

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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July 17, 2018  
Start: 2:00 p.m.  
Recess: 2:58 p.m.

HELD AT: Committee Room - City Hall

B E F O R E: Ben Kallos  
Chairperson

COUNCIL MEMBERS:  
Chaim M. Deutsch  
Ruben Diaz, Sr.  
Vanessa L. Gibson  
Andy L. King

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

Mark Weprin  
Greenberg Traurig

Dan Egers  
Greenberg Land Use Attorney

Artie Pearson [sp?]  
Director of Land Use at HPD

Carolyn Williams

Jacqueline Arango [sp?]  
Akerman LLP

Ed Brown  
Team Brown Consulting

Phillip Kellogg  
Fulton Business Alliance

Lacy Talbot [sp?]

Kenneth Morrison  
Lamar Realty Corporation



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2 COUNCIL MEMBER DEUTSCH: Ready? [gavel]

3 Good afternoon and welcome to Subcommittee on  
4 Planning, Dispositions and Concessions. I'm Council  
5 Member Chaim Deutsch, and I will be filling in today  
6 for Chair Kallos who could not be here today. We are  
7 joined with Council Member Rich-- Donovan Richards,  
8 and today we will-- today we'll also be holding  
9 hearings on many projects. If you're here to testify  
10 on any item on the calendar, please fill out a white  
11 speaker slip with the Sergeants in Arms, and indicate  
12 the LU number or project name of the item you wish to  
13 testify on, on that slip. We will begin with LU 155,  
14 the North Conduit [sic] de-mapping for property  
15 located at 219-01-219-25 North Conduit Avenue in  
16 Council Member Richards' district in Queens. This  
17 application is to de-map a portion of city-owned  
18 streets and sell it to the adjacent property owner to  
19 use as parking area for commercial business. I now  
20 open the public hearing to LU 155, and we have people  
21 to testify. So, I would ask the Council to swear in  
22 the applicants.

23 COMMITTEE COUNSEL: Please raise your  
24 right hand. Do you affirm to tell the truth, the  
25 whole truth and nothing but the truth in your

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2 testimony before the Subcommittee and in answer to  
3 all Council Member questions?

4 DAN EGGERS: I do.

5 MARK WEPRIN: I do. We will be as brief  
6 as possible. I'm Mark Weprin from Greenberg Traurig.  
7 I'm joined by Dan Egers who is our Zoning Attorney at  
8 Greenberg Traurig. This is, as we mentioned, a de-  
9 mapping in Council Member Richards' district right  
10 near where Donovan Richards III goes to preschool.  
11 I'd like to call on Mr. Egers now to go through the  
12 presentation.

13 DAN EGGERS: Thank you, Mr. Weprin.

14 Councilman Deutsch, Councilman Richards, good  
15 afternoon. Dan Egers, Land Use Attorney at Greenberg  
16 Traurig. I'm representing 219-25 LLC., the owner of  
17 21901 to 21925 North Conduit Avenue. It's located on  
18 the eastside of Springfield Boulevard near the Belt  
19 Parkway in Queens Community District 13. This is the  
20 Conduit Plaza Shopping Center which my client  
21 developed in 2013. The buildings are on the property  
22 that my client owns. Most of the accessory parking  
23 area, however, is a mapped, but unbuilt portion of  
24 North Conduit Avenue that my client has been  
25 licensing through the Department of Citywide

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2 Administrative Services since 2012. Since the  
3 license is temporary in order for my client to be  
4 able to provide parking on a permanent basis, we've  
5 applied to de-map and have the parking area disposed  
6 to my client. The parking area is 15,357 square  
7 feet. At the request of DOT, we're also seeking to  
8 de-map an approximately 3,300 square foot portion to  
9 the east of the property, so the total area proposed  
10 to be de-mapped is 18,656 square feet. Here is the  
11 application map showing the proposed change to the  
12 City map. The area to be mapped is outlined. As  
13 mentioned, the area to be mapped is currently used  
14 for permitted accessory parking, which is as-of-  
15 right, and if de-mapped it'll continue to be used for  
16 parking; no development is proposed. This area now  
17 has 42 parking spaces. There are an additional eight  
18 parking spaces on the site. So there's a total of 50  
19 parking spaces currently. As a condition for the de-  
20 mapping and sale to our client, DOT has requested  
21 certain improvements to the parking area which are  
22 shown here on this illustrative diagram. These  
23 primarily involve changes in curb cut, location, and  
24 configuration, and the addition of landscaping around  
25 the parking area. With these changes, the total

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2 number of spaces would reduce from 50 to 47. In sum,  
3 this application would allow the area to continue to  
4 be used for parking permanently with improved curb  
5 cuts and landscaping. I ask for your favorable  
6 consideration and welcome any questions. Thank you.

