

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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March 28, 2017

Start: 1:08 p.m.

Recess: 3:40 p.m.

HELD AT: Committee Room - City Hall

B E F O R E: RAFAEL SALAMANCA, JR.
Chairperson

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

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

Jordan Press, Executive Director
Government Affairs Unit
Department of Housing Preservation & Development

Michael Byrne, Vice President
CAMBA Housing Ventures

Sharon Browne, Executive Vice President
CAMBA Housing Ventures

Bill Stein, Architect
Dattner Architects

Ben Goodhue (sp?), Assistant Vice President
Real Estate Group
NYC Economic Development Corporation

Geoff Flournoy, Co-Founder and Managing Partner
BRP Companies

Andy Cohen, Director of Development
BRP Development Corporation

James Johnson-Piatt, Founder & CEO
Urbane Development

Canada (sp?) McQueen,
Government & Community Relations Team
NYC Economic Development Corporation

Roy Hastick, President & Founder
American Chamber of Commerce and Industry

Isra Gordon, Vendor & Chef
Delicious Endings Catering and Tea House
Flatbush Caton Vendor's Market

Orlando Moreno, Vendor
Flatbush Caton Vendor's Market

Camille Ortiz, Vice President
Programs and Services at
Brooklyn Chamber of Commerce
Appearing for: Andrew Hoan, President & CEO
Brooklyn Chamber of Commerce

Shaneekua Henry, Principal
SLM Architecture PC

Brian Brown
Service Employees International Union
Local 32BJ

SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND
CONCESSIONS

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CHAIRPERSON SALAMANCA: [gavel] Alright.

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Good afternoon, everyone. Alright, I am Rafael

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Salamanca, Chair of the Subcommittee on Planning,

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Dispositions and concessions. Welcome to everyone to

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today's hearing. Today we are joined by members of

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the Subcommittee, Council Member Andy Cohen, and we

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also have with us today Council Member Inez Barron.

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We have two items on the calendar today for hearing

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LUs 954, 9-I'm sorry, 594, 595 and 596, the KNS (sic)

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Development and LU 597 and 598, 210 to 214 Hegeman

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Avenue indicating application of DCAS and EDC seeks

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disposition approvals, a zoning map change and text

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amendment creating a mandatory inclusionary housing

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area to facilitate the redevelopment of the Flatbush

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Caton Market at 794 Flatbush Avenue. The site will

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be redeveloped with a 14-story building that will

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include a 9,000 square foot market for local vendors,

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intubated space for businesses, community facility

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space and 251 apartments. An off-site temporary

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market will house the vendors during the construction

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period. This project is in Council Member Eugene's

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district, and Hegeman Avenue application. HPD is

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seeking Urban Development Action Area Project, a

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UDAAP, designation and approval, disposition approval

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2 and a special permit pursuant—pursuant to the ZR
3 Section ZR Section 74-903 to permit community
4 facility FAR to apply on a not for—not for profit
5 institution with sleeping accommodations. These
6 action will facilitate the development of an eight-
7 story affordable and supportive housing building with
8 on-site social services and security. This project
9 is in Council Member Barron’s district. So now I am
10 opening up the hearing on LUs 597 and 598 at Hegeman
11 Avenue, and we’ll begin with a statement from Council
12 Member Barron.

13 COUNCIL MEMBER BARRON: Thank you, Mr.
14 Chair, and I want to thank the panels that’s here to
15 do their presentation. As you may know, East New York
16 is one of the areas that still has land available for
17 development. So many, many people are looking to see
18 what can be done in East New York. A part of my
19 primary concern is to make sure that as new housing
20 comes in that it remains in the reach of those who
21 have lived through the times when East New York was
22 not given its adequate resources, and so that people
23 who have sustained themselves during that time, and
24 now have an opportunity to have new housing will be
25 able to qualify for the housing that’s coming. So,

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2 when people say that they have affordable housing
3 projects, I remind them that the median income for my
4 community is about \$34,000. So the rents to reflect
5 that if they're going to be seen favorably in my—in
6 my opinion. I'm very please that we're going to be
7 hearing today about a project that is within those
8 guidelines and offers and opportunity for housing,
9 and also for those with special needs CAMBA has a
10 longstanding reputation for doing great housing, and
11 as you will see, their projects are well developed
12 and well maintained. So I'm pleased to see that.
13 The concerns that I have, though, is that—well, I
14 always am concerned about the heights of all the
15 developments that come into my—into the community,
16 and this is in Brownsville. It's across from another
17 development and I would like for the context to be
18 similar to what's across the street. It's a little
19 bit higher, but it's something that I can accept. I
20 always like for the façade to be appropriate and
21 reflective of the community, and show some durability
22 and you'll see that this has that, and there is some
23 adjustments that are going to be made in that regard
24 as well. And then I'm concerned about the size and
25 the amenities. The amenities as presented in this

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2 project are very attractive. So I'm concerned then
3 about the size of the units. The City in I think
4 1900 or 2000 perhaps said that a studio should be
5 about 400 square feet. So I'm concerned. Thank you.
6 I'm concerned about the size of the units, and I'm
7 also concerned about the mix of the units. So I'm
8 looking forward to hear what we're going to see
9 presented to them. Thank you, Mr. Chair.

10 CHAIRPERSON SALAMANCA: So please
11 introduce yourself before speaking and you may begin.

12 JORDAN PRESS: Good afternoon. My name
13 is Jordan Press. I'm the Executive Director in HPD's
14 Government Affairs Unit, the New York City Department
15 of Housing Preservation and Development. Land Use
16 Nos. 597 and 598 are related ULURP actions pertaining
17 to a project known as 201 to 214 Hegeman Avenue
18 located in Brooklyn Council District 42. Land Use
19 No. 597 seeks approval of UDAP designation, project
20 approval and disposition of the city-owned site and
21 Land Use No. 598 seeks a special permit of the Zoning
22 Resolution to allow for the modification of floor
23 area requirements for non-profit facilities with
24 sleeping accommodations. Under HPD's Supportive
25 Housing Loan Program, the sponsor is proposing to

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2 construct an eight-story building with approximately
3 70 affordable residential and support housing units,
4 and one unit for a superintendent. The building will
5 contain all studies of which approximately 42 units
6 will be reserved for individuals referred from the
7 Department of Homeless Services with special needs,
8 and the balance will be reserved for individuals
9 earning up to 60% of Area Median Income.

10 Participating in Enterprise Green Communities 210 to
11 214 Hegeman will include many sustainable features
12 including efficient boilers and HVAC equipment
13 increase insulation to reduce heating and cooling
14 demand, energy efficient windows, Energy Start
15 appliances, water saving fixtures and efficient
16 lighting. The building will also be designed to
17 solar ready. The sponsor is CAMBA Housing Ventures,
18 and the service provider for the development will
19 also be CAMBA and organization with over 23 years of
20 experience providing on-site social services in fully
21 staffed offices. There will be 24-hour security—24-
22 hour security on the premises seven days a week and
23 on-site supportive services will focus on financial
24 literacy, access to preventative healthcare and
25 improving health outcomes, access to employment and

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2 benefits, education and job training and healthy
3 living activities. Other amenities include outdoor
4 landscaped areas, a community room, laundry room and
5 computer room. Today, HPD is before the subcommittee
6 seeking approval of Land Use Nos. 597 and 598 in
7 order to facilitate construction of 210 to 214
8 Hegeman Avenue. Thank you.

9 MICHAEL BYRNE: [pause] [off mic] -and
10 Council Member Barron. My name is Michael Byrne
11 (sp?) Vice President of CAMBA Housing. [background
12 comments] My name is Michael Byrne, Vice President,
13 CAMBA Housing Ventures. I'm joined by Sharon Browne,
14 Vice President--Executive Vice President of CAMBA--
15 CAMBA Housing Ventures. After receiving a 24 to 1
16 positive vote in the Community Board and Brooklyn
17 Borough President Adams' support, we are pleased to
18 be here to present the project to you. Now, I'm
19 going to go through a little about CAMBA and CAMBA
20 Housing Ventures and then tell you and present about
21 the project. Founded almost 40 years ago CAMBA
22 provides critical services throughout New York City
23 that connect people with opportunities to enhance
24 their quality of life. CAMBA's programs include
25 after school programming, Homeless Prevention,

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2 Affordable Housing and Support Services, Legal
3 Services, Anti-Violence programs, Healthy Living
4 program and economic development. CAMBA helps—helps
5 45,000 New Yorkers in need each year and employs over
6 1,600 people including 268 individuals living in the
7 four zip codes that surround this project. CAMBA
8 provides a wide array of services throughout
9 Community Board 16 and District 42 including Cure
10 Violence, After School Programming, Cornerstone
11 Programs, Emergency Housing, Medicaid and Care
12 Coordination for Medicaid recipients. CAMBA also
13 provides on-site support services within affordable
14 and supportive housing for families and individuals
15 for developments within District 42.

16 In 2004, recognizing the need for a
17 solution to the to the homeless and affordable
18 housing crisis, CAMBA Housing Ventures was formed to
19 develop sustainable affordable and supportive
20 housing. CHV pairs excellent design and sustainable
21 energy efficient buildings with CAMBA's life changing
22 services. We focus and local investment including
23 working with genera contractors to hire and purchase
24 locally and selected MWBE companies. As an example,
25 CHV recently exceeded MWBE goals CAMBA Gardens Phase

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1 and 97 Crooke. In the past year, we've also worked with NYCHA on CAMBA Van Dyke Project to hire 62 residents through our partnership with NYCHA. [pause] Completed in 2011, we wanted to present one example of how CAMBA Housing Ventures work. This is 97 Quick Avenue a similar model to what's proposed at 210-214 Hegeman Avenue. This was developed on a challenging and small site, and provides studio apartments, a mix between formerly homeless and low-income individuals. 210 to 214 Hegeman is a sustainable affordable and supportive housing development that will provide critically needed affordable housing for 70 low-income and formerly homeless New Yorkers coupled with on-site services. This development is a proven cost-effective solution to the affordable housing and homeless crisis where approximately one-third of New York City and Community Board 16 residents are single households and 13,000 single adults reside in the New York City shelter each night. The sustainable design will include six stories at the base, including two floors are set back. CHP focuses on laying and safety throughout the interior and exterior of the development and the project will create ten permanent

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2 jobs. The project addressed is a growing affordable
3 housing and homeless crisis by providing 42 studio
4 apartments for those ready to-to move into permanent
5 housing and exiting the New York City shelter system
6 with a special need. The project also includes 28
7 HPD lottery units, and based on Council Member
8 Barron's feedback, we have worked with our partners
9 to deeply-to provide 28 deeply affordable units for
10 individuals earning from 30% to 60% of Area Median
11 Income, which at the bottom is \$12,500 and at top
12 \$31,000. We've secured eight Section 8 vouchers for
13 the lowest AMI units at 30 and 40% AMI. CHP and
14 CAMBA work with the local community including
15 Community Board 16 and electives to advertise the
16 units to ensure local residents are housed. For
17 example, on CAMBA Gardens 1 where the-the lottery
18 preference was 31 units for the local community
19 board, we were able to house 36 from the local
20 community board. This project leverages significant
21 New York State financing for New York City including
22 New York State ACT 9% tax credits, project based
23 vouchers and Empire State Supportive Initiative
24 Social Service Funding. The project will revitalize
25 a vacant and dark and underutilized city-owned

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2 property into much needed affordable housing. The
3 100% affordable project includes a suite of
4 amenities, on-site support services and 24/7 security
5 provided by CAMBA. The project's amenities include a
6 computer room for technology and trainings and access
7 to high speed Internet, community room for tenant
8 meetings and workshops, on-site laundry, landscaped
9 rear yard, on-site social services and bike parking.
10 CHV buildings also feature local art and a Shona
11 sculpture from Zimbabwe. At Hegeman CAMBA will
12 provide on-site services to all tenants and assist
13 with the transition from the shelter into permanent
14 housing. CAMBA works with the property manager to
15 interview prospective tenants and provide
16 sustainability and independent living trainings to
17 ensure tenants are prepared for permanent housing.
18 Programs include computer trainings and resume
19 workshops within the computer lab, healthy living
20 activity and tenant group sessions. Service-service
21 programs staff also work with the tenant to review
22 house rules and good neighbor policies and CAMBA
23 support staff introduce tenants to all community
24 amenities and provide a support to succeed and remain
25 stably housed. CHV provides 24/7 security because it

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2 is—it is a valuable amenity for 210 to 214 Hegeman
3 residents the block surrounding the project in the
4 greater Brownsville community. We see 24/7 security
5 as a vital necessity critical—critical to enabling
6 individuals to grow and flourish in their homes,
7 offer needed support of a safe and caring
8 environment. Staffed by CAMBA, the projects 24/7
9 security will utilize cameras and a front entrance
10 office with views into the lobby and Hegeman Avenue.
11 Bill Stein from Dattner Architects will walk us
12 through some of the design aspects of the project.

