

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

SUBCOMMITTEE ON ZONING AND FRANCHISE

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MARCH 21, 2022
Start: 1:07 P.M.
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HELD AT: REMOTE HEARING (VIRTUAL ROOM 4)

B E F O R E: KEVIN C. RILEY, CHAIRPERSON

COUNCIL MEMBERS: SHAUN ABREU
ERIK D. BOTTCHER
DAVID M. CARR
KAMILLAH HANKS
FARAH N. LOUIS
FRANCISCO P. MOYA
LYNN C. SCHULMAN
SANDY NURSE

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

BENJAMIN STARK, Attorney Hirschen, Singer
and Epstein

MICHELLE NEUGEBAUR, Director Cypress
Hills Local Development Corporation

MEREDITH MCNAIR, Cypress Hills Local
Development Corporation

ISMENE SPELIOTIS, Executive Director
MHANY Management

ALEX PRIETO, Principal with RQT
Architects

2 SGT. PEREZ: Yes, give me a second to
3 confirm the stream of hosts. We are in gallery view.
4 Okay. The stream looks good. Good afternoon.
5 Welcome to New York City Council's remote
6 subcommittee hearing on Zoning and Franchises.
7 Everyone please turn on your video at this time.
8 Silence all electronic devices. All written
9 testimony can be submitted to
10 landusetestimony@council.nyc.gov again that is
11 landusetestimony@council.nyc.gov. Thank you Chair
12 Riley we are ready to begin.

13 CHAIRPERSON KEVIN RILEY: Thank you
14 Sergeant. Good afternoon and welcome to a meeting of
15 the subcommittee of zoning and franchises. I am
16 Council Member Kevin Riley, Chair of the
17 Subcommittee. This morning I am joined remotely by
18 Council Members Schulman, Council Member Hanks,
19 Council Member Bottcher, Council Member Carr, Council
20 Member Abreu, Council Member Moya. Today we will
21 vote on the rezoning proposal for 97-04 Sutphin
22 Boulevard and 98-81 Queens Boulevard. Both in Queens
23 that we heard by the subcommittee on March 3rd and
24 hold a public hearing on the rezoning proposal for
25 3285 Fulton Street in Brooklyn. Before we begin I

2 recognize the Subcommittee Counsel to review the
3 hearing procedures.

4 COMMITTEE COUNSEL: Thank you Chair Riley
5 and good afternoon Council Members. I am Angelina
6 Martinez-Rubio Council to the subcommittee. Members
7 of the public wishing to testify were asked to
8 register for today's hearing. If you wish to testify
9 and have not already registered please do so now by
10 visiting the New York Council website at
11 www.council.nyc.gov/landuse to sign up. Members of
12 the public may also view a livestream broadcast of
13 this meeting at the Council's website. As a
14 technical note for the benefit of the viewing public
15 if you need an accessible version of any of the
16 presentations shown today please send an email
17 request to landusetestimony@council.nyc.gov. When
18 called to testify, individuals appearing before the
19 subcommittee will remain muted until recognized by
20 the Chair to speak. Appicantees will be recognized
21 as a group and called first followed by members of
22 the public. When the Chair recognizes you your
23 microphone will be unmuted. Please take a moment to
24 check your device and confirm that your mic is on
25 before you begin speaking. Public testimony will be

2 limited to two minutes per witness. If you have
3 additional testimony and you would like the Council
4 or the subcommittee to consider, if you have written
5 testimony you would like to submit instead of
6 appearing here before the subcommittee you might
7 email it to landusetestimony@council.nyc.gov. Please
8 indicate the LU number and/or project name in the
9 subject line of your email. During the hearing,
10 Council Members with questions appearing remotely
11 which all of you are should use the Zoom Raise Hand
12 Function which appears at the bottom of either your
13 participant panel or the primary viewing window.
14 Council members with questions will be announced in
15 order as they raise their hands and Chair Riley will
16 then recognize members to speak. Witnesses have
17 requested to remain in the meeting until excused by
18 the Chair as Council Members may have questions.
19 Finally, there will be pauses over the course of this
20 meeting for various technical reasons and we ask that
21 you please be patient as we work through any issues.
22 Chair Riley will now continue with today's agenda
23 items.

24 CHAIRPERSON KEVIN RILEY: Thank you
25 Counsel. Today we will vote to approve with

1 modifications LU-16 and 17 related to property at 97-
2 04 Sutphin Boulevard in Speaker Adams' district in
3 Queens. This proposal seeks a Zoning Map amendment
4 to rezone an existing C4, 5 X district to a C6-3
5 district and the related zoning text amendment to
6 establish an MIH program area within the special
7 downtown Jamaica district to facilitate the
8 development of an affordable housing development for
9 seniors and the expansion of a health clinic. Our
10 modification will be to strike MIH option 2 and to
11 add the deep affordability option. Speaker Adams is
12 in support of this proposal as modified. We will
13 also vote to approve the modifications LU 26 and 27
14 relating to the 98-81 Queens Boulevard proposal in
15 Council Member Schulman's district in Queens. This
16 proposal seeks a zoning map amendment to rezone an
17 existing R7-1 district to an R8X/C2-4 district and a
18 related zoning text amendment to establish an MIH
19 program area. Our modification would be to strike
20 MIH option 2. Council Member Schulman is in support
21 of this proposal as modified and I would like to give
22 Council Member Schulman some time to give some
23 remarks about this project. Council Member Schulman.

24
25 LYNN SCHULMAN: Okay.