7 COUNCIL MEMBER DEUTSCH: Thank you. Any  
8 questions?

9 COUNCIL MEMBER RICHARDS: Two questions.  
10 So, obviously I had concerns with the triangular part  
11 of the lot-- well, I guess the whole lot is  
12 triangular, but the portion of 144<sup>th</sup> Avenue that  
13 wouldn't be a part of this application. Can you  
14 speak to any conversations you may have had with DOT  
15 or may not have had, and how could we be helpful in  
16 that conversation? And then obviously tree planting  
17 is something the neighborhood brought up, so you can  
18 just speak a little bit on the record of what we plan  
19 to do there.

20 DAN EGGERS: I'll be happy to speak about  
21 that, Councilman. So, this area has been included in  
22 the de-mapping application at the request of DOT.  
23 We've reached out to the Law Department in the course  
24 of beginning to draft the mapping agreement that  
25 would actually provide for the disposition of the

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2 area, and we were advised that DOT at this point has  
3 no plans for the disposition of the area, but we  
4 would welcome any assistance your office could  
5 provide so that we could have a productive  
6 conversation with DOT. Because after all, it's in  
7 our client's interest to make sure that that area is  
8 maintained and has an attractive appearance, since  
9 his property is adjacent to it. So, that's something  
10 that we would welcome, and as for the planting of  
11 street trees along the Springfield Boulevard at 144<sup>th</sup>  
12 Avenue frontages of the property. We would also  
13 welcome the opportunity to potentially partner with  
14 the Springfield Gardens High School to provide  
15 students and opportunity to plant street trees and  
16 then be responsible for maintaining them, either  
17 street trees or some other sort of vegetation along  
18 those frontages.

19 COUNCIL MEMBER RICHARDS: Thank you, Mr.  
20 Chair. Thank you. Thank you for your work on this.

21 MARK WEPRIN: Thank you.

22 COUNCIL MEMBER RICHARDS: Thank you for  
23 acknowledging my son's daycare, which is not too far  
24 from there. Thank you.

25



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2 COUNCIL MEMBER DEUTSCH: Thank you. Are  
3 there any members of the public--

4 COUNCIL MEMBER RICHARDS: [interposing]  
5 Perhaps--

6 COUNCIL MEMBER DEUTSCH: [interposing] who  
7 wish to--

8 COUNCIL MEMBER RICHARDS: He could  
9 perhaps help you plant some of the trees. Alright,  
10 thank you.

11 COUNCIL MEMBER DEUTSCH: Right. Thank  
12 you. Any members of the public wish to testify?  
13 Okay, so seeing none, I will now close the public  
14 hearing on this application, and it will be laid  
15 over. Thank you very much. We will continue with  
16 the public hearing on LU 159, the 490 East 181<sup>st</sup>  
17 Street application for property located in Council  
18 Member Torres' district in the Bronx. HPD seeks  
19 approval of a new Article XI tax exemption for a  
20 period of 40 years pursuant to Section 577 of the  
21 Private Housing Finance Law. The subject property is  
22 an existing 24-unit residential cooperative building  
23 for low-income households with 23 occupied and one  
24 vacant unit. The prior tax exemption would be  
25 terminated. I now open the public hearing on this

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2 application, and-- okay. And ask the Counsel to  
3 administer the oath to these applications-- these  
4 applicants.

5 COMMITTEE COUNSEL: Please raise your  
6 right hand. Do you affirm to tell the truth, the  
7 whole truth and nothing but the truth in your  
8 testimony before this Subcommittee and in answer to  
9 all Subcommittee-- all member questions?

10 UNIDENTIFIED: Yes.

11 UNIDENTIFIED: Yes.

12 UNIDENTIFIED: We have a lot on the  
13 agenda today.

14 COUNCIL MEMBER DEUTSCH: Take your time.  
15 It's raining outside. We have nowhere to go.

16 ARTIE PEARSON: Afternoon, Chair. My  
17 name is Artie Pearson [sp?], Director of Land Use  
18 from HPD. Land Use Number 159 consists of an  
19 exemption area containing one privately-owned  
20 building located at 490 East 181<sup>st</sup> Street in the  
21 Bronx, Council District 15. This property is a  
22 candidate for round 10 of the third-party transfer  
23 program interim foreclosure action number 53 for  
24 which HPD is seeking Article XI tax benefits. 490  
25 East 181<sup>st</sup> Street was taken into city ownership in