13 BILL STEIN: Good afternoon Council
14 Members. My name is Bill Stein. I'm an architect
15 with Dattner Architects. We are working with CAMBA
16 Housing Ventures on the Hegeman Avenue project. As
17 you can see from the rendering on the screen one of
18 the things that the building will do is complete the
19 street façade along Heg—Hegeman Avenue and create a
20 lively presence on Hegeman Avenue at what is now a
21 vacant lot. The entry will be clearly marked by a
22 canopy. The building is set back five feet from the
23 street line with a planted buffer between the
24 building and the street introducing some greenery as
25 well as storm water retention to the project. This

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2 is an overview of the site. There is the site in
3 this aerial photograph and it is the area outlined in
4 red. It's at that point where Hegeman Avenue and New
5 Lots Avenue meet. Oh, thank you. Where Hegeman and
6 New Lots meet. That's along the triangle and right
7 across the street is a 6-1/2 story development and in
8 the triangle formed by the two streets, it is a—a
9 small park called Veterans Triangle. The elevation
10 to the building it's an eight-story building, as was
11 mentioned previously, six stories at the base and two
12 setback stories. It will be a brick building, a
13 simple elegant dignified design with a brick color
14 that complements brick in the neighborhood. We plan
15 on having the top of the building be a contrast in
16 color or materials. We met with Council Member
17 Barron and had very valuable input from her. Thank
18 you, and the top of the building, which at one point
19 was thought to be metal panels will be changed. It
20 will not be metal panels and we are studying
21 alternatives as I mentioned either a lighter color
22 brick or—other appropriate material with the idea
23 of reducing the apparent height of the building to
24 make the building fit in more with the context of the
25 neighborhood. Within the building there will be a

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2 high level of finishes including porcelain tile
3 floors in public areas, wood flooring in apartments,
4 finished ceilings in apartments. As Michael
5 mentioned, artwork throughout the building and
6 similar high quality durable and attractive
7 materials. The apartments are studios, are compact
8 studios but they are well designed to provide all the
9 necessary elements for a living environment including
10 a full bathroom, a kitchenette, and features such as
11 individual air conditioner units in each apartment,
12 ceiling fans so that the residents have options for
13 ventilating their apartments according to the
14 temperature and the season. As Jordan mentioned at
15 the beginning of the testimony, this will be a
16 sustainable project. In addition to some of the
17 features he mentioned, we're also emphasizing active
18 design. There will be natural light in the corridors
19 and elevator lobbies as well as the main—as well the
20 stairways encouraging residents to use the stairs
21 rather than elevators when convenient for them. We
22 think the project will be a positive addition to the
23 neighborhood. In addition to the landscaping in the
24 front of the building, there will also be a
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2 landscaped rear yard introducing more greenery into
3 the community. Thank you.

4 MICHAEL BYRNE: And I'll just close with-
5 with our-our timeline. We are going through the
6 ULURP now and scheduled to close in-in June, and
7 we've--as I mentioned, we've leveraged New York State
8 financing for the project, and this is a critical
9 piece of the financing for the project, and-and, you
10 know, we-as CAMBA Housing Ventures we share their
11 concerns and-and, you know, aim to develop affordable
12 housing for families where possible including Van
13 Dyke, which is up the block and the Gateway Elton,
14 which includes 517 family apartments. This site,
15 however, is a-a small, a smaller lot with a
16 challenging foundation that does not allow for the
17 economies of scale, and that would allow for larger
18 family units. We are-if-if we were to include
19 affordable units for one-bedrooms, two-bedrooms,
20 three-bedrooms, we would lose our-our tax credit
21 financing and because the financing from the city is
22 based on a per unit base as we would also be in a
23 significant gap situation for our HPD financing, and
24 that coupled with the loss of about 20% of equity

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after the election cycle for tax credits makes this site challenging.

CHAIRPERSON SALAMANCA: [pause] Alright, thank you very much, gentlemen for your presentation. I just want to recognize that Council Member Darlene Mealy and Council Member Mark Treyger ae with us as well. So I am going to hand it off to Council Member Barron for questions.

COUNCIL MEMBER BARRON: Thank you, Mr. Chair and thank you to the panel. As everyone can see from the presentation that you've given, it's beautiful. The only point that we're at now because you have given consideration to the fact that you can look at another type of face-facing façade on the top two stories, and I have said okay. I'm willing to agree to the Mayor's request to not-to give up an additional five feet on the setback at the top based on the fact that you've given five feet at the ground level. So the only stumbling block that we have here is how we can get some one one-bedroom units. That's the only stumbling block we have. It's my opinion that we need to--yes we have a huge homeless population, and we need to look at a mix of units. I'm not in favor of the all studio. Some of them--as-

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2 as we've said, the average is 300 square feet. I've
3 visited 97 Crooke. Very pleasant, very attractive.
4 So even though those are somewhat smaller I think you
5 said than what would actually be One Hegeman. So
6 and--and the other point, I don't know if you raised
7 is that all of these units are furnished units. So,
8 they have the bed. They have a storage underneath.
9 They have a desk. All that you saw is provided. The
10 only stumbling block is how can we get some few
11 nominal number of one-bedroom units? So in my
12 simplistic non-architectural background it's okay.
13 Instead of a studio and a studio, you take the two
14 and you make a one-bedroom. So, how can we address
15 that issue?

16 BILL STEIN: If I may respond, Council
17 Member. From an architectural--

18 COUNCIL MEMBER BARRON: Yes.

19 BILL STEIN: --and from any point of view
20 what you suggest is totally feasible, and exactly
21 combining two studios makes a one bedroom. I think
22 the challenge of--of this is on the economic and--and
23 financing side of the picture. From an architectural
24 point of view, it's certainly feasible.

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MICHAEL BYRNE: I can talk and--and I
think we've talked about this earlier--

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COUNCIL MEMBER BARRON: [interposing]

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Yes.

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MICHAEL BYRNE: --in terms of the
financing. So because we were able to leverage the
New York State Credits and the Project Based

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Vouchers, the project was awarded about 9%

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competitive tax credits based on the unit count, and

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because of the finances surrounding the--the

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construction of the foundation, we would--it's really

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an all or nothing, and--and unfortunately if we were

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to decrease the unit count from the 71 apartments

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that are currently on the project, we would lose our

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tax credit financing, and there really would be no--no

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project.

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COUNCIL MEMBER BARRON: Okay.

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MICHAEL BYRNE: We have--you know, we've

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done a lot of work and we appreciate your concerns

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around the size of the units, and when the--when the

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site is the right fit and the financing allows for

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it, CAMBA Housing Ventures always looks at--at family

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housing. So, you know, we--again we've--we've done

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everything we can to pull in as much financing as we

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2 can, but at this point, if we were to introduce
3 larger units and cut back on the total unit count, we
4 would lose our-our HDR financing.

5 COUNCIL MEMBER BARRON: Okay, thank you,
6 Mr. Chair.

7 CHAIRPERSON SALAMANCA: Council Member
8 Cohen.

9 COUNCIL MEMBER COHEN: Thank you,
10 gentlemen and thank you, Chair. I was just curious-
11 it's 42 units. Is that considered supported housing,
12 the-the 42 units?

13 MICHAEL BYRNE: So the entire project is
14 considered affordable and supported housing. It's a
15 mix of 67% formerly homeless, 40% low-income through
16 the HPD lottery. The support services are actually
17 available to everyone in the building. The 60% of-of
18 the units, which are the 42 are for those coming out
19 of the shelter system and again the 28 units are-are
20 through the lottery. So it's an integrated model
21 that we consider supportive and affordable housing
22 and we find especially at the lower incomes it means
23 we are able to go down to 30%, 40%, 50%. The
24 services, tenants-all tenants will avail themselves
25 of the services, and they can be of assistance. So

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2 we consider it all to be supportive and affordable
3 housing.

4 BILL STEIN: I would just—I would just
5 add that is typical of an HPD supportive housing
6 project that 60/40% split.

7 COUNCIL MEMBER COHEN: I'm—I'm sure it is
8 and I'm just educating myself along this. As long as
9 you're all here to educate me. The—the 42 units like
10 you don't do AMIs. Is that—is that because of the
11 way that—the—the support services? Like are—are the
12 people who are going to be living there the actual
13 tenants or is there—is the sponsor organization the
14 tenant?

15 BILL STEIN: They—they will be tenants.
16 They will have leases. We don't list the AMIs
17 because as a requirement because they are referrals
18 from the Department of Homeless Services, but the
19 rents will be set at what AMI it will be.

20 MICHAEL BYRNE: The rents for the tenants
21 are set at 30% of their incomes in order to have
22 Section 8—how a Section 8 voucher would work. Those
23 units—those units will be set at 50% AMI, but again,
24 the tenant—the—the actual income of tenants that come
25 from the DHS—DHS shelter system is much better.

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BILL STEIN: And the voucher would cover
the different--

MICHAEL BYRNE: [interposing] Exactly.

BILL STEIN: --between their--their income
and the rent.

MICHAEL BYRNE: If they are on public
assistance for example, the--their income would be
\$200 to \$300 a month and they would pay 30% of that
income.

COUNCIL MEMBER COHEN: But--but the--and
then they would have a voucher for the rest?

MICHAEL BYRNE: Correct.

COUNCIL MEMBER COHEN: Who is the voucher
from?

MICHAEL BYRNE: The--the voucher is--is
through, a New York State homeless voucher or--

COUNCIL MEMBER COHEN: [interposing] Is
it OMH?

MICHAEL BYRNE: It's--it's a social
service funding program, Empire State Supportive
Housing Initiative, which is the New York State
version of New York/New York 3, which is a supportive
services and rent subsidy that subsidized the--the
rent fro the formerly homeless. So it's--it's not

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2 technically a Section 8 voucher, but it acts in the
3 same way as—as a voucher does.

4 COUNCIL MEMBER COHEN: And yet I'm just
5 educating. How—how secure is the voucher? Like do
6 they—do they come up for renewal periodically or--?

7 MICHAEL BYRNE: That program comes up for
8 renewal every five years and OMH has a—a long track
9 record of funding renewals and CAMBA has a—a perfect
10 track record of—of achieving those renewals.

11 COUNCIL MEMBER COHEN: And God forbid if
12 we lost the voucher, the rent would still be capped
13 at 50% of AMI?

14 MICHAEL BYRNE: Correct.

15 COUNCIL MEMBER COHEN: Thank you, Chair.

16 CHAIRPERSON SALAMANCA: I have a few
17 question. The 42 units that are set aside for
18 homeless families, is this part of the Our Space
19 program?

20 MICHAEL BYRNE: It is not. This is
21 through our Supportive Housing Loan Program.

22 COUNCIL MEMBER COHEN: Okay.

23 MICHAEL BYRNE: So it's not. In the Our
24 Space Program that would be a typical affordable
25 housing unit that received additional subsidy for

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2 accepting individuals referred from the—from the
3 homeless system without service needs. In this case,
4 individuals are being referred into supportive
5 housing with services, do have service needs.

6 CHAIRPERSON SALAMANCA: Alright, and the
7 total cost of this project?

8 MICHAEL BYRNE: \$24 million.

9 CHAIRPERSON SALAMANCA: And should you
10 add units, one-bedroom apartment units, what would
11 your gap be? The council member I believe is looking
12 for maybe five units, one-bedroom units. So if that
13 were to happen, what—what will your gap be?

14 MICHAEL BYRNE: The gap would be—since
15 would lose our HCR financing the gap would be roughly
16 \$15 to \$16 million at this point.

17 CHAIRPERSON SALAMANCA: Just for five
18 one-bedroom apartments?

19 MICHAEL BYRNE: It's—it's--

20 CHAIRPERSON SALAMANCA: It's a lot of
21 money.

22 MICHAEL BYRNE: Exactly so as I explained
23 the tax credits are awarded on a competitive basis,
24 and the unit count that we—that we applied and

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2 secured and--and--and proceeded through this process
3 was for 70 units. So if we were to--

4 CHAIRPERSON SALAMANCA: [interposing] I'm
5 sorry. How many units?

6 MICHAEL BYRNE: Seven--70 rental units and
7 one one-bedroom for the super. So it has 71 units. If
8 we were to include even one one-bedroom unit, that
9 financing would disappear, and we would be left in a
10 large gap scenario.

11 CHAIRPERSON SALAMANCA: And even if you
12 decreased your amount of studio apartments for one-
13 bedrooms, you would still lose that--that subsidy?

14 MICHAEL BYRNE: Correct.

15 CHAIRPERSON SALAMANCA: and there's no
16 way for you to increase the amount of units from the
17 71 to add five more--76 units?

18 MICHAEL BYRNE: Bill can take this, too,
19 but we are capped--we're at our maximum FAR.

20 BILL STEIN: We would need additional
21 discretionary actions in terms of zoning changes
22 because as Michael mentioned, we're at the maximum
23 floor area ratio currently that's permitted by the
24 Special Permit should it be approved, and in
25 addition, we're at the what's called the sky exposure

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2 plain. The height of the building is limited. So
3 we would need additional waivers to add another floor
4 or to look at increasing the height of the base of
5 the building from six to say seven stories. These
6 are things that could be done at least theoretically,
7 but they would involve I would say fairly extensive
8 zoning waivers.

9 CHAIRPERSON SALAMANCA: And for the on-
10 site support services, how-how many square footage
11 are you setting aside for them?

12 MICHAEL BYRNE: I-I don't have an exact
13 count of the square footages, but let me give you a
14 count of some of the rooms and it's probably roughly
15 about I would say 2 to 3,000 square feet in total.
16 Among the other amenities we have is a multi-purpose
17 activity room, a computer room, laundry room, and a
18 suite of social service offices as well as outdoor
19 landscaped recreational space for the residents.

20 CHAIRPERSON SALAMANCA: Okay, and you
21 have 24-hour--

22 MICHAEL BYRNE: [interposing] I-I
23 actually have some numbers.

24 CHAIRPERSON SALAMANCA: Okay.
25

1
2 MICHAEL BYRNE: The office space is 838
3 square feet. The community room including the
4 computer room is 1,800 square feet.

5 BILL STEIN: That's 2,600 and then, you
6 know, if we add in some of the ancillary spaces such
7 as the laundry room, and we have a bike storage room
8 and so on, we're close to 3,000 square feet on the
9 amenities as well as in addition to which is there is
10 the outdoor recreation areas.

