

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND
CONCESSIONS

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October 5, 2016
Start: 1:14 p.m.
Recess: 1:37 p.m.

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

B E F O R E:
INEZ E. DICKENS
Chairperson

COUNCIL MEMBERS:
Darlene Mealy
Ydanis A. Rodriguez
Andrew Cohen
Mark Treyger

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

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2 [sound check]

3 [pause]

4 [gavel]

5 CHAIRPERSON DICKENS: Good afternoon. I
6 am Council Member Inez E. Dickens, Chair of the
7 Subcommittee on Planning, Dispositions and
8 Concessions. I welcome everyone to today's hearing.

9 I want to thank and acknowledge my
10 Sergeant at Arms, Hannah Datosh [sp?] and Dane Hope
11 [sic], my Land Use Director Raju Mann, Deputy
12 Director Amy Levitan, and of course, my phenomenal
13 attorney, Julie Lubin who is here with me today.

14 We are joined today by Committee members
15 Council Member Mark Treyger, who gets the stooby
16 [sp?] button today, or the gold star -- which would
17 you prefer? -- [background comment] [laugh] and
18 Council Member Ydanis Rodriguez.

19 We have two items on our calendar, but at
20 this time we will lay over Land Use Item 428, known
21 as Blake Hendrix NYHOP. Today we will hold a hearing
22 on one application, Land Use 453, known as
23 Southeastern Queens Vacant Homes Cluster 4, which was
24 laid over from our last hearing.

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3 I am now opening up the public hearing
4 for Land use Item 453, Southeastern Queens Vacant
5 Homes Cluster 4. This is an application by HPD for
6 the proposed UDAAP approval and property tax
7 exemption under Section 696 of the General Municipal
8 Law. The properties are located in Council Member
9 Daneek Miller's district at the following addresses:
10 223-92 111th Avenue; 114-26 208th Street; 197-18
11 116th Avenue; 190-17 115th Drive; 117-27 204th
12 Street; 198-14 119th Avenue; 190-01 118th Road; 186-
13 20 Foch Boulevard; 117-48 Baisley Boulevard; 117-19
14 120th Avenue; 171-48 119th Road; 168-32 119th Avenue;
15 168-31 118th Road.

16 I want to acknowledge that we've been
17 joined by Council Member Any Cohen -- welcome. Where
18 is he? [background comments] [laugh] Well he is
19 here; [laugh] he was here.

20 I'm now gonna call up the applicants who
21 have come up; please announce yourselves and where
22 you're from.

23 ARTIE PEARSON: Afternoon, Chair Dickens;
24 members of the Subcommittee. I am Artie Pearson, the
25 Director of Land Use from HPD's Office of
Governmental Relations and I'm joined by Lisa Talma,

3 Assistant Commissioner for Property Dispositions and
4 Finance.

5 Land Use No. 453 consists of 13 small
6 homes located in Queens Council District 27 and is
7 slated for redevelopment under HPD's Small Homes
8 Rehab NYCHA program. Each home was foreclosed upon
9 as the result of a default on a HUD FHA mortgage over
10 20 years ago and they were turned over to NYCHA to
11 operate as part of their public housing portfolio by
12 HUD. Over time the homes became vacant and are
13 currently in dire need of rehabilitation. NYCHA,
14 with approval from HUD, selected the sponsor to
15 convey the properties to and each will undergo gut
16 rehabilitation through the Small Homes Rehab NYCHA
17 program, which is an affordable homeownership program
18 for one- to four-family homes. Upon completion of
19 the rehabilitation, the sponsor will convey the
20 properties to low- to moderate-income families
21 earning up to 120% AMI, as per program guidelines.

22 The sponsor has committed to conducting
23 marketing outreach events and the community where the
24 homes are located in order to reach as many potential
25 local applicants as possible, including NYCHA
residents. HPD has previously testified that in

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2 conjunction with outreach to the community, the
3 sponsor will connect home purchasers with nonprofit
4 organizations that offer sessions to potential first-
5 time homebuyers in an effort to help prepare for
6 eventual homeownership, and today HPD is before the
7 Planning Subcommittee seeking UDAAP tax benefits in
8 order to offer the homes at an affordable purchase
9 price to potential purchasers upon completion of the
10 gut rehabilitation, and Council Member Miller has
11 been briefed and has indicated his support for this
12 project, and we are available to answer your
13 questions.