2 CHAIRPERSON KEVIN RILEY: Hold on one
3 minute Council Member Schulman. You . . . There you
4 go.

5 LYNN SCHULMAN: Can you hear me now?
6 Okay. Thank you. Thank you very much Chair Riley.
7 I am very pleased that one of the first land use
8 actions in my district since I joined the Council
9 will create new deep affordable housing. One of the
10 key priorities I campaigned on. The project will
11 bring over 50 new permanently affordable homes to
12 Regal Park and an environmental sensitive building
13 whose design recognizes in sites past while looking
14 towards the future. Further, the applicant has
15 agreed and is in the process of assuming
16 environmentally friend green building certification
17 and is working on innovative plans for bicycle
18 parking within the development. I would like to take
19 the opportunity to thank the applicant team for their
20 willingness to engage with the community throughout
21 the public review process to address community needs
22 and concerns. This project demonstrates that working
23 with the community can enhance rather than hinder
24 good development in New York City. Thank you.

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2 CHAIRPERSON KEVIN RILEY: Thank you
3 Council Member Schulman. Members of the Subcommittee
4 who have questions or remarks about today's items
5 should use the Raise Hand button now. Council will
6 announce members in the order their hands are raised.
7 Counsel, are there any members with questions or
8 remarks at this time?

9 ANGELINA MARTINEZ-RUBIO, COMMITTEE

10 COUNSEL: No Council Members with questions at this
11 time Chair.

12 CHAIRPERSON KEVIN RILEY: I now call for
13 a vote. I'm sorry. I now call for a vote to approve
14 with the modifications I have described. LU 16 and
15 17 relating to the 97-04 Sutphin Boulevard and LU 26
16 and 27 relating to the 98-81 Queens Boulevard
17 proposal. Council please call the role.

18 ANGELINA MARTINEZ-RUBIO, COMMITTEE

19 COUNSEL: Chair Riley?

20 CHAIRPERSON KEVIN RILEY: Aye on all.

21 ANGELINA MARTINEZ-RUBIO, COMMITTEE

22 COUNSEL: Council Member Moya?

23 FRANCISCO MOYA: Aye on all.

24 ANGELINA MARTINEZ-RUBIO, COMMITTEE

25 COUNSEL: Council Member Abreu?

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2 SHAUN ABREU: Aye on all.

3 ANGELINA MARTINEZ-RUBIO, COMMITTEE

4 COUNSEL: Council Member Bottcher?

5 ERIK BOTTCHEER: Aye on all.

6 ANGELINA MARTINEZ-RUBIO, COMMITTEE

7 COUNSEL: Council Member Hanks?

8 KAMILLAH HANKS: Aye on all.

9 ANGELINA MARTINEZ-RUBIO, COMMITTEE

10 COUNSEL: Council Member Schulman?

11 LYNN SCHULMAN: Aye on all.

12 ANGELINA MARTINEZ-RUBIO, COMMITTEE

13 COUNSEL: And Council Member Carr?

14 DAVID CARR: Aye on all.

15 ANGELINA MARTINEZ-RUBIO, COMMITTEE

16 COUNSEL: So the vote currently stands at seven in
17 the affirmatives. No negatives. No abstentions and
18 we will leave the vote open.

19 CHAIRPERSON KEVIN RILEY: Thank you
20 Counsel. We have been joined by Council Member
21 Nurse. To continue with today's meeting, I will now
22 open the public hearing on pre-considered LUs related
23 to ULURP number C 220111 ZMK and N 220112 ZRK
24 relating to the 3285 Fulton Street Re-zoning Proposal
25 in Council Member Nurse's district in Brooklyn. This

2 application seeks a zoning map amendment to rezone an
3 existing R5/C2-3 to an R7A/C2-4/EC-6 and the related
4 zoning text amendment to establish an MIH program
5 area to facilitate the development of a new senior
6 housing development. For anyone who wishes to
7 testify on this item, if you have not already done so
8 you must register online and you may do that now by
9 visiting the Council website at
10 Council.NYC.gov/landuse. Once again that's
11 Council.NYC.gov/landuse. And I would like to allow
12 Council Member Nurse to give some remarks regarding
13 this project. Council Member Nurse.

14 SANDY NURSE: Thank you Chair. And
15 thanks for helping me get this link. I'm exciting
16 you are your Chair in your hearing. First of all I
17 do want to thank to Cypress Hills Local Development
18 Corporation. I know they're here, I just want to say
19 that I'm very supportive generally of this project.
20 It would create about 27 units of deeply permanently
21 affordable senior housing units with on-site child
22 care facilities and would be really instrumental in
23 our community. I do want to raise three kind of
24 concerns that I have and I shared this with the
25 Cypress Hills LDC but the first is I would really

2 recommend reducing the rezoning footprint of this
3 project. So first the project includes 32 inside
4 Fulton but it also includes properties within 150
5 feet of the Fulton Street of that block which means
6 Pine Street and Euclid Avenue. Accumulatively the
7 rezoning would include not only 3285 Fulton but it
8 would include eight additional properties and a
9 portion of eight others. You know this is being
10 proposed in an neighborhood that was already up-zoned
11 so ideally there should be plenty of opportunities to
12 go higher in the area. The current proposals re-
13 zoning footprint included block 4129 which is lots 60
14 and 61 which the environmental assessment statement
15 identifies as a potential developmental site
16 including this soft site is unnecessary and will, I
17 think only incentivize speculation, tenant harassment
18 and displacement. Most, if not all of these
19 buildings that would be included in this footprint
20 have residential unit with low income immigrant
21 families. All of these units are very likely
22 unregulated and as this community knows unregulated
23 tenants have little to no ranks without good cause
24 eviction and so you know including this as an up-
25 zoning would really put pressure on that, potentially