11 CHAIRPERSON SALAMANCA: Alright, and there
12 will be 24-hour, seven days a week on-site security?

13 BILL STEIN: Correct.

14 MICHAEL BYRNE: Right.

15 CHAIRPERSON SALAMANCA: And that-that
16 service is being provided by CAMBA.

17 MICHAEL BYRNE: Yeah, CAMBA operates 24/7
18 security in all of our supportive and affordable
19 housing projects, and we actually operate a security
20 guard training program to hire for-for the security
21 guards at Hegeman and at all of our projects.

22 BILL STEIN: Council Member, may I add
23 just another comment. The amenity spaces again to-to
24 maximize the number of units because it's such a
25 challenging financing scenario, all the amenity

1
2 spaces other than the entrance, lobby and security
3 desks are located in the cellar of the building below
4 grade, and the way we've tried to make those more-
5 amenities more amenable if you will is we have a
6 sunken courtyard that the residents can go from the
7 activity room or the computer room out to the sunken
8 landscape courtyard, and those spaces we did think
9 about the possibility of putting additional units at
10 that level, but the building code and the Multiple
11 Dwelling Law will not permit dwelling units to be
12 located below grade. So that's unfortunately not a
13 potential option in this case.

14 CHAIRPERSON SALAMANCA: Alright. I just
15 want to recognize Council Member Greenfield who just
16 walked in. With that, are there any other questions
17 from the committee? Any other questions, Council
18 Member? Alright, anyone from the public that did not
19 sign in that has questions on this project? No?
20 With that, I will close the public hearing on this
21 project. Thank you very much. [pause] Alright, so
22 we're—we're going now with the Canton, the Canton
23 Flats—Caton. I'm sorry. Caton Flats Application so—
24 [[background comments, pause] Alright, welcome. So
25 before we open up the hearing to the Caton Flats

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2 Application, Council Member Eugene will make at
3 statement. Council Member.

4 COUNCIL MEMBER EUGENE: Thank you very
5 much, Mr. Chair and I want also to thank all my
6 colleagues and applicants today, and thank you also
7 to all the members of the community who are here
8 today. It just a pleasure to see you, and as you
9 know, my name is Mathieu Eugene, and I'm the New York
10 City Representing District 40 in Brooklyn. The Caton
11 Market in Brooklyn is going to take place in my
12 district, and I'm just going to be very brief for the
13 sake of time that when I was elected for the first
14 time, I tried to put an additional floor to the
15 market, and I was informed that in the bays cooling
16 system an additional floor. And since I've been
17 elected, I've been putting funding to sustain to tend
18 the market, the current market for renovation, for
19 repairs. That's why this is something I've been
20 always, always in support of. So the project is a
21 wonderful project, and you know this is my moral
22 responsibility as the local—as the representative of
23 the district to support any good thing that is
24 happening in my district. And since day one, since
25 the first meeting, I let EDC know exactly where I

1
2 stand, and we are still thinking about that. Is it a
3 great project? When we talk about—when we think
4 about affordable housing in New York City, when think
5 about jobs so we always have to support a program or
6 project that will bring jobs and affordable housing.
7 The first that I want to say is that I want the
8 vendors that was my first request to EDC, and I got
9 one of the witnesses here. She's shaking her head.
10 That's Winnie Thompson (sic). If what I'm saying is
11 that true, please stand up and say no, Council Member
12 this is not true. The first thing that I ask is for
13 the vendors to have a temporary site for them to
14 continue to do their business because they are very
15 hard working people. This is the way they have to
16 make some money to sustain their families, to bring
17 food on the table and to pay the roof over their
18 heads. And the second thing that I want to see also,
19 I want them to return to new market after the
20 construction. They have to return, and I want to see
21 guarantee that they are not going to be removed a few
22 years after. We have to set rules in the relation
23 that protect them, and they have to have the
24 opportunity to have affordable rents for the market
25 also because they have been there since the creation

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2 of the market, and they have been working hard to
3 tend the market. If we are talking about to
4 renovate—to renovate the market, to create that
5 beautiful view (sic) it is because those people they
6 have been working hard paying their fees, their rent
7 every time. We owe them something. The other thing
8 that I want to talk about is jobs. This is a lot of
9 jobs, and this is going to take place in my district.
10 There are many good workers in my district. People
11 can work in this construction, and I want to see them
12 have the opportunity to have some job also. We would
13 like to create jobs in my district. We have also
14 supplies. People who are selling construction
15 supplies we have to make sure that they have some
16 contract also. It makes—it makes sense, and you know
17 that this is my moral obligation to fight for my
18 district and to fight also for my constituents. When
19 you talk about affordability, housing is in crisis in
20 New York City. We know that. Every single day we
21 walk on the street we see homeless in Manhattan and
22 everywhere, and I think this is our moral obligation,
23 we in government to create affordable housing. And I
24 was so delighted to see that we have the opportunity
25 to create affordable housing for the people in my

1
2 district, for the people in New York. But the thing
3 that bothers me when I see the affordability this
4 plan is going to provide affordable housing to many
5 of my constituents. When we look at the formula, and
6 I'm going to use the one provided to me, we have 47
7 AMI. This is the lowest numbers, but I think for
8 people who are making 31, the minimum, \$31,750 for a
9 single (sic) unit, and \$36,250 for a family of two;
10 \$40,800 for a family of three and we go on. But
11 there are many people in my district who are not
12 making that, who are making less than the considered
13 AMI, and they go to work every single day. They're
14 contributing also to the economy of New York City.
15 They are part of the fabric of New York City. We
16 cannot just exclude them because of their salary. I
17 want to see more affordability. I want to see that
18 we are able to reach out to those people and give
19 them also the opportunity to get access to the
20 affordable housing. I want to see 20% AMI, not 47,
21 30%. In addition to that, let me just quickly
22 mention that 50% of the affordable housing will go to
23 those who are making a lot of money, a lot of money.
24 One of the two—30% AMI, 50% of the affordable
25 housing, and 20% of affordable housing to those. You

1
2 know, we—80% of AMI and only 20% of those who are
3 making less. I don't think this is correct. The
4 people who need affordable housing the most are those
5 people who are making less money. I think that we
6 have to sit down together to get a better formula
7 that can provide to everybody. It doesn't matter if
8 you are making a lot of money, you are making less or
9 you are not making not enough, everyone should have
10 the opportunity to benefit from this project. I'm
11 going to conclude by saying I am not against the
12 project. I am not. What I'm looking for, I'm
13 looking for a project that can look more affordable,
14 and that can provide to everybody their fair share.
15 Let me remind you that \$3 million from my capital
16 budget will be used also for the cost for each one of
17 these projects. \$3 million. That's because I'm not
18 against it, but I hope that we can work together, and
19 the one to protect those vendors and to make sure as
20 all of us they can continue to work to bring food on
21 their table, to pay the roof over their heads, and we
22 want to make sure that we work together to create
23 jobs in my district for my constituents. And also to
24 make sure we provide more affordable housing because
25 this is one of the best opportunities that we have to

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create affordable housing because this is the city

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land, this is the city land, and I say that to my

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colleagues way before. When we were talking about

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the Mayor's plan for affordable housing I said that

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city lands are great opportunities to create true

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affordable housing, and again, Mr. Chair, thank you

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so very much and thank you very much to all of you.

9

Thank you. [pause]

10

LEGAL COUNSEL: Okay, we'll start with a

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panel, we're saying the applicant for this project

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and just please introduce yourself before speaking.

13

Go ahead. [pause]

14

BEN GOODHUE: Good afternoon. My name is

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Goodhue (sp?) and I'm the Assistant Vice President in

16

the Real Estate at the New York City Economic

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Development Corporation. I'd like to thank our Chair

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Salamanca and the members of the Subcommittee on

19

Planning, Dispositions and Concessions for providing

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us with an opportunity to the present the Flatbush

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Caton Market project to you this afternoon. At EDC

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it is our mission to create shared prosperity across

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New York City's five boroughs by strengthening

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neighborhoods and growing good jobs. One important

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way we do that is by cultivating inclusive innovation

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and economic growth. This project is one that we believe achieves many of the core principles of our mission, strengthening to local neighborhood institutions the existing Flatbush-Caton Market and the Caribbean-American Chamber of Commerce and Industry better known as CACCI. Additionally, it preserves and creates jobs and it will facilitate the construction of much needed affordable housing. The Flatbush Caton Market was established in 2000 as an open air market by former Council Member Dr. Una Clark. In 2001, the construction of the new permanent building for the Americans began and the new market was officially opened in 2002. For the past 17 years, the Flatbush Caton Market provided an off-street business location at affordable rates to former street vendors and micro entrepreneurs with a strong social, cultural and economic interest in the local community. The city identified the potential to transform the current Flatbush Caton Market site into a mixed-use development, while retaining and improving the market to support the long-term growth and vitality of dozens of local vendors and entrepreneurs under the previous administration. As such, EDC released a Request for Proposal in November

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2 2013 for the acquisition and redevelopment of the
3 approximately 32,000 square foot project site, which
4 is currently utilized by the Flatbush Caton Market, a
5 local cultural institution that is managed by the
6 Caribbean-American Chamber of Commerce and Industry,
7 which houses various vendors selling their—their
8 products, and the municipal parking lot managed by
9 the New York City Department of Transportation. The
10 RFP included the following development goals:

11 To redevelop the sit into a mixed-use
12 development including commercial, residential and
13 community facility uses; a central component with—to
14 develop a new and improved space for the market on
15 site. Additionally, it was to provide a source of
16 quality jobs for the community and to ensure that the
17 new development exemplified design excellence.

18 In October 2015, EDC was joined by
19 Brooklyn Borough President Adams, Council Member
20 Eugene, Dr. Una Clark, and other elected officials to
21 announce BRP Development Corporation was selected as
22 the developer to transform and redevelop the site.
23 BRP a certified MWBE developer is a world regarded
24 affordable housing developer with significant
25 experience building mixed-use projects throughout the

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2 city. Not only did they submit a strong proposal,
3 but they were the only respondent who identified a
4 temporary site that could house all existing vendors
5 during construction, and in addition identified our
6 green development, another MWBE firm equipped to
7 provide capacity building and marketing support to
8 the current vendors. Their proposed project, which
9 you will see today incorporates a new more spacious
10 market space for vendors as well as office space for
11 CACCI and Incubator space for small businesses with a
12 commercial kitchen space and additional classroom
13 space and that to support the growth and vitality of
14 local vendors and entrepreneurs, which will help to
15 ensure a bright future for the market as a local
16 institution and help diversify employment
17 opportunities in the neighborhood and city. In-in
18 addition to these benefits, the new building include
19 250 units of affordable housing. To ensure that the
20 current market vendors are well supported through the
21 redevelopment process, EDC negotiated and entered
22 into a contract of sale with enforcement oversight of
23 BRP and market commitments, which is violating the
24 result in the event of default under the terms of the
25

1
2 contract or the deed. Examples of these safeguards
3 to protect vendors are as follows:

4 EDC has approval rights over the list of
5 vendors moving to the temporary market and back to
6 the permanent market. EDC has the right to review
7 and approve agreements between BRP and their Urbane
8 (sic) and Urbane Market vendors. When transitioning
9 to the temporary space, the management team will
10 enter into rental agreements with vendors for the
11 duration of the temporary market. Vendors will be
12 subject to conditions of operating guidelines, which
13 will be produced prior to the temporary move in
14 coordination and collaboration with them. Ten ensure
15 rents will—will be maintained at reasonable levels,
16 rent for existing vendors will be comparable to rates
17 being paid now with increases pegged to increase in
18 market operation costs, which are not to exceed 5%
19 annually.

20 To ensure that the Flatbush Caton Market
21 remains a dedicated vendor market, the deed will have
22 use restrictions requiring that the new Flatbush
23 Caton Market be used as a retrieval market primarily
24 for small business vendors and that the community
25 facility space be used by a non-profit organization

1
2 as a convenient facility space as defined by New York
3 City Zoning for a term of 50 years.

4 Since the October 2015 announcement, BRP
5 and the departments have been working with EDC,
6 market vendors, and local stakeholder including the
7 market founder Dr. Una Clark, Congresswoman Evette
8 Clark, Borough President Eric Adams and Council
9 Member Mathieu Eugene to prepare for the transition
10 into-into a temporary relocation space, which we will
11 hear more about today. We respectfully ask that the
12 Council approve this application to help achieve our
13 shared goals of providing the Flatbush community with
14 the newly renovated Caribbean themed public market,
15 office space for CACCI, Incubator space for small
16 business entrepreneurs, and 250 units of affordable
17 housing creation, all of which will contribute to the
18 neighborhood's continued vitality and vibrancy. I
19 would like to now introduce Geoff Flournoy, the
20 Management Partner and Co-Founder of the BRP who will
21 tell you about his firm and introduce you to the
22 Development team who will walk you through the
23 proposed project. Following his testimony, we will
24 be happy to answer any questions you may have.

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2 GEOFF FLOURNOY: Thank you. Good
3 afternoon, Chair Salamanca and members of the
4 Subcommittee. My name is Geoff Flournoy. I'm the Co-
5 Founder and Managing Partner at BRP Companies. We're
6 joined here by Andy Cohen, Director of BRP
7 Development and James Pieltt, President of Urbane
8 Development to my far right. BRP Companies is a
9 vertically integrated full service real estate firm
10 comprised of development, construction, property
11 management and fund management and fund management.
12 BRP has developed affordable mixed-income, mixed-use
13 projects throughout the city including Brooklyn,
14 Manhattan, Queens, the Bronx. It's important to note
15 that BRP was founded in Brooklyn and, in fact, my co-
16 founding business partners Meredith Marshall has deep
17 roots in the Flatbush community. Meredith grew up
18 just one mile away from the proposed Caton Flats
19 development and plagues Little League baseball for
20 the Brooklyn Bonnies (sic) just two blocks away. As
21 you could imagine, this project is near and dear to
22 our heart. We are pleased to present the Caton
23 Market—the Caton Flats Development along with our
24 partners, the Caribbean-American Chamber of Commerce
25 and Industry, a pillar of the New York City Caribbean

1 community, and Dr. Hasbet (sic) is with us today.