14 CHAIRPERSON DICKENS: Lisa Talma; do you
15 have anything you wanna add to this, please?

16 LISA TALMA: I have nothing to add at
17 this time.

18 CHAIRPERSON DICKENS: Alright, thank you.
19 Now are these all single-family; are they one to
20 fours; what are they?

21 ARTIE PEARSON: They're single-family
22 homes.

23 CHAIRPERSON DICKENS: Any of them
24 occupied or these all vacant, 100%?

25 ARTIE PEARSON: Hundred percent vacant.

2 CHAIRPERSON DICKENS: And what are the
3 average AMIs that they will be sold at, that's
4 required for the selling; what's the offset?

5 LISA TALMA: The average AMI is going to
6 come to about 90% AMI; some homes will be above that;
7 some will go below.

8 CHAIRPERSON DICKENS: And the developer;
9 who is the developer?

10 LISA TALMA: The developer is Restoring
11 Urban Neighborhoods (RUN).

12 CHAIRPERSON DICKENS: MWBE requirements
13 -- considering that the Mayor has just announced a
14 new very aggressive initiative on MWBE, what is gonna
15 be the component and are you gonna comply with the
16 30% or is he gonna comply? Or is it a she?

17 [laugh]

18 LISA TALMA: RUN is run by a male
19 individual; it's a nonprofit organization. They did
20 issue an RFQ to identify architects and contractors
21 for this pool of buildings; there is another pool
22 anticipated in the future and they'll do the same RFQ
23 process to find qualified developers... I'm sorry,
24 sorry, not developers, but contractors and
25 architects, and they ask for the local council member

3 support to help identify MWBE as well as local
4 contractors to enhance the application pool for that
5 RFQ as well.

6 CHAIRPERSON DICKENS: Considering that
7 this was already in the hopper; is the outreach and
8 the goal gonna be the 30% as has been stated by the
9 Mayor at this time for the MWBE on the RFQs?

10 LISA TALMA: Yeah, this one predates that
11 requirement, so that's... yes, as you said; this was
12 already in the hopper.

13 CHAIRPERSON DICKENS: Do any of my
14 colleagues have any additional questions? Council
15 Member Andy Cohen.

16 COUNCIL MEMBER COHEN: Thank you Madam
17 Chair. You know I made this point the other day and
18 I think it's just worth repeating, in that I think
19 it's very important that there be support services in
20 terms of you know homeownership education; that...
21 that, you know, I really do like this model of
22 affordable homeownership, but I think its success is
23 dependent on making sure that the people who
24 ultimately end up owning these homes have the
25 resources and the understanding of what it takes to
be a homeowner versus being a renter or some other...

2 you know, having some other kind of living
3 arrangement.

4 CHAIRPERSON DICKENS: No, no, no, don't
5 -- Artie, please; that's really actually a very
6 important point, and that's because that's been an
7 argument of mine, even with the TIL Program; when you
8 throw people into homeownership and they're not
9 acclimated to it, it's a program set up to fail, so
10 actually it's a very important point. Are there
11 plans within HPD to have an educational component to
12 teach people what it is to own a home, their
13 responsibility; they're no longer a tenant that just
14 calls up a number and says I've got a leak.

15 ARTIE PEARSON: Right. I'm gonna let
16 Lisa elaborate on that.

17 LISA TALMA: Yes, the developer is going
18 to connect homebuyers to nonprofits that provide that
19 training and that will be a requirement prior to
20 purchase.

21 CHAIRPERSON DICKENS: How long is the
22 average program please, if you don't mind?

23 LISA TALMA: The average... if you don't
24 mind, I just wanna double-check with my colleague.

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2 CHAIRPERSON DICKENS: Does your colleague
3 wanna come up to the table? Come; it's okay [sic].
4 Identify yourself please.