2 on those units. And lastly just to say the Re-zoning
3 hasn't yet produced the full amount of housing that
4 was promised, affordable housing so adding additional
5 up-zoning when we already went through an up-zoning
6 is, I think really unnecessary. There's been plenty
7 of space allocated for large scale development and
8 market rate and so I would like to recommend that we
9 reconsider how big this footprint is and try to bring
10 it down as much as possible to allow for the proposed
11 site at 3285 Fulton which I do fully support and I
12 really, really grateful for the work of Cypress Hills
13 LDC here. I really encourage you all to support it
14 but it would be great to get an amendment to bring
15 this down and I've spoken with our borough President
16 around this. We've been in agreement with it. We
17 have reached out to the Land Use Division to work out
18 what would be a likely reduction and I think we've
19 arrived at a good space so I would really recommend
20 that the committee support this with amendment to the
21 proposal.

22 CHAIRPERSON KEVIN RILEY: Thank you
23 Council Member Nurse. Counsel, can you please call
24 the first panel for this item?

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2 ANGELINA MARTINEZ-RUBIO, COMMITTEE

3 COUNSEL: So the applicant panel will be Benjamin
4 Stark, Meredith McNair, Michelle Neugebauer, Ismeme
5 Speliotis and Alex Prieto and I apologize if I
6 mispronounce your name.

7 CHAIRPERSON KEVIN RILEY: Counsel can you
8 please administer the affirmation.

9 ANGELINA MARTINEZ-RUBIO, COMMITTEE

10 COUNSEL: Applicants, I will call on each of you
11 individually to answer the following questions. Do
12 you affirm to tell the truth, the whole truth and
13 nothing but the truth in your testimony before your,
14 before the subcommittee and in your answer to all
15 Council Member questions. Benjamin Stark?

16 BENJAMIN STARK: Yes, I do. Thank you.

17 ANGELINA MARTINEZ-RUBIO, COMMITTEE

18 COUNSEL: Meredith McNair?

19 MEREDITH MCNAIR: Yes, I do.

20 ANGELINA MARTINEZ-RUBIO, COMMITTEE

21 COUNSEL: Michelle Neugebauer?

22 MICHELLE NEIGEBAUR: Absolutely.

23 ANGELINA MARTINEZ-RUBIO, COMMITTEE

24 COUNSEL: Ismene Speliotis?

25 ISMENE SPELIOTIS: Yes.

2 ANGELINA MARTINEZ-RUBIO, COMMITTEE

3 COUNSEL: And Alex Prieto?

4 ALEX PRIETO: I do.

5 ANGELINA MARTINEZ-RUBIO, COMMITTEE

6 COUNSEL: And just one quick announcement for the
7 applicant team. I think you were told but we are
8 controlling your mics so if you're presenting just
9 leave the mic open but if you need to any additional
10 comments just use the Raise Hand Function. Thank
11 you.

12 CHAIRPERSON KEVIN RILEY: For the benefit
13 of the viewing public if you need an accessible
14 version of this presentation please send an email
15 request to landusetestimony@council.nyc.gov. Once
16 again, that's landusetestimony@council.nyc.gov. And
17 now the applicant team may begin. Panelists as you
18 begin I'll just ask that you please restate your name
19 and organization for the record. You may begin.

20 BENJAMIN STARK: Thank you Chair Riley.
21 My name is Ben Stark I'm an attorney at Hirschen
22 Singer and Epstein working with Cypress Hills Local
23 Development Corporation and MHANY Management on the
24 rezoning at hand. And first I'd just like to say
25 thank you to Chair Riley for that nice introduction

2 and thank you especially to Council Member Nurse for
3 joining us today and the balance of course of the
4 subcommittee. Is, could we bring the presen- is it
5 up on the screen already. Uh, the presentation?
6 Thank you. So as this has already been introduced
7 this is a zoning act amendment and associated text
8 amendment at 3385 Fulton Street, uh, on the north
9 side of Fulton between Euclid and Pine Street in
10 Community District 5, east New York, Brooklyn. Next
11 slide please. This is a, this is a joint venture
12 project. Cypress Hills through a subsidiary of
13 theirs, Cypress Hills Childcare Corporation has
14 brought in MHANY Management a long time developer and
15 preserver of affordable housing, notably in east New
16 York to reimaging Cypress Hills as a partial that
17 they own on the corner of Fulton and Euclid. The
18 project endeavors to realize some objectives that
19 came out of the 2016 east New York Rezoning through
20 the development of a pretty substantially sized low
21 cost childcare center for local community and as part
22 of that development an affordable housing component
23 that itself will subsidize the development of the
24 childcare center. To do that, some additional
25 capacities, additional density is needed. In order

2 to realize that, a zoning map amendment from the
3 existing R5 District to an R7A district is necessary
4 and desirable and we are going to explain, rational.
5 And as part of that application we are going to
6 extend or we propose to extend the existing special
7 Fulton Street Commercial regulations eastward over
8 the site and change ever so slightly the Commercial
9 Overlay District from a C2-3 to a C2-4 and all of
10 this if approved with facilitate the building that
11 you see in the bottom right hand corner, a 7-story
12 mixed use building with an approximately 7400 square
13 foot daycare center on the cellar first and second
14 stories and then five stories of affordable, deeply
15 affordable senior housing on floors 3, 4, 5, 6, and
16 7. Next slide please. Oh other direction. Thank
17 you. I'm going to hand it over to Cypress Hills who
18 is going to introduce the project sponsors and a
19 little bit about the daycare center. Thank you.