2 Also, Freeform Deform Architects, a Brooklyn based
3 minority owned and operated architectural firm and
4 Urbane Development, a minority owned and operated
5 community development venture at the forefront of
6 urban retail market development and operations.

7 Caton Flats is a mixed use 100% affordable
8 development consisting of a new and improved market
9 with the current Caton Market vendors,
10 entrepreneurial incubator space, 251 affordable
11 homes, a new headquarters and trade center for CACCI,
12 neighborhood retail space, and parking. As an active
13 member of the community, the Caton Flats team has
14 worked closely with Council Member Eugene, Borough
15 President Adams, EDC, HPD, City Planning and
16 Community Board 14 to ensure that the project
17 responds to the needs of the local community and the
18 city at large. As such, we have established the
19 following goals for the project:

- 20
- 21 1. To develop a new and improved market
22 space for the current Caton Market vendors, and offer
23 significant training and support for the vendors as
24 well as local entrepreneurs.

1
2 2. To create a community hub at the
3 center of New York City's Caribbean community.

4 3. And lastly to provide much needed
5 quality affordable housing.

6 Thanks for the help and the vision of Dr.
7 Una Clark we hope to achieve these lofty goals and
8 make the new Caton Market Development a place that we
9 can all be proud of. I'll turn it over to James
10 Piet..

11 JAMES JOHNSON-PIETT: Thank you, Geoff.
12 First, thank you Councilman Salamanca, Council Member
13 Eugene and the members of the subcommittee. My name
14 is James Johnson-Piett, and I am the Founder and the
15 CEO of Urbane Development. Urbane is a New York
16 based economic development consultancy that works
17 with underserved communities throughout the U.S. to
18 develop strategies, projects and products that
19 promote wealth generation. We specialize in helping
20 enterprises and entrepreneur take their businesses to
21 the next level. Not only as a strategy for creating
22 wealth, but also as a way to begin to address social
23 inequities. Since 2008, Urbane has worked with over
24 1,000 small businesses, helped raise over \$50 million
25 for their enterprises in over 30 communities

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2 throughout the—throughout North America. We are
3 excited to work with BRP, the Flatbush Caton Market
4 vendors, CACCI, EDC and other partners who
5 repositioned the Flatbush Caton Market into an
6 upgraded facility. Our role is to uphold the vision
7 of Council Member Una Clark in creating a safe and
8 vibrant market where Caribbean entrepreneurs can
9 establish their businesses and build toward economic
10 security, and we serve a s welcoming center were
11 recent immigrants can find their footing in the
12 community. Our work is guided by a renewed mission,
13 to reimagine Flatbush Caton Market as a world class
14 marketplace where Caribbean theme goes in services to
15 develop a robust business support infrastructure that
16 supports Flatbush Caton Market vendors and community
17 based entrepreneurs in building a viable sustainable
18 business platform, and to create a welcoming center
19 that invites Caribbean and other global diaspora to
20 help make Caton Flatbush Market the global hub for
21 culture, commerce into—into a reality.

22 Now, let's talk about the project site.
23 Flatbush Caton Market is located at the corner of
24 Flatbush and Caton Avenue, which occupies a critical
25 intersection within the Flatbush community. The

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2 intersection acts as a de facto gateway to the
3 traditional community-current commercial shopping
4 district while the market is at the northern
5 commercial anchor for the neighborhood. The single
6 story market houses 41 market vendors many of whom
7 have operated at the market since its inception in
8 2000 as an open air market. Many vendors hail from
9 various Caribbean and South American and West African
10 cultures, and offer a variety of products and
11 services including clothing and accessories, health
12 and beauty care items, dried foods and other cultural
13 artifacts.

14 Now, let's talk about our work to date.
15 Since January 2016 Urban Development has acted in an
16 advisory role at Flatbush Caton Market. Our primary
17 focus has been to collect data and information from
18 the vendors on their operations, finances, inventory,
19 and overall business model, to inform the temporary
20 and permanent market redevelopment while gaining an
21 understanding of how to best support the vendors in
22 the short term during the market transition. As
23 such, Urbane has worked with vendors on product and
24 business marketing including designing the market
25 collateral. Urbane is also working with select

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2 vendors on the website and social media technology
3 integration, access to cheaper raw materials and
4 wholesale pricing for goods, access to affordable
5 capital via microloan products, advice on tax, legal
6 and regulatory compliance issues and access to
7 support social support services particularly for
8 senior entrepreneurs with language access concerns.
9 In partnership with CACCI and Caribbean House, Urbane
10 co-hosted two holiday events to showcase products and
11 services available to the market and to draw
12 residents from surrounding communities and beyond.
13 In the coming year, prior to transferring (sic) to
14 the permit-to the temporary market--excuse me--we will
15 continue to pursue external events and test new
16 marketing strategies. This will include newspaper,
17 radio and other local press. Many pop-up markets at
18 the current site and throughout the neighborhood as
19 well as helping individual vendors sell their ware in
20 high traffic markets and retail spaces throughout the
21 city. Urbane is also partnering with CUNY and other
22 potential workforce and training organizations to
23 find young talent to help assist existing vendors
24 with their businesses while supporting local students
25 in the opportunities for work-for work experience.

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For example, we are exploring an internship program with Medgar Evers School of Business that can start as soon as this summer. Urban Development staff is regularly on site at the market and gives new vendors and where appropriate advocating on their behalf. We have hosted three large community meetings in December 2015, August of 2016 and March 2017 to keep vendors apprised of the status of the public process, update vendors about the plans for a temporary space and to invite their feedback. Our most recent-recent meeting was March 22nd where over 35 vendors were in attendance with representatives for city agencies and community organizations present as well. Since we were actively engaging vendors individually to catalog their feedback from our latest presentation why we're moving onto the temporary market space. During construction of the new building, Caton Flatbush Market will be relocated to a temporary site on 2184 Clarendon Road. The temporary location is less than one mile from the current location, which is about a five-minute drive and nine-minute bus ride of 15-minute walk directly down Flatbush Avenue. It includes a 9,000 square foot space, which is larger than the current space we were—we occupy now, and can

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2 accommodate all the existing vendors. Recognizing
3 that the location and resettlement may impact sales,
4 vendors will be offered free rent for a period of one
5 year. We will also cover the cost of relocation from
6 the existing market to the temporary market as well
7 as back to the permanent space as well. We are
8 working with an architect to create a clean, modern
9 space with design elements to promote better
10 circulation and also address vendor's concerns with
11 visibility within the market as well as security. As
12 part of this process, we are planning a series of
13 charrettes where vendors can engage with the
14 development team and the architect to inform the team
15 of their needs. Preparation for the move will
16 include significant inventory management and
17 liquidation assistance. Building on our previous
18 work, we are conducting one-on-one meetings with
19 vendors to analyze their current inventory and sales
20 trends, which will inform development of individual
21 plans to smooth the transition.

22 The Temporary Strategy. Once vendors are
23 in temporary space, we will offer at no cost to the
24 vendors training and business operations and
25 marketing. The temporary market will include

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2 classroom space for that purpose. Urbane has
3 identified a myriad of local, regional and Caribbean
4 based print, digital, radio and TV outlets in which
5 we can begin advertising the market immediately.
6 Initial steps include pitching stories for our media
7 hits, and gaining coverage on special events. As the
8 market move s closer to this transition timing,
9 Urbane and the development team will begin
10 significant advertising in various media outlets in
11 social media to alert customers of the impending move
12 while reminding them to come to the market. Urbane
13 will also assist in disseminating marketing
14 materials, and promotion materials throughout the
15 neighborhood directly to customers and businesses.
16 Finding cross promotional opportunities with the
17 local BIDs, to continue to work commerce to promote
18 the marketing vendors is another key strategy going
19 forward.

20 Moving to the permanent market. We
21 envision a temporary space as an opportunity to
22 strengthen the existing vendors' operations in
23 preparation for a new hypothal (sic) market that
24 serves as a showcase for Caribbean entrepreneurs of
25 small businesses that offer an array of products,

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2 services and signature experiences that are unique to
3 Flatbush and the surrounding community. The new
4 market will include several enhancements to create a
5 more diverse, dynamic and engaging experience for
6 vendors and customers. We envision the market as a
7 welcoming center for vendors and area residents,
8 which include common space locations can give—commune
9 and dine, but in such a community. One of our
10 primary goals is to create a market where vendors can
11 use their retail spaces more effectively. In the
12 current configuration, several vendors make and sell
13 products within their 8 x 8 foot booths. The new
14 market will include production space separate from
15 the retail space for food, clothing, health and
16 junior entrepreneurs. Separate production areas will
17 enable vendors to display a greater amount of
18 products while creating a clean open feel in their
19 retail areas. For food, we know is the key driver of
20 traffic. The new market will include a shared
21 commercial kitchen for on-site preparation, and a
22 number of dedicated micro kitchens for more
23 established food vendors. We also intend to make the
24 commercial kitchen available on a rental basis for
25 entrepreneurs who are not necessarily housed at the

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market. Our new market will also include a cut and
sew lab for vendors who design and make clothing and
accessories. It will also allow vendors to offer
classes and create a more engaging experience and
diversified source of income, which contributes to
the stability of the businesses. The new market will
include a lab quality production space to support
natural health and beauty entrepreneurs. Our
research showed a need for more small scaled
production space for our entrepreneurs to test their
products in the marketplace in the scale or
operations towards a more cost-efficient production
set--capacity.

The other components of the new market
will include a flexible classroom space, equipped
with audio-visual technology. We are aware for the
need for viable community space presented by
Community Board 14's recent Statement of Needs, and
conveyed during the Community Board public meeting.
The classroom space will also be used to--for ongoing
business development training and technical
assistance to our vendors in partnership with
community organizations such as CACCI, CAMBA and
local community schools. These workforce development

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2 opportunities will also be available to the community
3 at large. I am excited about the opportunity to
4 build on what was started in Flatbush Caton Market
5 more than 15 years ago to create a reinvigorated and
6 dynamic home for vendors and the surrounding
7 community. We look forward to working with BRP,
8 CACCI, the city and our community partners to assess
9 the development—the new redevelopment project. Now
10 I'll hand it over to my colleague Andy Cohen.

11 ANDY COHEN: Good afternoon, Chair
12 Salamanca and members of the Subcommittee, Council
13 Member Eugene. My name is Andy Cohen. I'm Director
14 of the Development at BRP Development Corporation.
15 As Geoff mentioned earlier, we work closely with
16 Council Member Eugene, The Borough President, EDC,
17 HPD, DCP and the local community. Over the past
18 three years we have been developing our vision for
19 and plans for the project. The results is a
20 community focused project that consists of a new and
21 improved market for the current Caton Market vendors,
22 incubator space for the vendors and—and surrounding
23 community, retail space, a new headquarters and trade
24 center for CACCI, 251 affordable apartments and
25 parking for use by the residents, market patrons and

1
2 general public. Given the scale and location of the
3 project, the building will be a focal point for the
4 community and such, the Development Team has worked
5 extremely closely with the Department of City
6 Planning on the building's design. We spend a great
7 of time studying different materials and façade
8 treatments in order to minimize bulk. We've
9 implemented setbacks in the 11th and 13th floors and
10 we have setback the entire building above the ground
11 floor at the new rear yard. We've also set back the
12 entire building on the Caton Avenue façade to create
13 a—a plaza for the market and for the community on the
14 Caton Avenue façade. The ground floor will consist
15 of new and improved—the ground floor will consist of
16 new and improved market space for the current
17 vendors. This space will be larger than the current
18 market and can accommodate existing vendors while
19 providing opportunities for neighborhood
20 entrepreneurs to join the market as new vendors. We
21 are also introducing an incubator space for training
22 and manufacturing of goods as well as complementary
23 neighborhood retail and a dedicated lobby for CACCI's
24 headquarters, which will be head—which will be
25 located on the second floor of the project. The

1
2 remainder of the project will consist of below grade
3 parking and 251 affordable apartments on the 2nd
4 through 14th floors. As a firm, BRP is committed to
5 energy efficiency and has worked closely with the
6 Borough President's office to incorporate resiliency
7 measures such as green roofs and landscape areas to
8 minimize the impact of storm water runoff. BRP also
9 employs active design principle across its portfolio
10 and around Caton Flats present—promote physical
11 activity by all of its residents. Our team has
12 worked closely with HPD and continues to work with
13 Council Member Eugene to provide an affordability
14 plan that will address the needs of the community and
15 the city as a whole. The project currently adheres
16 to HPD and HDC's M-square program with affordability
17 tiers at 50%, 80%, and 130% of the AMI. We look
18 forward to continue to work—to working with the
19 agencies and with Council Member Eugene on
20 implementing an—implementing an affordability plan
21 that works for the community. We have also been
22 working with local elected officials to make sure
23 the—that the community and particularly seniors are
24 aware of the New York City Housing Connect Lottery
25 process for obtaining a residential unit. The

1
2 Development Team is committed to working with local-
3 with the local community liaisons to host workshops
4 for local residents with a focus on senior outreach,
5 provide guidance on the lottery and make sure the
6 community residents are aware of the upcoming lottery
7 as well as tips for assembling a successful
8 application for housing. Planning for Caton Flats
9 has truly been a collaborative process. We've
10 conducted over 20 meetings with elected officials,
11 stakeholders, community members and received a
12 unanimous vote from Community Board 14, the Brooklyn
13 Borough President's Office, and the City Planning
14 Commission. After ULURP approval we expect to
15 relocate the vendors in mid to late September 2017
16 for the new space that James-James talked about, and
17 the begin construction on the new market in December
18 of 2017. The new market-the new building will-will
19 take approximately 24 months to complete. The
20 vendors returning in early 2020 and the building
21 fully leased up and fully operational by the end of
22 2020. We'd like to thank Council Member Eugene for
23 his diligence in working with our team. As a result
24 of this hard work, we've committed to significant
25 MBWE and local hiring goals, affordability provisions

1
2 as well as resources and protections for the current
3 Caton Market vendors. I'm happy to answer any
4 questions that you may have. Thank you for hearing
5 my testimony.

