANT-AT-ARMS: Computer recording
4 rolling.

5 SERGEANT-AT-ARMS: The recording to the
6 cloud is rolling in the backup recording is working
7 properly.

8 SERGEANT-AT-ARMS: Good morning. Welcome
9 to the New York City Council's whereabouts
10 subcommittee hearing on Landmarks, Public Sitings,
11 and Dispositions. Everyone, please turn on your
12 video at this time, silence all electronic devices.
13 All written testimony can be submitted to
14 landusetestimony@Council.NYC.gov. Again, that is
15 landusetestimony at Council.NYC.gov. Thank you.
16 Chairman Riley, we ready to begin.

17 CHAIRPERSON RILEY: Good morning. I am
18 Council member Kevin Riley, Chair of the Subcommittee
19 on Landmarks, Public Sitings, and Dispositions. I am
20 joined today by my colleagues, Council member Koo,
21 Council member Miller, and Council member Treyger.
22 We will begin with votes on two projects laid over
23 from our last meeting. We will vote to approve LU's
24 897 and 890 for the WINN Powers project approving the
25 designation of the urban development action area and

1 urban development action area project for such area,
2 the disposition of city-owned property to a developer
3 of HPD's choosing and a special permit pursuant to
4 section 74-903 of the New York City Zoning Resolution
5 to modify the requirements of the ZR section 21-111
6 to allow an increase in permanent floor area ratio
7 for use group III, nonprofit use, while sleeping
8 accommodations for 2.43 FAR to 4.8 FAR. These
9 actions will facilitate the redevelopment of city-
10 owned property located at 346 Powers Avenue block
11 2572 lot six in the Bronx with two new community
12 facility buildings including the permitted supportive
13 housing facility containing a 221 units for families
14 with children and an off-site daycare center and a
15 new homeless shelter building with 95 units. This
16 project is located within the Bronx city Council
17 District represented by Council member Ayala.

18
19 We will also approve LU number 881
20 related to the Las Raices Project submitted by HPD
21 pursuant to section 197-C of the New York City
22 Charter. This application requests approval of the
23 disposition of city-owned property located at 303
24 East 102nd Street, block 1674 lot 104. Also, 338
25 East 117th Street, block 1688 lot 34, 505-507 East

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2 118th Street, block 1815 lots five and six, 1761-1763
3 Park Avenue, block 1771 lot one and two. This
4 disposition approval would facilitate the development
5 and construction of four new affordable rental
6 development containing approximately 81 affordable
7 dwelling units and community facility space in the
8 districts represented by Council member Perkins and
9 Ayala. We will now vote to approve LU 897 and 898
10 and 881. Counsel, please call the role.

11 COMMITTEE COUNSEL: Chair Riley?

12 CHAIRPERSON RILEY: Aye on all.

13 COMMITTEE COUNSEL: Council member Koo?

14 COUNCIL MEMBER KOO: I vote aye on all.

15 COMMITTEE COUNSEL: Council member

16 Miller? Council member Miller, you're muted.

17 Council member Treyger?

18 COUNCIL MEMBER TREYGER: I vote aye.

19 COMMITTEE COUNSEL: Is Council member

20 Miller able to respond? By a vote of three in the
21 affirmative, zero in the negative, and zero

22 abstentions, the items are recommended to the full

23 Land Use Committee. We will hold the vote open for

24 Council member Miller and we expect Council member

25 Barron to join us shortly.

2 CHAIRPERSON RILEY: Thank you, counsel.

3 I now recognize counsel to explain today's hearing
4 procedures.

5 COMMITTEE COUNSEL: Thank you, Chair

6 Riley. I am Jeffrey Campagna, counsel to this
7 subcommittee. Members of the public who wish to
8 testify were asked to register for today's hearing.

9 If you registered to testify and have not yet signed
10 into zoom, please sign in now and remain signed in

11 until after you have testified. If you wish to
12 testify and have not registered, please go to

13 www.Council.NYC.gov/Landuse to sign up now. If you

14 are not planning to testify on today's items, please
15 watch the hearing on the New York City Council

16 website. All people testifying before the

17 subcommittee will be on mute until they are

18 recognized to testify. Please confirm that your Mike
19 is muted before you begin speaking. Public testimony

20 will be limited to two minutes per witness. If you

21 have written testimony you would like the

22 subcommittee to consider in addition to or in lieu of

23 appearing before the subcommittee, or if you require

24 an accessible version of a presentation given at

25 today's meeting, please email

landusetestimony@Council.NYC.gov. Please indicate the LU number or project name in the subject line of the email. During the hearing, Council members who would like to ask questions should use the zoom raise hand function. The raise hand button should appear at the bottom of the participant panel. I will announce Council members who have questions in the order they raised their hands. Witnesses are reminded to remain in the meeting until they are excused by the Chair. Lastly, there may be extended pauses if we encounter technical problems. We ask that you please be patient as we work through these issues. Chair Riley will now continue with today's agenda.