5 NADYA RADCLIFFE: Hi, good day. I'm
6 Nadya [sp?] Radcliffe, Director of Homeownership..
7 [interpose]

8 CHAIRPERSON DICKENS: Speak into the mic.
9 Thank you.

10 NADYA RADCLIFFE: Hello; I'm Nadya
11 Radcliffe, Director of Homeownership Programs under
12 Lisa Talma.

13 LISA TALMA: And we were just confirming;
14 it's roughly eight classes, eight courses that the
15 homebuyers would need to take.

16 CHAIRPERSON DICKENS: And what are some
17 of the components that are covered? You don't have
18 to give me all of them, but just some of the
19 pertinent ones that would be most important for them
20 to have an understanding. And I thank Council Member
21 Cohen for raising that issue continually.

22 NADYA RADCLIFFE: They delve into
23 personal finances, getting your income together,
24 credit, savings; they delve on credit scores, how
25 important that is; assisting them with their finances

2 so they can save up a viable down payment; also how
3 to apply for various programs that might do down
4 payment assistance, aside from HPD's own First-Time
5 Homebuyer Down Payment Assistance Program; they also
6 get into just like small home repairs -- things you
7 can do yourself versus what you have to contact the
8 contractor for; they delve into -- even though these
9 are one-family homes, because the class is geared to
10 one- to four-family, they will also talk about if you
11 have a rental apartment, how to treat... you know, what
12 you have to do for the tenant, how you have to
13 include that income when you're doing your mortgage,
14 etc. So it's a rather extensive course and they're
15 required to take it as part of the application
16 process.

17 CHAIRPERSON DICKENS: In this program;
18 are the owners also given information on how to do
19 repairs that look like not needed, but is beginning
20 to fail?

21 NADYA RADCLIFFE: Maintenance?
22 Maintenance? Yeah, they... they are... Yeah, they are
23 **[inaudible]** maintenance... [crosstalk]

24 CHAIRPERSON DICKENS: You know... Yeah, so
25 that... that... so that they don't have -- cleaning of

2 the boiler -- I don't know whether you're using oil
3 or whatever, but an oil tank needs to be cleaned
4 periodically -- things that are very basic to the
5 operation of their HVAC system.

6 NADYA RADCLIFFE: Yes, that would be
7 included.

8 CHAIRPERSON DICKENS: That's included.
9 And Council Member Treyger.

10 COUNCIL MEMBER TREYGER: Thank you Chair
11 and also, thank you to my colleague, Council Member
12 Cohen, who raised I think a very valid issue. I just
13 want HPD to elaborate more on the down payment
14 assistance. This is something that I've been, you
15 know, very much studying, examining and advocating
16 for actually greater assistance for families in New
17 York City, but what is the down payment assistance
18 program that HPD offers and what are the eligibility
19 requirements for residents to tap into these
20 resources?

21 LISA TALMA: I think you're referring to
22 the HomeFirst Program?

23 COUNCIL MEMBER TREYGER: Correct.

24 LISA TALMA: Yeah. And the HomeFirst
25 Program has an income requirement for the anticipated

2 homeowner and that is at a cap of 80% AMI for someone
3 to qualify for that down payment assistance.

4 COUNCIL MEMBER TREYGER: And what is the
5 maximum amount of assistance?

6 LISA TALMA: Sorry; this program's not in
7 my shop, so I don't have all the details on it; my
8 recollection is that it's around \$15,000, but I'm not
9 completely positive.

10 COUNCIL MEMBER TREYGER: Right. And what
11 are the prices of these homes?

12 LISA TALMA: These homes, they're
13 averaging out to the low \$300,000s, so we've got some
14 homes that are in the \$200,000 range and some that
15 are in the higher \$300,000 range.

16 COUNCIL MEMBER TREYGER: And what will be
17 the required down payment to purchase these types of
18 homes?

19 [background comments]

20 NADYA RADCLIFFE: I'm sorry, 5% down.

21 COUNCIL MEMBER TREYGER: 5% down? And
22 are these with fixed or variable interest rates; do
23 we know?

24 NADYA RADCLIFFE: The developer would be
25 assisting with that application process, so they

2 would be looking to have the homebuyers do fixed
3 30-year mortgages.