6 CHAIRPERSON SALAMANCA: Thank you very
7 much for that presentation. I'm going to hand it off
8 to Council Member Eugene. I'm pretty sure you have
9 some questions.

10 COUNCIL MEMBER EUGENE: Thank you very
11 much, Mr. Chair. Thank you. The first speaker
12 mentioned that the market was created in 2001. Can
13 you tell me how much money the, you know, what was
14 the cost of the market when it was created the
15 current one?

16 CANADA MCQUEEN: That's a great question,
17 Council Member. My name is Canada McQueen. I'm From
18 EDC and our Government and Community Relations team.
19 We can get—I can get back to you in terms of the
20 specific number, the—the number on that investment.

21 COUNCIL MEMBER EUGENE: Could you please
22 send that to my office? I would appreciate it.

23 CANADA MCQUEEN: Yes.

24 COUNCIL MEMBER EUGENE: When can I expect
25 you to send it?

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CANADA MCQUEEN: I will reach out to our teams today, and we will get that back to you by--

COUNCIL MEMBER EUGENE: Thank you very much. I've asked it, you know, when I was speaking and I said that before, this is a great project. This is a wonderful project. Job opportunities, affordable housing, a beautiful building since then, and I see that you got a lot of partners, and I'm one of them currently--currently.(sic). [laughs] No, but seriously let me--let me say that you know this is my moral obligation to fight for my district, and to make sure that, you know, my district basically from any projects that come to my district. You are not the first that ever come to my district. I always try to work together with them to create job for my constituents, to make sure that there's--there's supplies in my district, the opportunity have some contract. But in this particular one, one of my biggest concerns is the affordability. As I said before, there are many people in my district organizations or vendors (sic) that would be excluded. What will you--you--what are you going to do after we've worked together to make sure that those people will be qualified to get access to the--this

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2 affordable housing because of the salaries? How can
3 we work together to make sure we include more people,
4 more families with low-income?

5 CANADA MCQUEEN: Thank you, Council
6 Member. As you understand, the number one goal on
7 this project is really to retain and expand and
8 improve the current Flatbush Caton Market. So we
9 want to first make sure that we are ensuring that
10 that goal is accomplished, and as you're speaking
11 about we want to also ensure that we are able to
12 produce this 100-100% affordable project, and get to
13 AMIs that-ensure that there are AMIs that are
14 effective with all the different incomes that are a
15 part of the Flatbush community. So we want to
16 continue to work with you to make sure that we're
17 addressing any of your concern around making sure
18 that there are-there's affordability tiers that speak
19 to some of the residents that make-from all of the
20 different spectrums of incomes.

21 COUNCIL MEMBER EUGENE: Well, I don't
22 want to talk about that, but I want to commend you
23 also, and thank you for your effort to secure new
24 priority (sic) placement of vendors. The first was
25 no good. [laughs] The first one was no good, but I

1
2 commend you for that, and I'm very pleased, and I
3 want to visit it. This one is great, and I will hope
4 that I have the opportunity to commend you also on
5 the affordability also.

6 CANADA MCQUEEN: We look forward to it.

7 COUNCIL MEMBER EUGENE: And also my
8 question to you will the vendors have affordable
9 rent?

10 CANADA MCQUEEN: Definitely. So again,
11 the number one priority in this project is ensuring
12 that the existing vendors are protect and a part of
13 this larger development project. With that, you
14 know, in mind EDC will be able to have approval
15 rights over any other rents that are proposed by BRP
16 and at this point we can—the parts that are joint in
17 the new market will comparable to the existing rents
18 from our—for the vendors and as currently the case it
19 won't be subject any type of market operation
20 increases. So rents stay as comparable to current
21 rents in the market now.

22 COUNCIL MEMBER EUGENE: So are you going
23 to set some rules in the relation that protects the
24 vendors? Because you know, this is America.
25 Everybody should have this similar to—you know, all

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2 of us we come for the same reason. We are here for
3 the same reason. So we should not undermine a
4 category of people. We've got to make sure that, you
5 know, the rules in the relation they are fair for
6 everybody.

7 CANADA MCQUEEN: Uh-huh.

8 COUNCIL MEMBER EUGENE: What is the
9 guarantee you can give me that the vendors they are
10 going to be protected also?

11 CANADA MCQUEEN: I'm going to hand it off
12 to my colleague David just to speak about some of the
13 contractual commitments that EDC is making, but first
14 and foremost to the point that you were making, we
15 are assuring that the vendors are protected
16 throughout this whole process, which is why BRP
17 estimated it to 12 months of free rent at the
18 temporary space and also committee to giving us a
19 better temporary space as you just mentioned, and
20 covering all moving expenses, and then I will hand it
21 off Ben to speak about some of the commitments that
22 BRP will contractually be obligated to.

23 BEN GOODHUE: Yes. Yes, thank you. As
24 you mentioned, affordability is a big thing not only
25 for the affordable housing component, but obviously

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2 also for the vendor markets. As Canada has said,
3 initially BRP had offered six months of free rent,
4 and through collaboration and having exchanges with
5 not only yourself, but other interested stakeholders,
6 such as the vendors, they have since subsequently
7 increased that to a 12-month duration of free rent.
8 In addition to that, all moving costs will be covered
9 by the developer and in addition to that they are
10 going to be offering training and workshops that will
11 also be covered free of charge at their expense.
12 With regards to sort of safeguards for the vendors,
13 there are contractual obligations in the contract
14 themselves that EDC has with BRP that provide
15 protections to the vendors. There will also be
16 additional safeguards in the deed for the property
17 transfer that will require that the vendor market be
18 utilized as a vendor market primarily for small
19 business entrepreneurs for a duration of 50 years.
20 So I think that, you know, we--we definitely try to
21 maintain that a robust effort be put forth in terms
22 of making sure that there is minimal disruption
23 although there will be some to market vendors, but
24 also trying to be cognizant of the fact that their
25 current business is being operated from the site, and

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2 we're trying to do everything in our power to try to
3 mitigate or lessen the impacts.

4 COUNCIL MEMBER EUGENE: You know, that
5 New York City is home to so many people so many
6 immigrant people coming from all the corners of the
7 worlds, you know, in Brooklyn and especially my
8 district is a very diverse district, vibrant. As a
9 matter of fact the district in New York City.

10 [laughter]

11 BEN GOODHUE: I don't like to hear that.

12 COUNCIL MEMBER EUGENE: I don't actually
13 say the same thing right? We all say the same thing.
14 Let me says this now. There are people that, you
15 know, they come from their countries, you know, from
16 a different culture. They—they speak another
17 language. It is very difficult for them to
18 assimilated the American system, and also to be in
19 touch really. It doesn't matter, you know, even
20 people who are well educated. They may be teachers
21 or there are some challenges to be integrated and to—
22 to find it, to navigate through the American system.
23 What do you have in place to have this tabling of
24 people who are of varying cultures and—and also
25 because of their age, they need some additional help.

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What do—will you put in place to help them succeed also?

CANADA MCQUEEN: So there's Urbane. I will hand it off to James to speak about all of the support that Urbane has been able to provide the vendors. I think, you know, just as now we have several vendors here and friends from Rockland (sic) being over here and having live translation that they're—to make sure that they're hearing any type of news and apportioning of language. I think those are—that's one of the supports that we always make sure that we had at any vendor meetings and the public discussions about this—about this project. And to your point about just thinking about rules and, you know, we're in a—trying to make sure that everyone is accommodated to those. These are the market rules will be basic fair rules that are protocol and we have the public market, and again, we're in partnership with you, of course, Council Member, and under your leadership I think we can continue to discuss and finalize what those rules look like. If there's any—any addition to have to rule out, James from Urbane needs to speak.

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JAMES JOHNSON-PIETT: Sure thank you
Canada. The first thing we did to your point around
making sure that the—the vendors were safeguarded but
also has a cultural connection to our team. We hired
Creole speaking staff to make sure that we can
communicate directly with vendors or all language
types. I have to say I was—I was actually pretty
excited when first started the projects because, you
know, I'm African-American. I grew up in
Philadelphia. I had a lot of Caribbean friends, and,
you know, my introduction to the—to the Caribbean
culture was a little bit different than—than what I
experienced here, and I've learned quite a bit from
the vendors here. I mean, you have an 85-year-old
entrepreneurs who get up every day and, you know, put
on their clothes like everybody else and go to work,
and that's really kind of inspiring for us. So I
wanted to make sure that our team could speak to the
issue that's to your point they were encountering.
So it wasn't just the business side of it. It was
the social services issues as well. So we have a
matrix. We have a—a list of social service providers
that we've been collecting over the last year that
can provide more single services. So—we're realizing

1
2 some of the trends in services right now, but the
3 Haitian Community Coalition, they're—they're housed
4 within the market right now. We've been utilizing
5 their services. Have met from a business
6 perspective. We talked to them. You know, we have—
7 we're—we're learning and I think we're going to
8 hopefully coordinate with your office around, you
9 know, all the different types of organizational
10 resources that are out there that it can help support
11 the vendors. But we're—we're—we spent the last year
12 talking to them because we want to understand what
13 the vital issues are, and we saw that it was health
14 issues navigating the health system. So CAMBA is
15 right across the street from us. We would like to
16 utilize those guys from a law and medical kind of
17 clinic perspective because they have resources to—to
18 bear. You know, we think we have a pretty solid
19 pulse on what some of those kind of key social issues
20 are, and the space that we're going to create at the
21 temporary market can house third-party organizations
22 that can help, you know, bring the services to the
23 vendors. That saves them having to go out and find
24 them. So our hope is that we can use the space as a
25 hub. You know, one just to welcome new immigrants in

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2 the space, and we don't want to forget the welcoming
3 center aspect of the market. It's important. I
4 think as the office the City is going to make the
5 businesses work better, as well as make the social
6 service drivers work better as well. You know, so
7 again, our team is multi-lingual, we're multi-
8 skilled. We have folks who understand business, but
9 also social issues, and we're certainly going to
10 utilize the—the network of organizations that are in
11 neighborhood to kind of service the vendors and help
12 them out going forward.

13 COUNCIL MEMBER EUGENE: Okay. So now my—
14 my last question will be about jobs and the contract.
15 I told you before that I'm, you know, I'm very
16 interested to see some jobs, you know, that are
17 really going to my constituents because hey are good,
18 you know, workers in my district. You know, they
19 could qualified good plumbers and electricians in on
20 it. I don't want to know who you are going to give
21 jobs to. I don't want to know who you are going to
22 hire as the contractors or contractor. The only
23 thing that I want to see I want to see that you give
24 the opportunities to everybody who could be qualified
25 get a piece of the cake. That's all. You know, with

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2 flyers, do forum and invite everybody, and set your
3 rules on the jobs and enforce your contract. Those
4 who are qualified you hire them. So at least give
5 them the opportunity to get something. Again, I
6 don't want to know who are they going to be, what
7 company they are going to be. So could you tell me
8 about what strategy you are going to—what is your
9 plan to make sure that you hire people in my district
10 and you—so a contract also vendors in my district?
11 Can you tell me about your plan and your strategy?
12 And I will—I didn't say that I want to work together
13 with you in reaching out to them. That means invite
14 them to a forum or together with you. You design
15 this plan. There is a flyer and we call them
16 together, and we invite them. We try to reach out to
17 them. What is your plan to do that?

18 ANDY COHEN: So as a minority owned firm,
19 we—we certainly understand the importance of a
20 diverse workforce. We have it at our offices. Right
21 now we have a diverse team in front of you on the
22 development side. Everybody involved in the project
23 on the Development Team side is a minority owned and
24 operated. Likewise, we have and always maintain a
25 diverse construction site. Currently, we have

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2 approximately five jobs that are in and around the
3 city all of which have a significant portion of not
4 only minorities of contractors, but local hires as
5 well. And long before there were mandated rules to
6 have local hires and diverse minority subcontractors,
7 we self-implemented that on all of our work sites.
8 We make sure that we have [coughing] a diverse labor
9 pool on site of minorities, and we make sure that our
10 subcontractors enforce the same. In fact, we've
11 hired other minority consulting firms that have
12 helped us go out and speak to qualified Minority and
13 Women Owned Businesses that they will screen them.
14 They will introduce them to us. We will interview
15 them, and will make them part of our worksite, and we
16 do that across all of the—the project sites that we
17 have throughout the—the community, and when—before,
18 we will continue to do the same. [background
19 comments]

20 GEOFF FLOURNOY: Yes, as an example of
21 working with local communities, we have a project
22 that we're in construction in East New York. It's a
23 three-building affordable housing project, and we
24 work with our—our local community consultant as well
25 as the local not-for-profit and BID to host the

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2 forums for local suppliers and subcontractors
3 introducing them to the project, and we did this
4 about a year—a year out in advance of the projects
5 being in construction. So we had an open dialogue
6 going forward, and then going forward we made those—
7 those firms that depended on other firms that were
8 located in the area aware of the bidding process for
9 the trades, and we've been working very closely with
10 the community to make sure the community is involved
11 down from the suppliers to the—the workers and
12 laborers.