20 MICHELLE NEUGEBAUR: Good afternoon
21 members of the City Council, Chair Riley and our own
22 Council Member Sandy Nurse. My name is Michelle
23 Neugebaur, and I'm the Executive Director of the
24 Cypress Hills Local Development Corporation. Our
25 organization is a not for profit and a community

development corporation and we're super excited to present this project to you which will meet two critical needs in our neighborhood. The need for affordable safe, high quality, early childhood education and a desperate need for senior housing, affordable, perfectly affordable senior housing. As been mentioned, this is a partnership between Cypress Hills Local Development Corporation, MHANY Management and the Cypress Hills Childcare Corporation. We are three very dedicated not for profit organizations that combined have years of experience serving east New Yorkers. Our organization is governed by neighborhood residents and small business owners of Cypress Hills. We provide comprehensive housing, economic development and services programs. We are proud to partner with MHANY Management, a partner of ours for some time now and they are a citywide developer of affordable housing and a HUD approved housing counseling agency. Our third partner, next slide, is the Cypress Hills Child Care Corporation and they serve the most wonderful children and families in the neighborhood. They serve 500 families every year through their three main offerings. They have a daycare center right around

2 the corner from the proposed site. They have in-home
3 family daycare head start program one of the only in
4 the country. Those two programs are nationally
5 accredited and they have a network type of family
6 daycare network of independent women entrepreneurs
7 who have set up licensed family daycare and family
8 daycare businesses in their own home and we provide
9 ongoing small business training to those women who
10 have excellent small business and early childhood
11 education programs. And since the beginning of the
12 organization, Cypress Hills Childcare Corporation of
13 1990 they have had long waiting lists. Ever since
14 the 2016 rezoning those waiting lists have gotten
15 even longer so there is definitely an acute need for
16 early childhood education in our neighborhood. You
17 can go to the next slide. So we are also an
18 affordable housing developer. This is kind of a
19 footprint of Cypress Hills LDCs affordable housing.
20 We've developed 397 units of rental housing and
21 another 150 home ownership housing since the
22 inception of the organization and mostly in the more
23 than NWCR. And I'm going to turn it over to my
24 colleague, Ismene, the Executive Director of MHANY
25 Management. And the next slide please.

2 ISMENE SPELIOTIS: Thank you Michelle and
3 thank you Council Chairperson Riley and Council Woman
4 Nurse and all the Council people on the Committee.
5 So as everyone has spoken MHANY is a co-developer and
6 co-sponsor of this project and will be co-owner and
7 manager and we are, you know, very well situation,
8 and been in east New York for over 30 years. And
9 this gives us a sense of where MHANY's rental housing
10 is, scattered throughout east New York and like
11 Cypress Hills is to the north, MHANYs buildings are
12 predominantly to the south and this building is
13 really right in our frame between us. So, next slide
14 please. And, I think what we going to share with
15 you, we will actually be seeing you again, hopefully
16 shortly is that as you can see from the slide the
17 3285 Fulton Street is up in the north, uh, well it is
18 in the northeast corner so in the right hand corner,
19 upper corner of your map and it's actually a very
20 small project and what we decided to do was to
21 actually group it with the, with four city block
22 sites that again Cypress Hills and MHANY jointly were
23 awarded by the City for the neighborhood construction
24 program which will be, which will generate rental
25 housing opportunities on a little bit to the south

2 part of east New York. We're adding 3285 Fulton to
3 this cluster to facilitate financing and we will get
4 to the affordability, you'll understand why it's so
5 important to do this. But today we're just speaking
6 about the 3285 Fulton and asking for your
7 consideration. I just wanted to point out one other
8 project also, a joint venture between MHANY and
9 Cypress Hills is the 275 unit Chester Commons Project
10 that is actually at the corner of Atlantic Avenue and
11 Chestnut Street. That's actually currently being
12 marketed through the HPD Housing Lottery, HDC Housing
13 Lottery. So again we sent out information about
14 that, happy to send me. But as you can see in
15 addition to all the units that we have currently
16 Cypress Hills and MHANY Managing throughout the
17 neighborhood 3285 Fulton falls right in the middle of
18 another project, um, two projects that we are
19 currently working on. Next slide please. Alex.

20 ALEX PRIETO: Hi. Good afternoon my name
21 is Alex Prieto, Principal with RQT Architects. Our
22 firm is the architect for this project. The site at
23 3285 Fulton Street is 4,070 square feet. The lot is
24 on the corner of that's represented by Fulton Street
25 and Euclid Avenue. A vacant three-story structure

1 currently sits on the lot and it's on the same block
2 front with other three-story buildings between Euclid
3 and Pine Streets. The property is easily accessible
4 now by a subway via the Crescent Street elevated
5 subway of the J and Z lines which is right on the
6 same block. The city also sits a caddy corner and
7 across the street from the recently east New York
8 neighborhood plant. Next slide please. Okay, this
9 image shows the proposed 7-story structure that
10 contains a childcare space on the ground and second
11 floors with some space in the cellar. 27 affordable
12 dwelling units for seniors are located on floors 3
13 through 7. This image shows the entrance of the
14 child care space, uh, riding along Euclid Avenue
15 which makes sense for us just to keep the children
16 away from the busier, Fulton Streets. The
17 residential entrance to the senior units is located
18 on the Fulton Street which again is busier. Each
19 location is along the elevated train, our design
20 includes several features that will help mitigate the
21 incoming noise from the subway line. We proposed a
22 limited number of mechanical openings on the facades
23 and we are proposed a VRF Mechanical system which
24 again helps in not punching holes in the façade and
25

2 allowing noise to come into the units or the
3 childcare space. Some sustainability features
4 include like I said the high thermal performing
5 windows, accessible green roofs which will be used
6 for both seniors and for the childcare space and
7 again the high performance of VRF mechanical systems.
8 Next slide.