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2 1978 and subsequently entered into the Tenant Interim  
3 Lease Program. On June 28<sup>th</sup>, 1991 conveyed the  
4 property to the existing occupants of the low-income  
5 cooperative with household AMIs capped at-- by the  
6 maintenance and utility formula outlined in Section  
7 576, Article XI of the Private House and Finance Law.  
8 The building contains a total of 24 residential units  
9 with one vacancy and comprises 10-- I'm sorry-- 10  
10 one-bedroom apartments, 10-- what's this? Ten one-  
11 bedroom apartments, right, 12 two-bedroom apartments,  
12 and five three-bedroom apartments. Currently, the  
13 properties in the TPT program as it meets the  
14 criteria which includes municipal arears more than  
15 one year old. Some of the reasons that contributed  
16 to the building's candidacy including the passing of  
17 some of the original shareholders, some who have  
18 moved out of the property, and some shareholders who  
19 refuse to pay maintenance. Therefore with your  
20 resources, CHDFC was forced-- was faced with  
21 operating deficiencies. Currently, the HDFC has  
22 taken to rectify their situation by entering into a  
23 payment agreement with DEP arears and initiating  
24 court actions. The Board has also increased the rent  
25 and maintenance fees as well as require 200 dollars

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2 per residential unit be designated annually to the  
3 building's reserve funds in order to meet the  
4 financial obligations of the building to maintain  
5 solvency. In order to help maintain continued  
6 affordability and stability in the building, HPD is  
7 before the Council seeking retroactive tax benefits  
8 dating from 2000 for a term of 40 years that will  
9 coincide with a regulatory agreement which also  
10 mandates the annual maintenance increases among other  
11 requirements such as hire a third-party manager.  
12 Approval of the tax exemption will facilitate removal  
13 of 490 East 181<sup>st</sup> Street, HDFC from consideration as  
14 a candidate of round 10 of the third-party transfer  
15 program, thus providing for long-term affordability--  
16 long-term home ownership by the shareholders. Sorry.  
17 That's it [sic].

18 COUNCIL MEMBER DEUTSCH: Thank you.  
19 Anybody else? Okay, so I believe Council Member  
20 Torres supports this project. Anyone else to  
21 testify? Seeing none. So, I guess you are  
22 dismissed. Alright, seeing none, I close the public  
23 hearing on this application, and we will proceed to  
24 the next-- okay. You're testifying again? Okay.  
25 Alright, now we're going to be hearing on LU 160, the

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2 1103 Franklin Avenue Tax Exemption Application for  
3 property located in Council Member Gibson's district  
4 in the Bronx. HPD seeks approval of a new 40 Article  
5 XI tax exemption for an existing 20-unit co-op for  
6 low-income families with 14 occupied and six vacant  
7 units. The prior tax exemption would be terminated,  
8 and I open the public hearing on this application,  
9 and I guess you don't have to-- no? Okay. So, you  
10 can go ahead.

11 ARTIE PEARSON: Okay. Land Use Number  
12 160 consists of an exemption area containing one  
13 privately-owned because located 1103 Franklin Avenue  
14 in Bronx Council District 16. It is also a candidate  
15 for round 10 of the third-party transfer program,  
16 interim [sic] action number 53 for which HPD is  
17 seeking Article XI tax benefits. This building was  
18 taken into City ownership in 1982 when it also  
19 entered into the TIL program. And on October 7<sup>th</sup>,  
20 1992, HPD conveyed the property to the existing  
21 occupant as a low-income cooperative under Section  
22 576 of Article XI of the Private Housing Finance Law.  
23 This building contains 20 residential units and is  
24 partially occupied and comprises 10 one-bedrooms and  
25 10 two-bedrooms. This building is in Round 10

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2 because it meets the criteria which includes some  
3 municipal arears, and under some of the same  
4 situations this building went into the third-party  
5 transfer program because some of the original  
6 occupants had passed away. Others moved out, and  
7 others refused to pay their maintenance. This HDFC2  
8 has taken steps to rectify their situation, and they  
9 entered into a payment agreement with DEP. They have  
10 increased the rents and maintenance fees as well as  
11 required 200 dollars per residential unit--  
12 residential units be designated for the building's  
13 reserve. So, in order for the building to meet their  
14 financial obligations, though, they agreed to do  
15 those things. The Board has hired an experienced  
16 property manager, and together they've developed a  
17 plan to make routine repairs and outline a capital  
18 improvement program that will help maintain the  
19 building into the future. So, again, in order to  
20 help maintain affordability and stability of this  
21 building, HPD is before the Council seeking tax  
22 benefits for a term of 40 years that will coincide  
23 with a regulatory agreement as well as some other  
24 items such as hired a third-party manager. Approval  
25 of the tax exemption will facilitate removal of 1103

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2 Franklin Avenue from consideration as a candidate for

3 Round 10 of the third-party transfer program,

4 providing for long-term home ownership by the

5 shareholders. Thank you.

6 COUNCIL MEMBER DEUTSCH: Thank you very

7 much. This application is supported by Council

8 Member Gibson, and also I'd like to thank the Land

9 Use Committee for the briefing we sent for several

10 hours on these applications. Are there any members

11 of the public who wish to testify? Seeing none, I

12 now close the public hearing on this application.