13 COUNCIL MEMBER EUGENE: Well, you know,
14 this is the last one, the last—last one. Would you
15 recommend to do the good business service jobs. (sic)
16 Good paying jobs?

17 ANDY COHEN: We are—we work with 32-BJ
18 currently, and we hope to continue to work with 32 BJ
19 and we'll be actually be putting them on this project
20 as well.

21 COUNCIL MEMBER EUGENE: Okay, thank you
22 very much. Thank you, Mr. Chair.

23 CHAIRPERSON SALAMANCA: Thank you.

24 [coughs] Thank you, Council Member. I have a few
25 questions. I want to go into the affordability of

1
2 the AMIs. You know, just—I've had a few
3 conversations with a council member and he is
4 concerned about how high that 130 AMIs are. The
5 question is who are they affordable for? You know,
6 the average median—the average income in the Council
7 Member's district is \$45,000 a year. So to come and
8 ask to request that 50% of your units, which is 123
9 units at 130% AMI is—doesn't meet—seems that it
10 doesn't meet the needs of the Council Member's
11 district. So I want to know if you can—if you can
12 explain to me your funding sources. Who are your
13 getting funding from and how much? [background
14 comments pause]

15 CANADA MCQUEEN: So first wanted to just
16 mention that again as I've spoken about before, our
17 core focus in this project starts with the Flatbush
18 Caton—the existing Flatbush Caton Market and making
19 sure that we can revitalize, expand and help that
20 market and those vendors grow. In terms of the
21 affordable housing, this project obviously is a
22 complicated project. There's moves—there's a lot of
23 moving parts. In a typical housing project there's
24 often significant retail space that's at the—the
25 ground floor that allows a lot—allows for subsidizing

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2 of the housing that is above. In this case, we have
3 an existing market and a smaller—a much smaller
4 amount of retrial space that will be in this new
5 permanent market, and that causes some—it makes it a
6 bit challenging, as we discussed affordability, and
7 what type of levels can be provided. I—we are, of
8 course, committed to continuing to work with Council
9 Member Eugene about ensuring that the AMI levels that
10 are on the project are something that is reflective
11 of his community and that is all one discussion that
12 we're open to continuing. I'll hand it off to BRP to
13 talk about specific funding sources, but thank you.

14 GEOFF FLOURNOY: Thanks, Canada. In
15 terms of—so just a little history on the project. SO
16 initially this project the RFP was—was submitted in
17 the Bloomberg Administration and the agencies, the
18 housing agencies were operating under a different
19 term sheet. So the project—the project was changed
20 over time. So initially when we had—when had
21 submitted the proposal the project had 80% of the
22 units at 130 and 20% of them at 60. So at 60% of the
23 AMI. In working with the Council Member and HPD and
24 HDC over the past couple of years to refine that add
25 a—add a tier in between the lower and the—and the

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2 middle income and then drop the lower income further
3 down at 50% of AMI, and Canada said, there's, you
4 know, we have a significant market component with
5 that 20,000 square feet of-of market and-and other
6 non-income producing space in the project that would-
7 would otherwise be cross-subsidized in some of our
8 lower income units. So we're relying on some of
9 those 130% of AMI units to cross-subsidize, the low-
10 income units as well as the market space that we're
11 building.

12 CHAIRPERSON SALAMANCA: Alright, your
13 funding sources.

14 GEOFF FLOURNOY: In terms of the funding
15 sources we're working with HPD and HDC right now on
16 finalizing the budget and we'll be working with them
17 for the next month and with Councilman Eugene to
18 refine the budget, but for right now we have HPD. We
19 have HPD—we have HPD and HDC bond-bond issuance. We
20 have a significant developer equity component. So
21 our money is going to the project, and then there's
22 some Reso A funds that Council Member Eugene and
23 others have put forward to the project to cover
24 basically to ensure that CACCI has-has its trade
25 center and headquarters on the second floor of the

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project. So those are the—those are the committed or
quote unquote committed funding sources up to this
point, but we're still working through it.

CHAIRPERSON SALAMANCA: How much is the
total cost of the project?

GEOFF FLOURNOY: The total cost of the
project is over \$100 million.

CHAIRPERSON SALAMANCA: Okay, and how
much funding you getting from HPD?

GEOFF FLOURNOY: It's—we're still in
discussions.

CHAIRPERSON SALAMANCA: You don't have an
amount?

GEOFF FLOURNOY: But I don't have an
amount.

CHAIRPERSON SALAMANCA: And how much is
EDC putting into this project?

CANADA MCQUEEN: EDC—

BEN GOODHUE: EDC is not putting any
money, but we are—we are managing the whole process
in terms of the disposition of the sale.

CHAIRPERSON SALAMANCA: So, I—I don't
understand. You're—you're just managing the project,

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2 but you're not—you're putting any funding into this
3 project?

4 BEN GOODHUE: Typically in the affordable
5 deals funding is provided through HPD and not EDC.

6 CHAIRPERSON SALAMANCA: So, there are
7 concerns. The Council Member wants to see lower,
8 deeper affordability. You have to come back with
9 some 30% AMIs. You know, in your presentation you
10 mentioned that you're going to do outreach to
11 seniors. What seniors? You know, seniors are on
12 fixed incomes. The lowest rent that you have here is
13 47% AMI for an individual, \$31,000, a family of two
14 \$36,000. You know, I just would like to see deeper
15 affordability to actually fit the needs of the
16 Council Member's district. You know, 50% of your
17 units at 130% AMI, I—if you would have come to the
18 Bronx with that, absolutely not, you know,
19 unacceptable for me, but I want to work with the
20 Council Member to see how we can go deeper in
21 affordability. I have other questions in terms of
22 local hiring. Who is your general contractor?

23 BEN GOODHUE: E.R. Payne Construction
24 (sic) is the General Contractor.

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CHAIRPERSON SALAMANCA: Alright and self-
contractors are you—are you—I imagine you're going to
hire subcontractors for this project.

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BEN GOODHUE: Some of them.

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CHAIRPERSON SALAMANCA: Alright are there
any local subcontractors that you're hiring?

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BEN GOODHUE: We are going to seek local.

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CHAIRPERSON SALAMANCA: Okay, and how are
you going to report back to the Community Board and
the Council Member in terms of local hiring? How
many individuals you hire from the community and how
many local subcontractors you're hiring?

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CANADA MCQUEEN: That is a process that
we can go work with Council Member Eugene in terms of
what that report back looks like.

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CHAIRPERSON SALAMANCA: Alright, when—so,
I mean—okay so you will work with the Councilman in
terms of a reporting mechanism. But, sir, you're the
general contractor are the ones that are going to be
ensuring that process, and ensuring that the self-
contractors that you hire have local—are hiring
locally, correct?

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BEN GOODHUE: Absolutely, we do it on our
worksites now.

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CHAIRPERSON SALAMANCA: Okay.

BEN GOODHUE: We have that data.

CHAIRPERSON SALAMANCA: Okay.

BEN GOODHUE: We can put it in any format the Council Member would like to see it in. We can—we can provide that. That's no problem.

CHAIRPERSON SALAMANCA: Alright. In terms of the retail business that you have there income earned, so the—the vendors that are there the first year, they will pay no—no—no rent, correct?

CANADA MCQUEEN: At the temporary site.

CHAIRPERSON SALAMANCA: At the temporary site, but when they return back to the—once the construction is completed and they return back, when—when will rent be required or will they have also a certain time frame where no rent will be required because of the move back? I believe they're going to be gone for two years, and now they have to, you know, advertise that they're back at this new location.

CANADA MCQUEEN: So the temporary site as you just mentioned will be for about somewhere between two to three years. The first year that time will be—there will be no rent, 12 months free of rent

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2 and then at that point in time at the temporary space
3 rent will begin again.

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CHAIRPERSON SALAMANCA: Okay. So when
5 they return back to the new location?

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CANADA MCQUEEN: They will already have
7 started paying rent at the temporary site, and will
8 continue doing that once back at the permanent site.

9

CHAIRPERSON SALAMANCA: Right. Will
10 their rent increase when they come back to the new
11 location?

12

BEN GOODHUE: Rents are supposed to be
13 maintained and intended to be maintained at the same
14 level with slight increases for management that will
15 not—it should not exceed 5% on an annual basis.

16

CHAIRPERSON SALAMANCA: Okay, and will
17 these vendors get leases and how long will their
18 lease be available for?

19

BEN GOODHUE: Prior to the move to the
20 temporary market they will enter into an agreement
21 with the development team.

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CHAIRPERSON SALAMANCA: Okay.

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BEN GOODHUE: And I don't know what the
24 duration will be, but that's something that will be
25 taken care of as our discussions continue.

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CHAIRPERSON SALAMANCA: And speaking to the Council Member, one of the concerns that he had with the vendors was the fact that the vendors they make their money during the holiday season, Christmas, the day before Christmas and there were concerns with the actual owner of the property that— in which the Council Member needed to intervene where they would want to close the day after Christmas. You know, within that—that holiday. Will we ensure that that's not going to happen, and will the vendors get a schedule as to what days the markets will be closed including the holidays?

GEOFF FLOURNOY: I'll let James speak to that, but I'm not exactly clear as to the example that was cited.

JAMES JOHNSON-PIETT: Sure. My—our indications with the lease that we signed with the temporary space is that we will control the hours of operation of the market. We're working with the vendors over the next three months to determine exactly what hours of operations, what days of operation makes sense for them. We want to be able to make money. So for us like if they need to be open the day before Christmas or the day after

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Christmas, we'll be open, and my understanding it shouldn't be a problem.

CHAIRPERSON SALAMANCA: And so you'll give the Council Member reassurance that you will work out that schedule because the Council Member will work with the vendors to see what best fits their needs.

JAMES JOHNSON-PIETT: Yeah, so we're talking to the Councilman about the rules and regulations, the operating hours that go into that rules and regulations conversation.

COUNCIL MEMBER EUGENE: [off mic] That will be onto it. [on mic] So then also about when they get back to the—you know, to the new method?

CANADA MCQUEEN: Right.

JAMES JOHNSON-PIETT: The new program.

COUNCIL MEMBER EUGENE: The—the schedule, you know, about when they might get deployed and all kinds of stuff like that. That all depends on the type of address, but for the new method when they get back also.

ANDY COHEN: So the idea is that the rules that are being put in place will be put in place with a temporary move and it will be the same

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2 set of rules that apply at the permanent space, but
3 again I will let James speak more to that.

4 JAMES JOHNSON-PIETT: Right. So by and
5 large the rules that we're going to create with the
6 vendors over the next couple of months are going to
7 apply for the temporary and the permanent spaces.
8 Obviously, some things won't be applicable because
9 it's a temporary space, but by and large the rules
10 and rules and regulations we put in place so the rent
11 levels, the—the operating hours, the, you know, rules
12 around how big your booth can be. All that stuff is
13 going to be focusing on both the temporary and the
14 permanent space. So it's a single kind of set of
15 rules.

16 CHAIRPERSON SALAMANCA: Alright, retail
17 space. I see you have two—two different companies
18 that are coming in. I guess they're two businesses
19 in terms of retail or is that just one business
20 that's coming in?

21 JAMES JOHNSON-PIETT: Will be more
22 flexible. We're—we're a little far out right now to
23 determine who the retailer is going to be, but we
24 have an idea in terms of the types of retail that we—
25 we—we can kind of venture to the market. (sic)

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CHAIRPERSON SALAMANCA: But that's going to be rent generating space for you?

JAMES JOHNSON-PIETT: That will be rent generating.

CHAIRPERSON SALAMANCA: Alright, and then you have here the kitchen and cosmetic plan.

JAMES JOHNSON-PIETT: Yep. That-that's part of the incubator that was discussed earlier. So that will be-that will be. Jason can speak a little bit more about it, but that will be open to the current vendors as well as the local community. Okay, so the blue space that you saw upon the-this piece that's the business incubator, and that will be run by a non-profit organization, and that point is that is to provide the-frankly the vendors that currently visit the market. Many of the make their products. So if you go to the stalls 8 x 8 you have, you know, sewing machines and people making things in the space. They really don't have space to sell their products. So our idea was really to find a space where they can produce their product to scale on the same site, and use their 8 x 8 booths to sell products.

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CHAIRPERSON SALAMANCA: So will you be charging them to rent--

JAMES JOHNSON-PIETT: [interposing] No.

CHAIRPERSON SALAMANCA: --so you don't like that space as well?

JAMES JOHNSON-PIETT: So any-any market vendor that's currently, you know, paying rent the market will not (sic) have to pay rent for those facilities.

CHAIRPERSON SALAMANCA: Okay and then the cut in soolab?

JAMES JOHNSON-PIETT: Oh, that's for-for clothing. So clothing vendors who--so cut and sew is, you know, essentially like a table like this where you can have your fabric, cut-cut the product and they come and in in site.

CHAIRPERSON SALAMANCA: And the same process? No one will be charged for them--

JAMES JOHNSON-PIETT: [interposing] No.

CHAIRPERSON SALAMANCA: as well. Okay, and then lastly I see here that you will have 63 parking spaces. It's a little low for 250 units. Now are these parking spaces going to be available

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for the community or it's just for residents of the building?

JAMES JOHNSON-PIETT: The parking spaces will be available for the community. Like they're subgrade spaces so we're constrained regarding the amount of space that we have to put parking--

CHAIRPERSON SALAMANCA: Uh-huh.