9 BENJAMIN STARK: Thank you Alex. As I
10 mentioned earlier and as Alex kind of led into a
11 second ago. This, this zoning map amendment is dry
12 as, drives its rationality really based on the
13 business, the density, centered on Fulton Street. As
14 you can see on the map on the left hand side here,
15 the rezoning area and the project area itself on the
16 corner is caddy cornered to a much denser zoning
17 district, an M1/R8A is approximately 50 percent more
18 dense than the district that we seek an R7A. This
19 particular zoning district caddy cornered to the
20 southwest will facilitate a very notable 14 story
21 give or take building with 1000 plus units. This is
22 the 5th project called Atlantic Chestnut. This will
23 be neighborhood within a neighborhood so to speak and
24 we anticipate that the thousands of people and
25 families that will come along with a building like

2 this will add even more pressure on the need for low
3 cost daycare services in this area. As Alex
4 mentioned, the positioning of overhead and the
5 Crescent Street Station is a big component of this
6 zoning map amendments rationality. When we say that
7 we are next to a subway station, we really mean it,
8 the stairs are basically on this block. I think
9 they're on the east end of the block. A few other
10 points see here that the, I know Council Members have
11 mentioned that there was maybe a six or eight other
12 sites that were included within this re-zoning in
13 addition to the ones that front on Fulton. Those
14 lots are losing their commercial overlay status. You
15 can see from the image on the left, the image on the
16 right, we are tightening up the depth of the
17 commercial overlay. It's currently 150 feet deep, we
18 are going to bring it to 100 feet deep. That's just
19 to reflect the current residential addition of those
20 side streets and finally the extension of the special
21 Fulton Street district will provide for certain
22 transparency requirements in our building, making
23 sure that there are big, nice show windows, to really
24 show what's going on inside at the ground floor. It
25 will also require us to set out building back a few

2 feet to provide for more pedestrian friendly
3 sidewalk. Next slide please. This is, this is just
4 a, this is a rough image admittedly, but it's one
5 that just gives some sense of the things I was
6 speaking to. We are right on top of the subway
7 station and we've taken the opportunity to try to
8 stencil in to some extent the masking of what is
9 going up caddy corner to us. Next slide please.
10 Alex.

11 ALEX PRIETO: Yeah so this shows the
12 plans for the childcare space. The three plans are
13 the basement, the first floor and the second floor.
14 All totaled the child care space will be 7400 square
15 feet give or take. The, with the five classrooms
16 that serve up to 75 children, like it stated here in
17 the slide the childcare space will also have office
18 space, reception areas and meeting rooms those will
19 be most likely along the ground floors with the
20 classrooms and additional floor spaces in the other
21 two floors. There are also what is not shown here is
22 a recreational roof that sets above the 7th floor.
23 The plan now is for the childcare space to use that
24 as recreational space. Next slide. And these are
25 the typical floors for the dwelling units. Typically

2 we have series of studios and one bedroom up in the
3 corner. What I cannot see at least on my screen is
4 the upper right hand side of each of the plans you
5 should see a lounge. At least on my screen it's
6 being blocked by me. But that's the plans that every
7 residential floor will have a loud space. We also
8 have a smaller terrace along the 5th floor that will
9 also be used by the seniors. Again, we're really
10 excited about this intergenerational programming that
11 we have at this building where seniors will look over
12 and see you know children coming into their building,
13 at least from the lower floors. I think it's a match
14 made in heaven so to speak. Next slide please.

15 Okay, can Ms. Ismene maybe unmuted please?

16 ISMENE SPELIOTIS: Thank you and I just
17 wanted to add to Alex that there will be two separate
18 elevators. One will be for the residents and one
19 will be to get the children up to their roof deck.
20 So we do plan a fair amount of intergenerational
21 activity but people will also have independent and
22 private spaces. So we really want to talk to you
23 about affordability and what we're doing in this
24 slide. Actually there's a few things that we are
25 doing that are not on this slide. One is after we

1 presented to the community board and to the borough
2 president interstate planning commission it was very
3 clear and Councilwoman Nurse was at the borough
4 president presentation and also the community board
5 presentation and we met with her separately and one
6 of the, our deepest concerns as I think anyone who
7 has worked with MHANY and Cypress Hills knows is
8 affordability. So you can see here in the current
9 underwriting we're showing four units at you know at
10 this \$26,000 and 15 units at \$33,000. What we do
11 know is that seniors are often on fixed incomes and
12 the 26 and 33 even if it may sound low is you know
13 out of reach to several of those seniors and I think
14 the Council person, the community board and we felt
15 that way too but when we initially underwrote it
16 under HPDs program we really couldn't get there but
17 we went back and we went back after all our previous
18 presentations and we are very, very, happy to say
19 that we are planning to do a couple of things. One
20 is we are planning to go back to HPD with all of the
21 public recommendations and ask for more money in
22 subsidy. We are also applying for SOA funds to
23 Councilwoman Nurse. What we're able to do by kind of
24 moving the numbers around is actually change the
25