13 Our next hearing is on Pre-considered LU Friendset

14 Apartments for property located at the 2911 West 36<sup>th</sup>

15 Street in Council Member Treyger's district in

16 Brooklyn. HPD seeks a partial Article XI tax

17 exemption for a period of 30 years for the existing

18 259-unit building. The prior tax exemption would be

19 terminated. I now open the public hearing of this

20 application, and-- Carolyn Williams, okay. I'm going

21 to ask the Counsel to administer the oath.

22 COMMITTEE COUNSEL: Please raise your

23 right hand. Do you affirm to tell the truth, the

24 whole truth and nothing but the truth?

25 CAROLYN WILLIAMS: Yes.

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2 COMMITTEE COUNSEL: [inaudible] for the  
3 applicant.

4 CAROLYN WILLIAMS: I affirm. We have  
5 representatives from the sponsor as well that--

6 COUNCIL MEMBER DEUTSCH: So, we got Ellie  
7 Devonowitz [sp?], and--

8 COMMITTEE COUNSEL: Please raise your  
9 right hand? Do you affirm to tell the truth, the  
10 whole truth and nothing but the truth in response to  
11 all Council Member questions and your testimony  
12 before this subcommittee?

13 CAROLYN WILLIAMS: Okay. This Pre-  
14 considered item consists of an exemption area  
15 containing one occupied multiple dwelling located at  
16 2911 West 36<sup>th</sup> Street in Brooklyn Council District 47  
17 known as Friendset Apartments. The project is a low-  
18 income Section 8 development currently owned by an  
19 Article V housing redeveloping company approved for  
20 disposition by the Board of Estimate on June 23<sup>rd</sup>,  
21 1977. At the time of the disposition, approval of  
22 the housing company also received a property tax  
23 exemption which is said to expire in July 2019. The  
24 building contains a mixture of unit types including  
25 241 one-bedroom, 17 two-bedroom, and one



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2 superintendent's unit for a total of 259 residential  
3 units as well as four commercial units and one  
4 community facility. There is an existing Housing  
5 Assistance Program, or HAP, contract with HUD for all  
6 the units with the exception of the superintendent's  
7 apartment. Under the contract, household incomes do  
8 not exceed 80 percent of AMI and tenants pay no more  
9 than 36 percent of their income towards rent. Under  
10 HPD's HUD Multi-family Program, the current owner  
11 will convey the project to a new entity formed under  
12 Housing Development Fund Corporation, HDFC. Both the  
13 acquisition and rehabilitation of the property will  
14 utilize private financing. The HDFC currently has  
15 20-year HAP contract which expires in 2034. The  
16 owner will also be required to enter into a new HAP  
17 contract with HUD for an additional term upon  
18 expiration of the current agreement. Eligible  
19 tenants will continue to receive Section 8 rental  
20 assistance. A moderate rehabilitation is planned for  
21 the project that includes work to the façade, common  
22 areas, lighting upgrades, installation of  
23 surveillance camera, performing electrical work, and  
24 upgrades to a portion of the bathrooms and kitchens.  
25 There are very few housing code violations, and the

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2 rehab will address any that are outstanding. In  
3 order to facilitate redevelopment of the project, HPD  
4 is before the Planning Subcommittee seeking approval  
5 for the housing company to voluntarily dissolve their  
6 status as an Article V, terminate their current tax  
7 exemption and enter into a new Article XI tax  
8 exemption for a term of 30 years, coinciding with the  
9 regulatory agreement. The cumulative value of the  
10 tax exemption is approximately \$12,313,665.00. The  
11 net present value is approximately \$5,580,453.00.

12 COUNCIL MEMBER DEUTSCH: Anybody else?  
13 No. Seeing none. Any questions? First of all,  
14 we're joined by Council Member Mark Treyger, and  
15 we're also joined-- King is in the house, Council  
16 Member Andy King. Any questions from members of the  
17 Subcommittee? Council Member Treyger?

18 COUNCIL MEMBER TREYGER: Thank you,  
19 Chair, and this is after all, in my district, and  
20 this is obviously affordability is very important to  
21 me. So, just kind of summarize and crystalize a  
22 couple of points. We are talking about preserving  
23 the affordability of how many entire units again?  
24 Did I hear that number?

25

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2 UNIDENTIFIED: There are 258 rental  
3 apartments.

4 COUNCIL MEMBER TREYGER: I think you have  
5 to speak into the mic.

6 UNIDENTIFIED: There are 258 rental  
7 apartments.

8 COUNCIL MEMBER TREYGER: Is that mic on?  
9 Because it has to record. I'm sorry.

10 UNIDENTIFIED: The red light is on.

11 COUNCIL MEMBER TREYGER: Oh, it's on,  
12 okay. So, 258 rental apartments, and this action  
13 will preserve affordability for what length of time?