CHAIRPERSON RILEY: Thank you, counsel.

Next, I open the public hearing on LU 922, the Bedford Stuyvesant East and Weeksville Mosaic Project. HPD seeks approval of an urban development action area project and a real property tax exemption pursuant to section 577 of the article 11 of the Pvt. Housing Finance Law for 13 city-owned property is and would privately owned property in the Bedford Stuyvesant and Weeksville neighborhood of Brooklyn, collectively project area. The proposed action will

1 facilitate the development of 46 affordable
2 cooperative home ownership units under HPD's open-
3 door program. The properties are located in Brooklyn
4 districts represented by Council member Cornegy and
5 Council member Ampry-Samuel. And then we just--
6 presenting for the applicant's, we have Makita
7 Marshall NeSmith, Lin Zeng, Alice Freedman, and Joyce
8 Kwon from HPD and Rick Fudge, Juliana Bernal Guinand,
9 and Kattrell Lewis from Habitat for Humanity. I now
10 ask that these witnesses began muted and that the
11 Council administer the affirmation.
12

13 COMMITTEE COUNSEL: We will wait a
14 minute for all the witnesses to come on screen and
15 unmute themselves. Please unmute yourselves.
16 Please raise your right hands and, one by one, state
17 your names.

18 MAKITA MARSHALL NESMITH: Makita
19 Marshall NeSmith.

20 LIN ZENG: Hi. Lin Zeng.

21 ALICE FREEDMAN: Hi. Alice Freedman.

22 JULIANA BERNAL GUINAND: Hi. Juliana
23 Bernal Guinand.

24 RICK FUDGE: Hi. Rick Fudge.
25

2 COMMITTEE COUNSEL: do you affirm to
3 tell the truth, the whole truth, and nothing but the
4 truth in your testimony before this subcommittee and
5 in answer to Council member questions?

6 UNIDENTIFIED: Yes.

7 UNIDENTIFIED: Yes.

8 UNIDENTIFIED: I do.

9 CHAIRPERSON RILEY: Thank you. You may
10 begin your presentation.

11 MAKITA MARSHALL NESMITH: Sorry. Is it
12 up on the screen? Thank you. Thank you. Good
13 morning. My name is Makita Marshall NeSmith and I am
14 a Brooklyn planter from New York City Department of
15 Housing Preservation and Development and I am here to
16 talk to you today about Mosaic, also known as Bed
17 Stuy East and Weeksville Mosaic. Next slide, please.
18 Mosaic is an accelerated UDAP project comprised of
19 small scattered sites currently on vacant,
20 underutilized lots. Habitat for Humanity is the
21 project sponsor. Habitat was designated through the
22 NYHOP NCP RFP released in 2016. The goal of this RFP
23 was to develop some of our most difficult sites:
24 smaller and/or regular lots some of which are infill.
25 This project will create attractive, contextual

1
2 infill buildings that will beautify the blocks by
3 filling in the gaps. These sites will further the
4 security and safety of the neighborhoods and improved
5 the overall streetscape. Mosaic is a part of a
6 larger scattered site project, Bed Stuy East and
7 Weeksville. Mosaic is an HPD open-door project
8 comprised of all co-op homeownership units and will
9 be included in the Interboro community land trust.
10 This project spans community districts three, eight,
11 and 16 and is located in Council Districts 41 and 36.
12 I will now introduce Rick Fatuous a project manager
13 from habitat to further describe this project.

14 RICK FUDGE: Hello. This is Rick. We can
15 go into the next slide, please. So, Habitat for
16 Humanity in New York City and Westchester is a
17 nonprofit affordable housing developer working in the
18 five boroughs in Westchester County. We focus on
19 homeownership for first-time homebuyers who
20 contributes what equity by working on construction
21 sites in limited capacities or in our office. We
22 work in a variety of projects, including multi
23 family, new construction, single-family new
24 construction, as well as the rehabilitation and
25 preservation of existing homes and here are a few of