2 distribution of affordable units. As you can see now
3 there's no affordable units in the 30 percent
4 category. We are able to get five. Okay in the 40
5 percent we were able to move another six into the 40
6 percent and then leaving only four units of
7 affordable housing at the 50 percent which is the
8 highest number. So really with a little bit of extra
9 impetitious from our public folks really pushed hard
10 to drop those so you're looking at a set of numbers
11 that we expect will change and we are committing to
12 that on the record as I'm presenting to you know and
13 has been requested by all of the, all of the folks to
14 whom we present to prior. In addition to those
15 changes in affordability, we are going to still be
16 providing eight project based vouchers, six in the
17 studio units and two in the one bedrooms and those
18 units are section 8 that stays with the building
19 which means that the income of the person can be a
20 dollar. It can be very and these are going to be
21 homeless senior referrals and we are working to
22 ensure that those homeless referrals will come from
23 New York, that is not the current policy but we're
24 working with you and we're working with the agencies
25 to get there. What we're showing you below just as

2 we mentioned earlier, we are going to be financing
3 this little building together with the other four
4 lots that were awarded to us. And the reason this is
5 important is that we actually can't get to these
6 levels of reporting. We actually can't build 3285
7 Fulton by itself which is why this, we're partners
8 with Cypress Hills NY, we're adding these lots. So
9 one is we're actually able to build it, two we're
10 able to you know incorporate a beautiful and much
11 needed childcare center and then three, what ends up
12 happening here is the 3285 is a senior building with
13 the HPD required studio and one bedrooms and then the
14 sister project actually then has no studios, few one
15 bedrooms and then family units in the two and three
16 bedrooms and these were also actually working at the
17 request of the council person Barron and Councilwoman
18 Nurse bringing this 16 units at 60 down with more
19 units at the 30 and 40 percent AMI categories. So
20 this is a slide that's made it through the ULURP
21 process so we didn't want to change it but we did
22 want to go on the record explaining that we have just
23 like Council Woman Nurse asked about the modification
24 on re-zoning footprint the same is true for the
25 affordabilities and we've worked really hard to bring

2 them down and that is our commitment to the Council
3 and to the borough President and to the Community.

4 Next slide please. So I think I talked to most of
5 this warranted to, I don't know if Michelle or Ben if
6 you want me to just finish this out?

7 BENJAMIN STARK: Sure why don't you. You
8 already kind of spoke to the first two or three
9 points why don't you focus on these last two or
10 three.

11 ISMENE SPELIOTIS: And I think that and I
12 think that Alex spoke about resiliency and the
13 sustainability features in terms of being on Fulton,
14 on the train, that's great for being able to run out
15 and shop but it's not so great. So the work we've
16 put in to how many windows around the train side and
17 then the quality of the exterior and below the
18 building has been paid serious attention to. The, we
19 are set back so the sidewalk is going to be wider
20 which is great for the kids, you know for the
21 children coming into the childcare center. The
22 Community Board I think and the Borough President
23 asked us to consider even kind of a little bit of a
24 bigger extension of the curb so we will be working
25 with the Department of Transportation as we make our

2 way through the process. And we've been asked to
3 look at the rain garden and creating rain garden.
4 This is, of all of them one might think DOT is the
5 hardest but the rain garden in a very small site like
6 this is hard but again we are totally happy to look
7 at all of these recommendations and we're really
8 happy to be able to do basically one through three
9 without having to ask basically anyone and then the
10 DOT and the DEP request will be a work in progress
11 and would reach out to the Council Woman when we need
12 help. Thank you. Next slide please. So right now
13 we're here in front of you for the vote. Thank you
14 very much. We have been working in parallel on this
15 project in anticipation of a positive approval.
16 Again, not trying to count our chickens before they
17 are hatched but you know we didn't really don't,
18 Cypress Hills has been an owner of this site for
19 quite some time and has been paying on an acquisition
20 loan for quite some time. So and as we talked about
21 the need for housing and the need for childcare is so
22 important and overwhelming. So we're actually in a
23 position when the second project finishes the ULURP
24 process later in the spring to really finalize the
25 project and get into the ground starting in the fall

2 of this year. Construction, we're anticipating to
3 take two years and so then sometime in the fall of
4 2024 we'll be able to open up the new childcare
5 center and house the individuals and families that we
6 discussed on this presentation. And I think that
7 brings us to the end and we're available for
8 questions. Thank you.

9 CHAIRPERSON KEVIN RILEY: Thank you. And
10 thank you to the applicant panel for the
11 presentation. I just have a few questions before I
12 turn it over to Council Member Nurse to see if she
13 has any questions. The first question is this is an
14 unusual site for an affordable housing development.
15 How did MHANY and Cypress Hill acquire this site?

16 ISMENE SPELIOTIS: Michelle do you want
17 to speak to your initial plan? I think you have to
18 unmute Michelle.

19 MICHELLE NEUGEBAUR: Yeah. I was trying.
20 So we we've been looking actually at Cypress Hills
21 Open Development Corporation and Cypress Hills
22 Childcare Corporation for a site for a second daycare
23 center for some time and we wanted it to be close to
24 the existing center which is around the corner from
25 this site. And this site is a formal funeral home.