14 UNIDENTIFIED: Thirty years.

15 COUNCIL MEMBER TREYGER: Thirty years.

16 And can you just again quickly summarize what  
17 improvements will be made to the building as well?

18 UNIDENTIFIED: Sure, there's  
19 approximately going to be four million dollars' worth  
20 of improvements. Those improvements are going to  
21 include the façade, roofing, lighting, surveillance  
22 cameras, a portion of the bathrooms and kitchens will  
23 be renovated, the AC sleeves as well, and electrical  
24 upgrades including some safety issues throughout the  
25 building.

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2 COUNCIL MEMBER TREYGER: And with those  
3 improvements will there be any types of request for  
4 an MCI increase?

5 UNIDENTIFIED: No.

6 COUNCIL MEMBER TREYGER: No. So, these  
7 folks will continue to pay what they're paying. This  
8 is preserving affordability in those units for 30  
9 years. Is that correct?

10 UNIDENTIFIED: Correct.

11 COUNCIL MEMBER TREYGER: Okay, thank you  
12 very much.

13 COUNCIL MEMBER DEUTSCH: Thank you,  
14 Council Member Treyger. Any members of the public  
15 who wish to testify? Seeing none, I now close the  
16 public hearing on this application. Thank you.

17 UNIDENTIFIED: Thank you.

18 COUNCIL MEMBER DEUTSCH: We will now  
19 continue on LU's 149 and 150, the 1019-1029 Fulton  
20 Street application for properties in Council Member  
21 Cumbo's district in Brooklyn. The New York City  
22 Department of Housing Preservation and Development of  
23 Fulton LLC [sic] seek designation of an Urban  
24 Development Action Area Project, UDAAP, project  
25 approval and disposition approval of city-owned

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2 property at 1027-1029 Fulton Street and Zoning  
3 special permit to waive required off-street parking  
4 at 1029 Fulton Street. These proposed actions would  
5 facilitate the development of an eight-story building  
6 with approximately 50 residential units and 6,100  
7 square feet of ground-floor commercial retail space  
8 to be constructed on the disposition area and six  
9 adjacent privately owned lots. I now open the public  
10 hearing on this application. I'd like to call-- oh,  
11 wow. Lin Zang [sp?], we have Lin Zang, okay. And  
12 who we got here?

13 UNIDENTIFIED: Genevieve Michael [sp?].

14 COUNCIL MEMBER DEUTSCH: Okay. Okay, I  
15 will now ask the Counsel to swear the applicants.

16 COMMITTEE COUNSEL: Please raise your  
17 right hand. Do you affirm to tell the truth, the  
18 whole truth and nothing but the truth in your  
19 testimony before this committee and in answer to all  
20 Subcommittee questions?

21 UNIDENTIFIED: Yes.

22 COUNCIL MEMBER DEUTSCH: [inaudible]

23 UNIDENTIFIED: Great. Land Use numbers  
24 149 and 150 are related to uniformed Land Use review  
25 procedure actions that pertain to the development of

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2 a mixed-use project known as 1019 Fulton Street in

3 Brooklyn Council District 35. The City is seeking

4 approval of Urban Development Action Area Project

5 designation, approval of the proposed project in

6 disposition of two city-owned vacant lots located at

7 1027 and 1029 Fulton Streets, block 1991, lots two

8 and three, as well as a special permit. Land Use

9 number 149 consists of the proposed development of

10 1019 Fulton Street under HPD's Voluntary Inclusionary

11 Housing Program. Under program guidelines, the

12 sponsor proposes to construct an eight-story

13 residential building containing 15 dwelling units and

14 6,094 square feet of ground-floor retail space. The

15 project area is made up of seven privately owned

16 properties located at block 1991, lots one, four,

17 five, seven, 16, and 106, as well as the City's lots

18 which are lots two and three. While lots two and

19 three had previously received disposition approval by

20 the City Planning Commission in the 1990s. Given

21 their small size and configuration, no appropriate

22 affordable housing program existed at the time.

23 Therefore, the lots remained undeveloped and under

24 the City's ownership. Currently, the sponsor who

25 owns the adjacent private sites submitted a proposal

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2 to HPD for consideration that would incorporate the