1 our recent feature projects. We can go into the next
2 slide please. The Mosaic project is a scattered site
3 project located in the Bedford Stuyvesant Weeksville
4 in Brownsville neighborhoods. The context of the
5 sites is largely two to four story residential
6 buildings with some typical infill sites like ON the
7 right side of the screen there. And to the next
8 slide, please. There are 14 sites total, 13 of which
9 are currently city-owned and one of which is
10 privately owned by Habitat already: 249 Heart Street.
11 The buildings will range in size from two to four
12 units with units ranging from one to three bedrooms.
13 As Makita mentioned, there will be cooperatives.
14 There will be 46 units total, grouped into two
15 cooperatives by [inaudible 00:12:09] proximity. This
16 example renderings a building type on the right.
17 Next slide, please. The apartments will range from
18 one to three bedrooms weighted towards the larger
19 sizes, about 82 percent of units being two and three
20 bedrooms. Estimated sales prices will range from
21 \$210-\$310,000 which represents a discount to market
22 of 48 to 80 percent of market rate depending on the
23 location. Next slide, please. The buildings will be
24 placed on the Interboro Community Land Trust which is
25

1 a nonprofit community-based organization created to
2 ensure the stewardship of permanently affordable
3 housing. The way it works is that the co-op will own
4 the buildings and the community land trust will own
5 the land where the ground is leased between the two.
6 The homes on the CLT will have a resale price
7 restrictions that will keep the homes affordable for
8 generations. In exchange, the CLT supports
9 homeowners with financial counseling, direct
10 financial support, if necessary, and property tax
11 exemptions, among other benefits. CLT homes across
12 the country have been shown to experience lower rates
13 of foreclosure and increased stability relative to
14 non-CLT homes. Next slide, please. We expect to
15 close on our construction loan early next year with
16 construction beginning immediately afterwards. We
17 anticipate about a 30 month construction period. We
18 will begin homebuyers selection about six months
19 before construction ends with homebuyer closings
20 beginning right after construction ends and we expect
21 project closeout to occur early in 2025. Next slide,
22 please. So, in summary, Mosaic is being developed by
23 a mission driven development partner with long-
24 standing experience working with the city. There
25

1 will be 46 affordable homeownership units developed
2 on vacant, underutilized, privately owned land. More
3 than 80 percent of the total units are two to three
4 bedroom family sized units. They will be available
5 to individuals and families from a range of incomes
6 to about 90 percent AMI. They are being designed as
7 contextual buildings that reflect the scale and
8 materiality of the surrounding areas. Amenities will
9 include washers and dryers in the units, rear yard
10 access, as well as energy efficient design that will
11 lower utility costs and they will be placed within a
12 cooperative structure and Interboro Community Plan
13 Trust to ensure long-term affordability. Thank you.

14
15 CHAIRPERSON RILEY: That was the end of
16 the presentation already?

17 RICK FUDGE: Yep. That was the
18 presentation.

19 CHAIRPERSON RILEY: Thank you.
20 Counsel, do you want to see if Council member Miller
21 wants to give his about before we continue?

22 COMMITTEE COUNSEL: Council member
23 Miller, we missed your vote on LUs 897, 898, and 881.
24 If you would like to cast your vote now?

25 COUNCIL MEMBER MILLER: I vote aye.

2 COMMITTEE COUNSEL: Thank you. The
3 vote stands at for the affirmative, zero in the
4 negative, and with zero abstentions and remains open.

5 CHAIRPERSON RILEY: Thank you. Thank
6 you, counsel. Thank you to the applicant panel. I
7 just have two questions. It seems like real
8 beautiful project. My wife's family is from Bed
9 Stuy, so I'm really happy that we're talking about
10 homeownership and cooperative opportunities for the
11 community. Just stroke quick, how do the projected
12 sale prices of these units compared to the market
13 rate condos or co-ops in the area?

14 RICK FUDGE: So, they, depending on the
15 particular site and neighborhood, they are--
16 estimated sales prices will comment at 48 to 80
17 percent of market rate prices.

18 CHAIRPERSON RILEY: Okay. Was there
19 any consideration for including ground floor
20 commercial or community facilities spaces in any of
21 the sites being developed?

22 RICK FUDGE: I don't believe so. Juliana,
23 would you like to weigh in on this?

24 JULIANA BERNAL GUINAND: Sure. Due to
25 the size of the buildings, we wanted to prioritize

2 the number of units, residential units in the
3 building. So, we focused on only residential units
4 in these buildings, no commercial or community.

5 CHAIRPERSON RILEY: Okay. Well, thank
6 you so much for your testimony. I don't see any
7 Council members with any questions. So, this panel
8 may be excused. Thank you and enjoy the rest of your
9 week.

10 RICK FUDGE: Thank you.

11 MAKITA MARSHALL NESMITH: Thank you.

12 CHAIRPERSON RILEY: Counsel, are there
13 any members of the public who wish to testify on LU
14 922?

15 COUNCIL MEMBER MILLER: Council member
16 Riley?

17 CHAIRPERSON RILEY: Oh. Council member
18 Miller, I did not see her hand raised.

19 COUNCIL MEMBER MILLER: Yeah. It got up a
20 little late.

21 CHAIRPERSON RILEY: What was your
22 question? We get to the answer--

23 COUNCIL MEMBER MILLER: Could someone speak
24 to the long-term affordability as it relates to the
25

1 land trust and what that looks like and how that
2 would work?
3

4 CHAIRPERSON RILEY: Okay. We will get
5 your question over to-- Oh. There you go. Rick.
6 Council member Miller, can you repeat your question
7 again for Rick?