2 When it was vacated we immediately knew about it
3 because they are on the same block and relentlessly
4 pursued the owners so it was really not only
5 proximity to the existing programs but the site
6 itself is really accessible to parents in the
7 neighborhood and we acquired it by borrowing. We,
8 the childcare corporation borrowed the money from the
9 local initial supportive corporation and the Cypress
10 Hills Local Development Corporation guaranteed the
11 loan so we purchased it for, the loan was \$1.8
12 million from local initiative support corporation.

13 ISMENE SPELIOTIS: I think the other
14 thing we should say I forgot, Chairman Riley is that
15 and Michelle you should speak to this is the RESOA
16 money that the former Council Person. I don't know
17 if you're on mute again, so we got a \$5 million RESOA
18 commitment from former council representative
19 Espinal.

20 MICHELLE NEUGEBAUM: The former Council
21 Member was negotiating commitments with the de Blasio
22 Administration was around the same time that we had
23 identified the site, Cypress Hills Child Care
24 Corporation met with former Council Member Espinal
25 and he included it in his negotiations so there was

2 \$4 million of RESOA money that he put into the
3 project and then former Council Member Diaz put
4 another \$1 million into the project.

5 ISMENE SPELIOTIS: I think what's really
6 important, Chairman Riley you are saying it's a
7 strange location maybe because it's on the corner to
8 build more housing right up against the train.
9 Unfortunately that Michelle and Cypress Hills found
10 out over the last several years was that even RESOA
11 donations was not enough to be able to build a
12 standalone child care center. So originally they had
13 actually contemplated turning this in to a child care
14 center. Standalone. It was going to be a rehab but
15 then when we acquired the property and did structural
16 analysis we found out that the building had to be
17 demolished. So building from the ground up and
18 trying to raise money through you know private
19 donors. We don't have, you know those kinds of
20 philanthropic rich people associated with the
21 organization that would balance that it would cost to
22 build a standalone childcare facility and financing
23 the project. Financing is just not out there,
24 subsidies for community facilities. So the

2 affordable housing very much so worth subsidizes the
3 childcare facility.

4 BENJAMIN STARK: If I may I wanted to
5 champion you know the structure that my client has
6 put together here. It's really, you know I work at
7 an Affordable Housing Law Firm and I said this so
8 many times during the public review process, I've
9 never seen a 27 unit ayes building get built ever.
10 It's been since 2016 and not just a 27 until ayers
11 building new construction but one that has been prior
12 the changes that it's made, just announced, our work
13 to try to lower the affordability levels of this
14 building I think the blended AMI on the, what it was
15 in prior weeks was as low as like 47 or 48 percent
16 AMI across 27 units not counting the eight homeless
17 set aside units and MHANY is finding a way to achieve
18 even deeper levels of affordability and that in and
19 of itself is what is going to subsidize the daycare
20 center so the daycare center, a not for profit
21 daycare center for low income families being
22 subsidized by affordable housing and below 48 percent
23 AMI. I mean that is only through the shear will of
24 creative financial structuring including those other
25 sites into one financing package can something like

2 this happen. I think it's a model for how mission
3 driven projects can be done these days. So, sorry,
4 thank you.

5 CHAIRPERSON KEVIN RILEY: Thank you
6 Benjamin and we're really, really pressed on time so
7 you guys answered one of my other questions but I
8 have just one more question before I pass it over to
9 Council Member Nurse. The Community Board submission
10 criticized this project for its focus on studios
11 versus one bedroom apartments for seniors. In your
12 experience with senior housing developments do
13 studios serve this population well?

14 ISMENE SPELIOTIS: I see. Yes.

15 MICHELLE NEUGEBAUR: But the site itself
16 is so narrow and so small we really couldn't get them
17 and we abrupted the preliminary board the director of
18 the senior center that's a block away from the
19 develop-, two blocks away from the development site
20 and you cannot just imaging the depth of poverty of
21 so many seniors in the neighborhood who are living in
22 basement apartments or sleeping on other people's
23 couches, renting rooms that the need is so great that
24 it would be a shame, a shame to not maximize the
25 number of units in that building.

2 CHAIRPERSON KEVIN RILEY: Thank you
3 Michelle. Oh, go ahead.

4 ISMENE SPELIOTIS: Also, and also
5 Chairman Riley the HPDs program really is a studio
6 and one bedroom for senior housing only. Okay, so if
7 the community board wanted even larger apartments
8 which is actually not in the current HPD term sheet.
9 It's not allowed. And so, um, as Michelle said, once
10 you start to reduce units the project actually very
11 quickly becomes unaffordable and so we, our goal here
12 is to actually build it. And you know we're really
13 proud and we do believe it's not going to solve all
14 of the world's, you know, problems, it's not going to
15 serve all of New York problems but we will absolutely
16 find 27 seniors, we will find way more than 27
17 seniors that are interested in living in this
18 building and we're looking forward to housing them.

19 CHAIRPERSON KEVIN RILEY: Thank you.
20 Before I turn it over to Council Member Nurse for her
21 questions, Counsel do you want to take Chair Louis
22 vote before we turn it over?

23 ANGELINA MARTINEZ RUBIO, COMMITTEE

24 COUNSEL: Yes, so continuing the vote for LU 16 and
25

1 SUBCOMMITTEE ON ZONING AND FRANCHISE 37

2 17 for 9704 Sutphin Boulevard and LUs 26 and 27 for
3 98-81 Queens Boulevard, Chair Louis?

4 FARAH LOUIS: I vote aye. Thank you.

5 ANGELINA MARTINEZ RUBIO, COMMITTEE

6 COUNSEL: For your final vote of eight in the
7 affirmative, no negatives, no abstentions. The items
8 are approved and will be referred to the full Land
9 Use Committee. Thank you Chair.