3 city-owned sites with the private sites in order to

4 create an assemblage of nine sites to develop the

5 1019 Fulton Street project. As part of LU number

6 149, the newly constructed building will be mixed-use

7 with variety of unit types, including 12 studios, 24

8 one-bedrooms, and 14 two-bedroom apartments. Thirty

9 percent of the units, approximately 15 apartments

10 would be permanently affordable to individuals and

11 households earning a mix of incomes, and would be

12 privately financed. We are still finalizing exact

13 AMIs, but we are targeting 100 AMI and below. The

14 remaining units, approximately 34, would be rented at

15 market rate. Proposed residential amenities include

16 laundry rooms on each residential floor, a recreation

17 room in the cellar, and outdoor patio space on the

18 roofs. Additionally, there will 25 bicycle spaces

19 for residents in the cellar. The retail space is

20 anticipated to be 6,094 square feet. It will be

21 designed to be flexible so it can accommodate smaller

22 retailers. The developer is working with Fulton

23 Alliance Business and the Council Member's office to

24 identify local retailers that could potentially rent

25 the spaces. In order to facilitate development of

1 SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND CONCESSIONS 24  
2 the project, HPD also requests approval of Land Use  
3 number 150. This action seeks approval of a special  
4 permit to waive required accessory off-street parking  
5 spaces for dwelling units in a mixed-use project  
6 within a transit zone that includes at least 20  
7 percent of all dwelling units in a development as  
8 income-restricted residential apartments. The  
9 amendment will affect the project area which includes  
10 the private sites, block 1991, lot one, seven, 16,  
11 and 106, as well as the city-owned properties which  
12 are lots two and three. The 1019 Fulton Street is an  
13 opportunity to maximizes the number of affordable  
14 units on the site and contribute to the commercial  
15 corridor while minimizing valuable city resources.  
16 Therefore, HPD is seeking approval for Land Use  
17 numbers 149 and 150.

18 COUNCIL MEMBER DEUTSCH: Thank you. Any  
19 questions?

20 COUNCIL MEMBER KING: I do have a  
21 statement, and if a question comes out of, we'll just  
22 have a dialogue.

23 UNIDENTIFIED: Right.

24 COUNCIL MEMBER KING: So, the Council  
25 Member who's responsible for this area is Council



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2 Member Cumbo, and she has expressed her concerns even  
3 though we're still at the table trying to figure out  
4 what makes sense.

5 UNIDENTIFIED: Yep.

6 COUNCIL MEMBER KING: Any time that a  
7 private partnership, we want to make sure that--  
8 [background noise] see, the Lord is speaking to us  
9 all right now. Get it right. Get it right. He's  
10 telling us to get it right, okay. So, but I'm just  
11 asking the City as we make these deals that making  
12 sure that the community that's going to be  
13 surrounding this area benefits from any development.  
14 I mean, the sale of a dollar [sic] is-- it's a good  
15 thing to inspire developers to build in our  
16 community, but we want to make sure that the  
17 community is profiting, too, and not developers walk  
18 away. I've seen it too many times. You know, we go  
19 through the U-- we have to go through the ULURP  
20 process, and people try to figure out their own  
21 agendas as opposed to the neighborhood, not the  
22 community, I'm talking about the neighbor, because a  
23 community is an agenda of the neighborhood of the  
24 people live in a geographical area. So, I'm asking  
25 you as you continue to negotiate, negotiate in good

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2 faith, but at the end of the day we don't want to be  
3 struck down by lightning. He already warned us,  
4 alright, that we do right by this neighborhood.

5 Making sure that whatever agreements that are being  
6 made are in the best interest of our Council Member  
7 Cumbo, and in that district is done in good faith.

8 Alright, I thank you.

9 UNIDENTIFIED: Absolutely.

10 COUNCIL MEMBER DEUTSCH: Thank you,  
11 Council Member King. Okay, so I just want to read a  
12 statement from Council Member Cumbo. She could not  
13 be here today. She's out of town. So, this proposal  
14 calls for the sale of approximately 2,300 square feet  
15 of city-owned property for one dollar to develop a  
16 Fulton LLC to be combined with the surrounding  
17 properties nor [sic] to facilitate the development of  
18 an eight-story building with ground floor commercial  
19 space and 50 apartments, 15 of which would be  
20 affordable at 70, 80, and 120 AMI. Throughout the  
21 review process, Community Board Two, the Brooklyn  
22 Borough President and some members of the City  
23 Planning Commission have all raised concerns about  
24 the proposed affordability and public benefits of  
25 this project. I share these concerns and consistently

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2 advocated throughout my term as Council Member for  
3 the 35<sup>th</sup> District that sale of lease of public land  
4 to private developers should always come with  
5 significant public benefits. The proposal before us  
6 today does not have enough deeply affordable units  
7 for the families who are in the greatest need of  
8 affordable housing. I also believe that this project  
9 offers a promising opportunity to secure commercial  
10 space for local businesses who are under increasing  
11 pressure from gentrification and development in our  
12 community. As we continue the council review of this  
13 project, I look forward to further conversations with  
14 HPD and the developer to secure more inclusive  
15 development. She has a question. Including  
16 commercial space that is appropriately sized and  
17 priced for local businesses in a priority of Majority  
18 Leader Cumbo, what is your current proposal to  
19 achieve this goal, and how can we achieve greater  
20 affordability and long-term security for small  
21 businesses? Don't fight over the question.

22 UNIDENTIFIED: I mean, I think the  
23 developer, and Jackie [sp?] is here representing the  
24 project's sponsor, they've been in discussion with  
25

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2 the local Council Member on this very matter. So, I  
3 think that discussion is still ongoing.