JAMES JOHNSON-PIETT: --and we're going above and beyond what's required by zoning given that half the project qualifies through zoning for--for zero parking. We're--we're doubling the parking that's required by--by the--

CHAIRPERSON SALAMANCA: [interposing] So vendors and customs will have access to this parking space?

JAMES JOHNSON-PIETT: Yes.

CHAIRPERSON SALAMANCA: And will you generate revenue--revenue from these parking spaces?

JAMES JOHNSON-PIETT: The project will generate revenue for the--for the parking spaces.

CHAIRPERSON SALAMANCA: So you're going to have someone downstairs manning the parking spaces, charging as customers come in?

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JAMES JOHNSON-PIETT: Yes. It will be—it
will be like a—a—it will be operated by an operator.
So in order to maximize the number of spaces.

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CHAIRPERSON SALAMANCA: And then finally
I'm surprised that the Our Space Program is not part
of this project given that HPD has the program that
adds another \$140,000 per unit, you know, to try to
see how you can go deeper in affordability. With
that I'm going to—Council—Council Member Greenfield,
do you have questions?

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COUNCIL MEMBER GREENFIELD: Thank you
very much. I just want to follow up on one issue.
You indicated that the reasoning that you were unable
to reach lower AMIs from 130%, you're currently 50%,
130% AMI, which is roughly \$118,000 for a family of--
--of four, and you indicated that's because that the
other portions of the building weren't profitable?
Can you just sort of expand on that? So the market
you're losing money on it or you're not making money?
I mean--

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JAMES JOHNSON-PIETT: Yeah, the--the
market is not paying—the market, so the rents that
tenants are paying for the market, that—those just go
to go offset costs for operations of the market. The

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2 market itself is not paying the project of-of-of
3 lease or income for-for the space. So for a
4 traditional retail space, they'll generate income
5 from the retailer and then the--

6 COUNCIL MEMBER GREENFIELD: [interposing]

7 Yeah.

8 JAMES JOHNSON-PIETT: --and then the
9 retail, you know, the retailer operates
10 independently. In this case, the market will not be
11 charged rent.

12 COUNCIL MEMBER GREENFIELD: You have a
13 partner for the market, right?

14 JAMES JOHNSON-PIETT: Yes.

15 COUNCIL MEMBER GREENFIELD: So you're
16 doing this pro bono?

17 JAMES JOHNSON-PIETT: So certainly we
18 have a management fee, but it's not that large all
19 things equal. I'll put that out there, but--

20 COUNCIL MEMBER GREENFIELD: Okay.

21 JAMES JOHNSON-PIETT: --the rents are--I
22 mean just the product--the product--

23 COUNCIL MEMBER GREENFIELD: [interposing]

24 I mean we are putting it out, but just to be clear,

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2 we aren't [laughter] entering (sic). We're putting
3 it out there, guys.

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JAMES JOHNSON-PIETT: Again, the--the goal
5 is to sustain the current market, and to make those
6 rents affordable, it--it trickles down. So the rents
7 that the vendors are paying, you know, won't pay for
8 the operations. So we'll have to find other means to
9 do that.

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COUNCIL MEMBER GREENFIELD: I mean
11 they're not cheap rents is my understanding. I mean
12 they're roughly close to market. Is that incorrect,
13 my friends at EDC?

14

BEN GOODHUE: I think--I don't know what
15 market is particularly for retail, but the vendors
16 are paying their fee currently. I think what the
17 development team is getting at is that the cost to
18 build the space, which is on the ground floor level,
19 which literally predominantly will go towards a
20 larger retailer at above rates than are currently
21 being charged is not available to them in terms of
22 financing parts of the project. In addition to that,
23 I think half the users--

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COUNCIL MEMBER GREENFIELD: [interposing]
25 You're just going to cover across space (sic) on it

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2 and expect there to be additional profit that it
3 throws off for the development?

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5 BEN GOODHUE: That's correct and then in
6 addition to that half of the units are at 80% or
7 below and those I think barely cover sort of the
8 operation of expenses.

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9 GEOFF FLOURNOY: Yeah, when you get below
10 a certain point on the AMIs, you know, as everyone is
11 aware, you rely on the upper income units, the cross-
12 subsets to provide income to—to support their growing
13 community.

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14 COUNCIL MEMBER GREENFIELD: Okay. So the
15 market essentially you're breaking even on. Is that
16 pretty much what you're saying?

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17 GEOFF FLOURNOY: We hope to break even on
18 it. That would be a good scenario.

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19 COUNCIL MEMBER GREENFIELD: Hope to break
20 even on it?

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21 GEOFF FLOURNOY: Yeah.

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22 COUNCIL MEMBER GREENFIELD: Okay.

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23 GEOFF FLOURNOY: I mean we're going to be
24 fundraising and then James can speak to this through
25 foundations and—other sources in order to maintain
26 market operations.

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COUNCIL MEMBER GREENFIELD: Okay, and then the—they other piece the community facility, are you making money, losing money, breaking even? What's the story with that?

GEOFF FLOURNOY: We sort of—we—we think of the market and the—

COUNCIL MEMBER GREENFIELD: Is that—is that going to be a funder or what is that going to look like or is that just the CACCI space.

GEOFF FLOURNOY: Oh, the CACCI space. Okay. So the CACCI space will be a separate condo.

COUNCIL MEMBER GREENFIELD: Okay.

GEOFF FLOURNOY: It will be—will not be generating income from the CACCI space. That is part of the project and part of the RFP, CACCI that will be their headquarters going forward for--

COUNCIL MEMBER GREENFIELD: [interposing] So you're giving them at cost. I mean—and it's subsidized by--

GEOFF FLOURNOY: Essentially, yes, yes, it is.

COUNCIL MEMBER GREENFIELD: It's subsidized by the funding that the Councilman has secured as well.

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GEOFF FLOURNOY: Yeah, and that's
currently being negotiated as well and the FEMA long-
term lease or a condo.

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COUNCIL MEMBER GREENFIELD: I'm sorry.
It's not a condo.

7

GEOFF FLOURNOY: It may not be a long-
term lease or a condo, but essentially like anything-

9

COUNCIL MEMBER GREENFIELD: [interposing]
It won't necessarily--I'm--I'm sorry. I just want to
clarify this. It will not necessarily be a condo?

12

GEOFF FLOURNOY: It will be--it will be a
condo.

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COUNCIL MEMBER GREENFIELD: Okay.

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GEOFF FLOURNOY: So the way that this
project in part is being financed by loan commitments
(sic) and tax credits.

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COUNCIL MEMBER GREENFIELD: Okay.

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GEOFF FLOURNOY: And the way those work
is that, you can generate tax credits, which help
fund the project through funding community facility
space, and so we're working right now with the agents
to figure out sort of the best way to do that, but
there will be a condo set up for CACCI. Either CACCI
will take ownership of that condo day 1 when the

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2 project is complete, there will be some sort of long-
3 term lease with a nominal-nominal lease price like a
4 dollar a year, and they have an automatic purchase
5 option for a nominal price after a fixed amount of
6 time for the project to generate those tax credits.
7 Essentially and from a legal perspective CACCI will
8 own—they own the space.

9 COUNCIL MEMBER GREENFIELD: Got it.

10 Okay. So, therefore, just to clarify your argument,
11 your point is that the—the funds that would normally
12 go or the revenue that would be normally made either
13 through commercial space or community facility space
14 or through building additional housing on that space
15 that would go to offset the cost of the affordable
16 housing. That's going for alternative uses. In this
17 case being the market that you're continuing--

18 GEOFF FLOURNOY: [interposing] Yes.

19 COUNCIL MEMBER GREENFIELD: --to
20 essentially subsidize and the community facility
21 space that's going to be a permanent headquarters for
22 CACCI as well. Is that--?

23 GEOFF FLOURNOY: [interposing] Exactly.

24 COUNCIL MEMBER GREENFIELD: --basically
25 what you're saying?

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GEOFF FLOURNOY: That is what we're
saying, yeah.

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COUNCIL MEMBER GREENFIELD: Okay. I just
wanted to clarify the point. I do—I still do—I still
do affiliate myself with remarks of the chair the
Council Member that that being said, it's still—those
are hyalized. You're talking about \$118,000 will be
the income for a family of four that's 2-1/2 times
the average income of—of that particular community,
and that you're talking about pretty—pretty
significant—pretty significant rents. People looking
at something like what? \$3,000 for a three-bedroom
apartment?

15

GEOFF FLOURNOY: I mean those rents are
dictated by a formula that HPD and HUD dictate so--

17

COUNCIL MEMBER GREENFIELD: Well, I
understand, but is that roughly?

19

GEOFF FLOURNOY: That's roughly.
Exactly.

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COUNCIL MEMBER GREENFIELD: That's pretty
high. You would agree that's--

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GEOFF FLOURNOY: Yes.

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COUNCIL MEMBER GREENFIELD: I'm not
trying to put you on the spot--

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GEOFF FLOURNOY: Yeah.

COUNCIL MEMBER GREENFIELD: Some—some questions are what we call rhetorical questions.

GEOFF FLOURNOY: I guess—I guess.

COUNCIL MEMBER GREENFIELD: We know the answer to the question. So I'm not trying--

GEOFF FLOURNOY: It's relative so yes.

COUNCIL MEMBER GREENFIELD: Well, I mean still it's not—it's not—it's not when we think of affordable housing that's pretty expensive housing \$3,000 and I'm not tweaking on the issue, it's just that especially you poise it as a city-owned project that we're more sensitive to this, right, as opposed, you know, if your company is a private applicant you came and you're doing your rezoning and you're saying hey, this is a little bit different. I imagine to be fair EDC is not charging you anything for the parcel or de minimus fee?

GEOFF FLOURNOY: That's correct, a nominal fee.

COUNCIL MEMBER GREENFIELD: A flower or whatever?

GEOFF FLOURNOY: Yeah, and when--

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COUNCIL MEMBER GREENFIELD: It's still
the dollars that you guys do?

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BEN GOODHUE: Yes, it's—it's a nominal
fee. It's an affordable housing site. So we don't—

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COUNCIL MEMBER GREENFIELD: For a dollar?

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BEN GOODHUE: Yeah. I guess in sort of a
response to the points that highlight, I guess the
perspective that we have on it is that from an
affordability standpoint, it's not just the housing
units, but it's definitely the market vendor
operation as well as well as the CACCI space as well.
So we're—we kind of achieve quite a bit in this
project. It has been challenging. We continue to
work with the Council Member and also with our
financing partners in terms of trying to find a
suitable solution to this.

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COUNCIL MEMBER GREENFIELD: [interposing]

19

And—and to be fair, I heard—I heard earlier that

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point for you. So the final question on the—on the—

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just to follow up on the Chair's questions on the

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market. So all the vendors are going to be locked in

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at the current rates and locked in as long as they

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like their tenants at 5% or is that just the current

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vendors? Does that include the future vendors? What

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2 does that look like? So is it sort of going to be a
3 mix where the current vendors are going to have a
4 preferential rent and then future vendors the rents
5 are going to be whatever the market is?

6 BEN GOODHUE: Yes.

7 COUNCIL MEMBER GREENFIELD: Okay, there
8 is some potential here upside down the road.

9 GEOFF FLOURNOY: Well, we're hoping to-to
10 keep as many vendors as possible.

11 COUNCIL MEMBER GREENFIELD: And it's
12 okay. It's not a criticism. I just an observation.

13 GEOFF FLOURNOY: No, I hear your. Yeah,
14 over time—I mean over time sure. I think so, but I
15 think in the initial--

16 COUNCIL MEMBER GREENFIELD: I mean the
17 nature of the business is retail is that vendors come
18 and go right?

19 GEOFF FLOURNOY: Absolutely.

20 COUNCIL MEMBER GREENFIELD: So when a
21 vendor leaves a new vendor is going to be coming in
22 at market rate.

23 GEOFF FLOURNOY: Right.

24 COUNCIL MEMBER GREENFIELD: Got it.
25 Alright, once again I understand this is a

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2 complicated and a complex and difficult process and
3 there are a lot of parties that you have chosen
4 voluntarily to engage, and I commend you for taking
5 on that enormous task. Some would argue it would
6 have been simpler just to say okay we're just going
7 to do this with an affordable housing project. And so
8 I certainly recognize that, and I appreciate the time
9 and effort, and I—I think the sense is that we're
10 grateful and appreciative, and generally positive
11 about the project, and obviously Council Member
12 Eugene has spent many years working on this, which is
13 the—the goal of his to develop this particular
14 parcel. At the same time, there are the realities of
15 the community making sure that—that the 50% community
16 preference that that preference actually goes to
17 folks in the community who need—who—who need the
18 affordable housing the most especially considering it
19 is a city-owned site, and that's—just to be clear,
20 that's the sensitivity. So I appreciate it, and I
21 know that you're going to sharpen those pencils. Do
22 you use pencils any more? Anyway, that's what they
23 say. I don't. I love these Paper Mate pens, but in
24 any event, sharpen those pencils and see if we can do
25 a little bit better being mindful of the fact that

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2 the reality is that you're already doing a lot, much
3 of it at the Council Member's behest, but certainly a
4 130% AMI is still relatively high for that particular
5 community. So thank you all and I appreciate your
6 work.

7 CHAIRPERSON SALAMANCA: Thank you,
8 Council Member. I want to thank the panel. So with
9 that, we're going to move on with members from the
10 public, and the counsel will say your name so you can
11 come up and give your statements.