4 COUNCIL MEMBER TREYGER: Now when someone
5 applies for this -- one of my arguments has been that
6 I think that we can do more, because I believe --
7 it's about \$15,000 of assistance, but in our market
8 in New York City, it is very, very costly and I don't
9 think that goes enough to help many working families.
10 But if we're talking about making sure that local
11 residents have access to these types of programs to
12 be able to afford to live in their neighborhood, and
13 to own a piece of the neighborhood; what types of
14 information is asked of them when applying? You
15 know, HPD recently just announced I think with the
16 Mayor about reforms to the lottery process, with
17 credit checks; am I correct on that, about people's
18 credit history not being used against them when
19 applying for housing; how is that gonna impact them
20 on this HomeFirst Program?

21 ARTIE PEARSON: I think we probably would
22 need to get back to you with more detailed
23 information, particularly since the announcement was
24 just made and we don't have all of the details, at
25

2 least not in my area, so we can get back to you with
3 some information on that.

4 COUNCIL MEMBER TREYGER: Right, 'cause I
5 think it's critically important that local residents
6 who've contributed to the prosperity and to the
7 growth of that neighborhood have access to these
8 resources and programs and we should be in the
9 business of breaking down barriers and educating them
10 -- yes, about maintenance of properties, but also
11 about, you know, finances; making sure these programs
12 fit the needs of people, and I think that this is an
13 issue, Chair, that we should circle back on, because
14 I've always believed that residents should be given
15 an opportunity not just to afford to live in New York
16 City; they should be able to own a piece of the city
17 as well. And I thank you for your time.

18 CHAIRPERSON DICKENS: Thank you very much
19 Council Member. Any other questions from my
20 colleagues? Seeing none; are there any -- I'm
21 opening it up to the public. Seeing no members of
22 the public wishing to testify, I wanna note for the
23 record though that Council Member Daneek Miller is
24 supportive of this; is that correct; did I hear that?

25 ARTIE PEARSON: That's correct.

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2 CHAIRPERSON DICKENS: Alright. And
3 therefore that we will be voting on this application
4 today and it has the Council Member's full support,
5 as it does mine. We'll now... [background comments]

6 I will now close the public hearing on
7 Land Use Item 453 and I'm now calling on my counsel
8 for a roll call vote to approve.

9 COMMITTEE COUNSEL: Chair Dickens.

10 CHAIRPERSON DICKENS: Aye.

11 COMMITTEE COUNSEL: Council Member
12 Rodriguez.

13 COUNCIL MEMBER RODRIGUEZ: Aye.

14 COMMITTEE COUNSEL: Council Member Cohen.

15 COUNCIL MEMBER COHEN: Aye.

16 COMMITTEE COUNSEL: Council Member
17 Treyger.

18 COUNCIL MEMBER TREYGER: Aye.

19 COMMITTEE COUNSEL: The vote to approve
20 Land Use Item 453 is approved by a vote of 4 in the
21 affirmative, 0 in the negative and 0 abstentions and
22 referred to the full Land Use Committee.

23 [pause]

24 [background comments]

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2 CHAIRPERSON DICKENS: I'm going to leave
3 the hearing open for 10 minutes... [interpose,
4 background comment] the vote open for 10 minutes, but
5 I'm closing the hearing. I wanna thank the members
6 of the public, my colleagues, the counsel, and all
7 Land Use staff for attending today's hearing.

8 [gavel]

9 [background comments]

10 [pause]

11 CHAIRPERSON DICKENS: We've been joined
12 by Council Member Darlene Mealy.

13 COMMITTEE COUNSEL: Vote to approve Land
14 Use Item 453. Council Member Mealy.

15 COUNCIL MEMBER MEALY: I vote aye.

16 COMMITTEE COUNSEL: The vote on Land Use
17 Item 453 is approved by a vote of 5 in the
18 affirmative, 0 in the negative and 0 abstentions and
19 referred to the full Land Use Committee.

20 [gavel]

21 CHAIRPERSON DICKENS: This hearing is
22 hereby adjourned.

23

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C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date October 19, 2016