4 COUNCIL MEMBER DEUTSCH: Okay. So,  
5 you're dismissed and let's call up the next panel to  
6 answer that question. I think we have-- we have the  
7 developer on the next panel.

8 UNIDENTIFIED: Okay, great.

9 COUNCIL MEMBER DEUTSCH: Alright? Thank  
10 you.

11 UNIDENTIFIED: Thank you.

12 COUNCIL MEMBER DEUTSCH: Unless you want  
13 to stay. You can stay all day. I'd like to call up  
14 Tom. Is there a Tom here?

15 UNIDENTIFIED: He's actually just going  
16 to be available for questions, is that okay?

17 COUNCIL MEMBER DEUTSCH: Okay, that's  
18 fine.

19 UNIDENTIFIED: Okay.

20 COUNCIL MEMBER DEUTSCH: I'm only giving  
21 first names because it's very hard to read this.  
22 Jacqueline? Let's hope there's only one Jacqueline  
23 in the room. Jacqueline? Okay. Ed, Ed Brown?  
24 Phillip Kellogg? I would like to ask Counsel to  
25 swear in the applicants.

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2 COMMITTEE COUNSEL: Please raise your  
3 right hand. Do you affirm to tell the truth, the  
4 whole truth and nothing but the truth in your answer  
5 to Council Member questions and in all your testimony  
6 before this Subcommittee?

7 COUNCIL MEMBER DEUTSCH: Yeah, you may  
8 proceed.

9 JACQUELINE ARANGO: Okay, so my name is  
10 Jacqueline Arango of Akerman LLP, on behalf of the  
11 co-applicant here. HPD is obviously the co-  
12 applicant, and also Fulton Star is the private  
13 developer who will be developing the proposed project  
14 that you see before you right now located at 1019  
15 Fulton Street. I will give a quick overview, because  
16 I think Genevieve covered a lot of what the project  
17 is about, and then I'll turn it over to Ed Brown who  
18 is working with the developer on local hiring to  
19 ensure that we have quality construction jobs and  
20 long-term jobs in the community, and then also I'm  
21 joined by Phil Kellogg of the Fulton Business  
22 Alliance who the owner has been working with over the  
23 past five years on ensuring that the retail space--  
24 since this project is part of the Fulton Business  
25 District, to ensure that there is quality retail

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2 space that also meets the needs of the community, and

3 that's something that we're working very strongly

4 with Council Member Cumbo to ensure that the local

5 businesses that she's identified as being displaced

6 would have a new location at this site, and also to

7 ensure that this Fulton Business District corridor--

8 this site actually has been vacant for the past 20

9 years, and I'm just going to show you briefly,

10 because there were some questions about the public

11 benefit of this project. Just to-- going to go

12 quickly through these just to show you what the site

13 is. So, the city disposition only makes up 20 percent

14 of this development site. It's otherwise it's-- the

15 remaining 80 percent is privately owned land. The

16 developer is not asking for any subsidy here with the

17 exception of the City is disposing of this 2,300

18 square foot lot. So, I know that there is concern

19 about the public benefit, but here these sites would

20 likely remain vacant if the developer were not to

21 redevelop this-- to develop this project, and also

22 with this city land, can provide 15 permanently

23 affordable housing units. As of right, no affordable

24 housing here would have to be provided. It's already

25 an R7A Zoning District. And I just have some

1 SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND CONCESSIONS 31

2 background on how-- the developer has been working

3 with the City over the past five years to put

4 together this assemblage, and also to ensure that the

5 maximum public benefit is reached by this project.

6 As you can see, it's a vacant area along Fulton

7 Street right now, and we will have a new eight-story

8 development as Genevieve stated before with 50

9 residential units, full ground floor retail space,

10 and 15 permanently affordable housing units. And I'm

11 going to now turn it over to Ed to speak about the

12 developer's partnership in working on local hiring.

13 ED BROWN: Thank you. Good afternoon. My

14 name is Ed Brown, and I'm the President of Team Brown

15 Consulting. And just to give you a brief background

16 of projects we worked on before that you're familiar

17 with, the Cadman [sic] Library Project, which we're

18 on right now. We worked briefly on City Point. We

19 worked on Dock Street with Two Trees, BAM South with

20 Two Trees, Slate Property Group 325 Lafayette, One

21 Flatbush Avenue, and several other-- with BFC

22 partners as well. We were brought on board to assure

23 that local residents get an opportunity to work on

24 this particular project. I'm born and raised in that

25 district, and I'm a former Tenant Leader with the

2 Ingersoll Houses, and when the redevelopment took  
3 place in Ingersoll, we saw a need to create an entity  
4 to make sure that residents get employed when these  
5 projects take place. So, based on what Council  
6 Member King said, that's our mission, and we do it  
7 well. Some developers we won't work with, because  
8 trying to get them to comply is like pulling teeth,  
9 and we feel this project is a good project for the  
10 community, and we already have a database. Plus, we  
11 send people out to find people within a certain  
12 radius of the project, and we find people with skills  
13 and without skills, and if they don't have skills, we  
14 provide OSHA training and scaffolding certification,  
15 and flagging certification, and we basically help the  
16 developer meet his quota with the jobs. And also as  
17 it relates to the local businesses, because I'm born  
18 and raised in the community, I know most of the  
19 businesses in the community. So, we're going to do  
20 the footwork and go out and find businesses that want  
21 to stay in the community, primarily businesses of  
22 color, and see if we can get them to move into a new  
23 space at a reasonable rent where they could survive  
24 gentrification. That's it. Thank you.