10 CHAIRPERSON KEVIN RILEY: Thank you
11 Counsel. I would now like to turn it over to Council
12 Member Nurse to ask any questions or if she wants to
13 give any remarks regarding this project. Council
14 Member Nurse?

15 SANDY NURSE: Yeah, so I just want to
16 thank MHANY and Cypress Hills for doing what you are
17 doing and I can concur that senior housing is a need
18 although the issue of the unit sizes it breaks my
19 heart but I, it's not MHANY and Cypress Hills issue
20 that's an issue with our building code and the fact
21 that we are squeezing people into smaller and smaller
22 living quarters and hopefully we can address that
23 with this new council and the state and not put that
24 on the burden of non-profit development. So yes it
25 is going to do a service for their community.

2 Childcare is a big need across not just New York City
3 but the state and the country but again I hope to
4 follow up with a written recommendation to reduce the
5 zoning size. I understand that everything is getting
6 bigger. There is giant buildings going up. That
7 doesn't mean that we have just go ahead and continue
8 that down the line. I think it is really important
9 that we preserve smaller units, that we protect the
10 tenants. I don't see a commitment from a real
11 capital commitment from HPD to protect the tenants in
12 those other buildings. I don't see a programmatic
13 plan for ensuring anti-displacement measures for the
14 tenants in those other buildings should this pass
15 with that upzoning included with those other
16 additional properties and you know while in the
17 conversations there was conversation about well it's
18 unlikely that somebody will come in and scoop that up
19 it's not impossible and we are seeing this and so I
20 really will follow up with a specific recommendation
21 and we've been in talks with the borough president
22 about this. In fact, this was a main flag for him as
23 well and so if there's any way that we can reduce
24 that footprint and protect those buildings.
25 Everything else is being up-zoned. There is so much

2 else being up-zoned. The whole neighborhood was up-
3 zoned. We're going to be fighting an up-zoning for
4 the next two years for other places so. You know,
5 it's really important to protect, you know, tenants
6 that are most likely unregulated, low income tenants
7 and without the City showing demonstrated results of
8 protecting tenants I don't see why we need to extend
9 this up-zoning past what is needed to specifically
10 pass this project which I am fully in support of.
11 So, I'll just leave it there and we'll follow up in a
12 written way and I'll follow up with MHANY and Cypress
13 Hills and I do thank you for what you're doing to
14 support seniors and families in the community.

15 CHAIRPERSON KEVIN RILEY: Thank you
16 Council Member Nurse.

17 SANDY NURSE: Chairman Riley, I know
18 you're in a hurry and I'm so sorry I always talk too
19 much.

20 CHAIRPERSON KEVIN RILEY: No, that's
21 okay.

22 ISMENE SPELIOTIS: But we're, you know,
23 we and again I don't want to speak out of turn, I'm
24 not an attorney. We're fine. We totally agree with
25 the Council Woman that we are not interested in up-

2 zoning without any effort our neighbor's property so
3 that the current owners can make a windfall when they
4 sell. You know, and so we have to walk a fine line
5 when we're re-zoning. You know, so it's not just out
6 building, what's the right area but again Ben can
7 speak better to this but I think we're fine and I
8 think what we need from you is to be like I want this
9 and then that's what gets incorporated. Okay? So, I
10 think, please do that so that we get the right, you
11 know, the right amount and then and we don't, we're
12 not interested in just increasing people's values,
13 you know, willy, nilly and putting residents at risk.
14 So I hope you know that and so please, anything we
15 can do to help do that, I think if you want to put
16 that in here we're totally, totally in agreement and
17 supportive of that.

18 CHAIRPERSON KEVIN RILEY: Go ahead

19 Benjamin.

20 BENJAMIN STARK: Nothing more to say
21 other than, yes we look forward to working with your
22 office Council Member Nurse and staff at the Land Use
23 Division which has always been really helpful on
24 issues like this so today's, today's Monday and we'll
25

2 look forward to talking with your staff later in the
3 week and kind of getting to an answer. Thank you.

4 SANDY NURSE: Thank you.

5 CHAIRPERSON KEVIN RILEY: I know invite
6 my colleagues to ask questions if you have any
7 questions for this applicant panel, please use the
8 Raise Hand button on the participant panel. Counsel,
9 are there any Council Members with questions?

10 ANGELINA MARTINEZ RUBIO, COMMITTEE

11 COUNSEL: I don't see any Council Members with
12 questions.

13 CHAIRPERSON KEVIN RILEY: There being no
14 further questions this applicant panel may be
15 excused. Counsel, are there any members of the
16 public who wish to testify on 3285 Fulton Street
17 Proposal?

18 ANGELINA MARTINEZ RUBIO, COMMITTEE

19 COUNSEL: Chair Riley there is none. No members of
20 the public who have signed up to testify so we can go
21 ahead and close the hearing.

22 CHAIRPERSON KEVIN RILEY: There being no
23 members of the public who wish to testify on pre-
24 considered LUs related to the ULURP #C220111 ZMK and
25 N220112 ZRK relating to that 3285 Fulton Street Re-

2 Zoning Proposal. The public hearing is now closed
3 and the items are laid over. That concludes today's
4 business. I would like to thank the members of the
5 public, my colleague, subcommittee Counsel, Land Use
6 and other Council Staff and the Sergeant at Arms for
7 participating in today's meeting. This meeting is
8 hereby adjourned. [gavel pounding]

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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 29, 2022