12 LEGAL COUNSEL: We have Roy Hastick is
13 that right or Ray-Roy? [background comments] Orlando
14 Moreno, Isra Gordon, Camille Ortiz, and if we can fit
15 it, Shelly Warnell. [background comments, pause]

16 LEGAL COUNSEL: Is Shelly here? Is this-
17 -? [pause] Okay. Once you're ready just please
18 introduce yourself before speaking and you can go
19 ahead.

20 CHAIRPERSON SALAMANCA: Yeah, we're going
21 to—we're going to start with the right. You're going
22 to have two minutes, okay. So the clock is going to
23 start and anyone can start speaking. Thank you.

24 ROY HASTICK: Thank you. Good afternoon,
25 Mr. Chairman. Good afternoon, Council Member Mathieu

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Eugene, and Mr. Chairman also the right pronunciation of your name, please?

CHAIRPERSON SALAMANCA: Salamanca.

ROY HASTICK: Salamanca. Chairman Salamanca and Council Member Mathieu Eugene and my Council Member of the 40th District, and also Council Member Greenfield, who just left. My name is Roy Hastick and I'm the President and Funder of the Caribbean-American Chamber of Commerce and Industry. We are a Brooklyn based organization, and we're celebrating 31 years of service to the small business community. We have been before you many times before over a decade ago to make sure that we find a home for the Caribbean-American Chamber of Commerce and Industry, and the vendors of the Flatbush Caton Market. I am happy today that we have reached—coming to reach the milestone of the reality of this major undertaking. As a community partner of this project the Caribbean-American Chamber of Commerce and Industry support is based on the following reasons: The redevelopment is championed by the New York City's Economic Development Corporation, EDC, and their RFP awarded BRP a reputable certified MWBE developer in the city of New York. We want to thank

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2 our Council Member Mathieu Eugene, Dr. Eugene for
3 working with us over the years to provide the
4 necessary support, financing for all programs and
5 also to make sure that we realize our dream of this
6 project, and I want to thank you very much, Council
7 Member. We also want to thank the vendors of the—of
8 the market many of them who ware here with us with
9 today, who are working hard to actually move into
10 this new market. We have gone through some
11 challenging times through hurricanes and earthquakes,
12 not only here but also in the Caribbean, and the
13 vendors played a very important role in fundraising
14 efforts for their families overseas. CACCI works
15 closely with the New York City Department of Small
16 Business Services over the years for program on small
17 business services, financial literacy and job
18 development programs. This is our eleventh year
19 since we have done this. Over the past decade, CACCI
20 has served as managing agent for the Flatbush Caton
21 Market, and we have heard about the markets. I would
22 not go into the market, but I just want to let you
23 know, that I want to commend and thank the funding
24 Council Member at the time Council Member Una Clark
25 who actually was the Council Member at the time.

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2 [coughs] She preceded—her daughter proceeded her.
3 Now she's in Congress and now we have the esteemed
4 Dr. Mathieu Eugene. We are confident that in
5 partnership with the Brooklyn Borough President, Eric
6 L. Adams, Council Member Dr. Mathieu Eugene,
7 Congresswoman Una Clark and the city and city and
8 other elected officials on the City Council. We want
9 to thank you for giving us this opportunity to
10 present to you and again, and I want to thank EDC and
11 BRP and being for their support. I urge you to vote
12 in the process where for this program. Thank you
13 very much.

14 CHAIRPERSON SALAMANCA: Thank you. Just
15 say your name and--

16 ROY HASTICK: Mr. Chairman, excuse--

17 CHAIRPERSON SALAMANCA: Yes.

18 ROY HASTICK: --if I have to leave. I
19 had a stroke many years ago, and I have to take my
20 exam.

21 CHAIRPERSON SALAMANCA: No, we
22 understand. Thank you.

23 ROY HASTICK: Thank you so much.

24 CHAIRPERSON SALAMANCA: Okay.
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2 COUNCIL MEMBER EUGENE: Wit your
3 permission, Mr. Chair, thank you Mr. Hastick for your
4 presentation.

5 ROY HASTICK: Thank you.

6 COUNCIL MEMBER EUGENE: Thank you.

7 ISRA GORDON: [off mic] Good Afternoon,
8 everyone. My mane is-[pause] [on mic] Okay.
9 [laughs] Thank you. Good afternoon to everyone. My
10 name is Isra Gordon a vendor at Flatbush Caton
11 Vendor's Market operating, owning and operating—a
12 chef at Delicious Endings Catering and Tea House at
13 the market, the present market. I'm here excited
14 today about the project. I want to—I want to just
15 say thank you to everyone who is involved in the
16 project. I'm so excited about the team that's been
17 working on the project. I'm excited to see Dr.
18 Hastick and Councilman Eugene working closely on the
19 project, and I feel very comfortable. In my mind I'm
20 thinking a plant—a seed was planted, and now it's
21 been fortified to grow into something that the whole
22 world will be looking at, and I do believe that the
23 developers have been listening to us. They have been
24 listening to our cries, and they are really very
25 carefully paying close detail and—and dotting every I

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2 and crossing every T to make sure that this project
3 is a success for us vendors who are at the market and
4 for the community as a whole. I said to them a light
5 shines in Brooklyn, and that's the new redeveloped
6 Flatbush Caton Vednors' Market I want to commend all
7 of you. I want to thank you, and I have new hope.
8 I'm excited about what's going to happen in Brooklyn
9 as someone who has lived in Brooklyn all of my life
10 after moving from the Caribbean as a young teenager.
11 So thank you so very much, and I'm—I'm just really
12 happy and comfortable about what I see happening with
13 the project, and all that is involved and all the
14 close details and attention they are paying to
15 everything. So thank you. I can't call all the
16 names of the organization, but I trust you guys. I
17 have faith in your work, and in your research to see
18 this project to be something of a great
19 accomplishment for Brooklyn. A light grows in
20 Brooklyn, a tree grows in Brooklyn, and I'm just so
21 thankful to be part of this.

22 CHAIRPERSON SALAMANCA: Thank you.

23 ORLANDO MORENO: Good afternoon
24 everybody. [bell] Thank you very much for the job
25 everybody is doing for us, and made the—all vendors

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2 is pleased. We need guarantees for all the promise
3 like the place we are going. For example, we saw in
4 the picture the developer said we are going to a
5 better place than before. This is good and we saw in
6 the picture they show us a place for rent, and now we
7 don't see this. So we want it to be true the place
8 will be for us sometime, and—and secondly, the
9 program guarantees that I'll come back to the market,
10 and our guarantee is for—for the vendors is Dr.
11 Mathieu Eugene who always works for us. So hopefully
12 continuing the—the city and the developers, and they
13 are out on and they will hit—they will—we hope they
14 will hit all the vendors through everything they
15 promise they develop. The place where we are going
16 to, and they building the region (sic) and come back,
17 and they have all the rent not expensive. So
18 everybody agree it's better than the progress, the
19 change everybody happy, but we are worried for the
20 promise they do that for us sometimes, and well only
21 the worse. They same thing said they—they won't say
22 they're worse so, everybody say and some things—dry
23 things are differently, and everybody will approve
24 that. Thank you.

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CHAIRPERSON SALAMANCA: Thank you. Can you just say your name for the record?

ORLANDO MORENO: Excuse me.

Can you just say your name for the record?

ORLANDO MORENO: Orlando Moreno.

CHAIRPERSON SALAMANCA: Alright, thank you, Orlando. [bell] [pause]

CAMILLE ORTIZ: Good afternoon, Planning Chair Salamanca, Council Member Eugene and the subcommittee members. My name is Camille Ortiz, and I serve as Vice President of Programs and Services at the Brooklyn Chamber of Commerce. I am delivering testimony on behalf of Andrew Hoan, President of— President and CEO of the Brooklyn Chamber of Commerce. The Brooklyn Chamber of Commerce is a membership based business assistance organization that represents the interests of over 2,100 member businesses throughout the borough. The Brooklyn Alliance is a not-for-profit economic development organization of the Chamber. It works to address the needs of the businesses through direct business assistance program. We support the Land Use item regarding the Caton Flat development. The critical

1
2 development would replace the beloved Flatbush Caton
3 Market. Founded in 2001, with the support of former
4 Council Member Dr. Una Clark, the Flatbush Caton
5 Market has provided a home to many small businesses
6 and micro enterprises becoming a vital cornerstone of
7 the local Caribbean community. The Flatbush Caton
8 Redevelopment, Caton Flats is a new mixed-use 100%
9 affordable housing project. It would contain
10 affordable housing, a revitalized market, an
11 incubator space for small businesses, office space
12 for a Caribbean-American Chamber of Commerce and
13 Industry and community users, and complementary
14 commercial retail. BRP has partnered with the Urbane
15 Development to provide robust educational programs
16 focusing on management skills and business
17 development strategies to existent small retail.
18 Additionally, BRP has committed to providing a
19 temporary space for current market vendors ensuring
20 that the market will continue to operate throughout
21 construction of the new facility. The newly
22 established Caton Flats will play a critical role in
23 providing local entrepreneurs with a place to grow
24 and succeed. The Caribbean-American Chamber of
25 Commerce and Industry is a very important resources

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for businesses and entrepreneurs in the area and we fully support their goals with this project. [bell] With business amenities such as commercial kitchen and incubator space, the new site will reinforce and expand upon the market's important goal in promoting the vitality and economic growth of the Flatbush neighborhood. Thank you for providing—thank you for providing us with the opportunity to testify in this case.

CHAIRPERSON SALAMANCA: Alright, than you very much. I think there's one more person. I mean two more people we're going to bring up, but you're going to call one right now, though.

LEGAL COUNSEL: Shaneekua, Shaneekua Henry. Thank you. Go ahead. [pause]

SHANEEKUA HENRY: Good afternoon, Chair Salamanca, members of the subcommittee and Council Member Eugene. My name is Shaneekua Henry. I'm the Principal of SLM Architecture PC. Andrew Henry and I formed our firm in 2011. We're a certified MWBE in New State, New York City and New Jersey. I have personally worked with BRP companies for nearly 20 years. We established a working relationship when I was a part-project manager at Dan Wall Architects a

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2 minority owned architectural firm that was
3 established in 1996. While at Dan Wall, I worked on
4 five BRP projects in Brooklyn and Harlem comprising
5 over 290 units of affordable mixed-income housing.
6 When I left Dan Wall to form my own company, BRP was
7 one of the first development firms to hire us in 2013
8 for the renovation of 63 buildings, 458 units in East
9 New York Brooklyn. This was a tenant-in-place rehab
10 where the rents remained affordable for the new
11 tenants and in-place tenants. At the time, our firm
12 consisted only of myself and Andrew. BRP's continued
13 commitment since the early 2000s to retain MWBEs
14 enabled us to grow our company to nine individuals.
15 Because of the successful completion of the ENY
16 Project, we have been able to secure additional work.
17 We have completed or are in design phase of nearly
18 2,000 units of affordable housing. We have secured
19 and completed projects in four out of five boroughs.
20 Most recently BPR has retained us for design services
21 on a new 100% affordable building in Harlem that
22 consists of 39 residential units and community
23 facility space. In my experience [bell], BRP is an
24 organization that stands by its commitments and gives
25 back to the communities in which it operates whether

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2 it be assistance to build capacity for local partners
3 that are just starting and looking to grow working
4 with local groups to ensure that the community's
5 needs are met. Thank you.

6 CHAIRPERSON SALAMANCA: Thank you. Thank
7 you all for your statements. So we have one more-
8 someone from the public who wishes to speak and
9 that's Mr. Brian Brown.

10 BRIAN BROWN: Good afternoon, Council
11 Members. Thank you again for the opportunity to
12 testify. My name is Brian Brown and I am here
13 testifying on behalf of my union the Service
14 Employees International Union, Local BJ. 32 BJ is
15 the largest property service union in the United
16 States representing 80,000 building service workers
17 across the city and 163,000 nationwide. Our members
18 maintain, clean and provide security services in
19 schools, commercial and residential buildings all
20 across the five boroughs including the buildings like
21 BRP's Caton Flats, and this is why I'm here today. I
22 want to ensure that Caton Flats will create good jobs
23 for building service workers. The city has an
24 affordable housing crisis. We need more affordable
25 housing units like the ones that the developers are

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2 building at Caton Flats, but we all know that we
3 cannot build our way out of this problem. As long as
4 there are hardworking people earning too little to
5 afford rising housing costs, families are going to
6 continue getting priced out of their homes, and this
7 crisis will continue. This is why we urge the
8 developers, the city—the city and Council Members to
9 do all they can to make sure that they are providing
10 New Yorkers with affordable housing and family
11 sustaining jobs. Projects like Caton Flats can
12 provide both. I'm here to ask Council Members to
13 ensure that Caton Flats only move forward once there
14 is a commitment to create good quality building
15 service jobs that pay the prevailing wage. BRP has
16 been a responsible actor and has provided high
17 quality jobs elsewhere while at the same time
18 providing much needed affordable housing. We are
19 asking that they do the same here. While we have had
20 several conversations with BRP about jobs at Caton
21 Flats, as has already been mentioned, those
22 conversations have not yet translated into a
23 commitment to providing good jobs as details about
24 the project are still in flux. So again, as the
25 developers, the city, and the Council are negotiating

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2 this project, we urge that prevailing wage jobs for
3 building service workers be included in that plan and
4 that his project not move forward without that
5 commitment. Thank you.

6 CHAIRPERSON SALAMANCA: Alright, thank
7 you. I would like to thank you for your statement.
8 So now we are now closing the public hearing. We
9 will be laying over both of the items we held public
10 hearings on today. I would like to thank the members
11 of the public, my colleagues, counsel and Land Use
12 staff or attending today's hearing. This meeting is
13 hereby adjourned. [gavel]

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C E R T I F I C A T E

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



Date April 20, 2017