8 COUNCIL MEMBER MILLER: Yep. The question
9 is related to the long-term affordability as it
10 relates to the land trust and how that procedure
11 would work and the impact on communities as it is
12 moved forward.

13 RICK FUDGE: Well, the homes will be--
14 there will be a ground lease that lasts for 99 years
15 and it can be renewed and, as part of the ground
16 lease, there are resale price restrictions. So,
17 whatever the additional prices that the homebuyer
18 purchases that, the allowable resale price increases
19 by two percent compounding year-by-year. So, and it
20 can be up to the maximum price.

21 COUNCIL MEMBER MILLER: Maximum price of
22 what? So, two percent per year after how many years?

23 RICK FUDGE: Each year. So, whatever the
24 initial sales price is, the maximum resale price
25

1
2 moving forward increases by two percent every year
3 compounding.

4 COUNCIL MEMBER MILLER: And is there a
5 point for which that-- is there a limit to which--
6 For instance, can you sell the house before five or
7 10 years?

8 RICK FUDGE: The ground lease doesn't
9 restrict when that can happen.

10 COUNCIL MEMBER MILLER: Okay. And so, at
11 that point, you can increase by two percent. 20
12 percent after 10 years and so forth, right? And then
13 it maxes out at what?

14 RICK FUDGE: There is not a maximum. It
15 will just increase at two percent every year,
16 assuming that the market rate supports that price.

17 COUNCIL MEMBER MILLER: Okay. That makes
18 sense considering those areas, you know, if there,
19 and 43 percent, those right now market rate is very
20 high in those communities. So, that makes sense with
21 affordability. Thank you. Thank you, Chair Riley.
22 I appreciate you.

23 CHAIRPERSON RILEY: No problem, Council
24 member Miller.

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2 COMMITTEE COUNSEL: Chair Riley, just
3 want to make you aware that Council member Barron has
4 joined us.

5 CHAIRPERSON RILEY: Okay. Good
6 morning, Council member Barron. [Inaudible
7 00:20:07] her vote?

8 COMMITTEE COUNSEL: Council member
9 Barron--

10 COUNCIL MEMBER BARRON: Good morning.

11 COMMITTEE COUNSEL: how do you-- Good
12 morning. How do you vote on WINN Powers which is 897
13 and 898 and Las Raices which is Lu 881?

14 COUNCIL MEMBER BARRON: On 897 and 898, I
15 vote no. On Land use 881, I vote aye. And is 992--
16 922 also up for vote?

17 COMMITTEE COUNSEL: No. We have just
18 been hearing that item right now.

19 COUNCIL MEMBER BARRON: Okay. Thank you
20 very much.

21 COMMITTEE COUNSEL: So, the vote stands
22 for Las Raices which is LU 881, five in the
23 affirmative, zero in the negative, and zero
24 abstentions and WINN Powers which is LU 897 and 898

25

2 is four the affirmative, one in the negative, and
3 zero abstentions.

4 COUNCIL MEMBER BARRON: Thank you, Mr.
5 Chair.

6 CHAIRPERSON RILEY: Thank you, Council
7 member Barron. Counsel, are there any members of the
8 public who wish to testify on LU 922?

9 COMMITTEE COUNSEL: There are no
10 members of the public signed up to testify on this
11 item.

12 CHAIRPERSON RILEY: Any other members
13 of the public who wish to testify on LU 922 should
14 make themselves known now by raising the raise hand
15 button. Counsel, you said no one resilient, correct?

16 COMMITTEE COUNSEL: There no members of
17 the public--

18 CHAIRPERSON RILEY: All right. Thank
19 you. Seeing no other members of the public who wish
20 to testify on this item, the public hearing on LU 922
21 is now closed and the item is laid over. Counsel,
22 can we close the vote on--

23 COMMITTEE COUNSEL: The vote is now
24 closed.

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CHAIRPERSON RILEY: Thank you. Okay.

With that being said, that concludes today's
business. I reminded you that if you have written
testimony on today's items, you may submit it to land
use testimony@Council.NYC.gov. Once again, that is
land use testimony@Council.NYC.gov. Please indicate
the LU number or the project name in the subject
heading. I would like to thank the applicants, the
public, my colleagues, subcommittee counsel, land-use
staff, and sergeant-at-arms for participating in
today's hearing. This meeting is hereby adjourned.
Thank you.

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 November 30, 2021