2 PHILLIP KELLOGG: Good afternoon. My  
3 name is Phillip Kellogg, and I'm Executive Director  
4 of the Fulton Area Because Alliance, which is a  
5 nonprofit business improvement district along Fulton  
6 Street's Corridor in Fort Greene in Clinton Hill. We  
7 represent over 400 businesses and property owners  
8 along Fulton Street. A top economic development goal  
9 of our organization has been the transformation of  
10 these vacant city-owned lots into a mixed-use  
11 development that includes ground floor commercial  
12 uses. For the City to be able to leverage these two  
13 small slivers of vacant lots to generate affordable  
14 housing well beyond what is possible on the city-  
15 owned lots two and three alone, plus adding ground-  
16 floor commercial activity along Fulton Street all the  
17 way to the corner of Downing would be a major win,  
18 and we support this ULURP application. A devastating  
19 outcome would be the as-of-right option, if the  
20 developer went ahead and built the building on the  
21 adjacent property that they already own where the  
22 community would end up with market rate condos and no  
23 affordable housing, plus no ground floor commercial  
24 activity, and just a dead zone along Fulton Street.  
25 In the end, we'd be left with those two small city-

2 owned lots, and those are certain to remain vacant

3 for generations to come. FAB [sic] supports the

4 request in the ULURP application to waive the

5 requirement for off-street parking. One of the great

6 things about Fulton Street in this section is how

7 well-served it is by mass transit, and accommodating

8 off-street parking in this project would decimate the

9 possibilities for ground floor commercial activity.

10 And ground floor commercial use is essential to this

11 section of the Fulton Street commercial corridor, in

12 particular between Grand and Franklin. In

13 conversations and public meetings, the developer's

14 been supportive of FAB's vision for the ground floor

15 space to be activated in a way that benefits the

16 community. FAB's goals include having a variety of

17 small businesses that will serve the community

18 instead of one large chain or a single bank or a big

19 box store that dominates the entire block. FAB is

20 also requested its base be made available for local

21 businesses and/or nonprofit cultural and arts

22 organizations at below market rates-- rents. We are

23 very encouraged that the developer, and this doesn't

24 happen always, has agreed to put many of these

25 stipulations FAB has asked for in writing. FAB

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2 enthusiastically supports this ULURP application, and  
3 we look forward to seeing the project realized.

4 Thank you.

5 COUNCIL MEMBER DEUTSCH: Thank you very  
6 much. I have a question. As Chair of the Veterans  
7 Committee, I'd just like to add maybe when you hire  
8 people for projects, that you said you represent over  
9 400 building owners and business owners, so if you  
10 could just consider hiring some veterans. Just I  
11 wanted to make that a request. We have a question  
12 here from Council Member Andy King.

13 COUNCIL MEMBER KING: Thank you for  
14 looking out for the veterans, Council Member. My dad  
15 was a veteran. I know a couple of people coming back  
16 from serving our great country only to find  
17 themselves on soup lines, can't get health insurance,  
18 no one wants to hire them, but we put them on the  
19 battlefield. Don't understand the logic of this  
20 country when it comes to taking care of the men and  
21 women who protect our freedoms, but that's a bigger  
22 conversation. But I want to ask you all the  
23 question. Now, this is 1119-- 1019 Fulton Starr LLC,  
24 and you're representing them, correct?

25 JACQUELINE ARANGO: Correct.

2 COUNCIL MEMBER KING: So, my question to  
3 you is-- and this is going to go in conjunction with  
4 what my brother said here. Now, while you're from  
5 the neighborhood and you're there to protect and make  
6 sure local residents get opportunities to work on  
7 this site, I'd like to know from you, the Council  
8 Member and the Community Board and the Borough  
9 President has expressed concerns about affordability.  
10 So, we know that we can always provide jobs if the  
11 right people have the skills to get the jobs, and  
12 according to him they're going to train people to get  
13 those jobs. Someone's trained to get this job, earns  
14 a decent living, the affordability question comes in.  
15 how does someone who is from the neighborhood who has  
16 been there forever, and I don't even like-- you know,  
17 when we say we got to fight our gentrification,  
18 gentrification is not a wonderful thing. It's not a  
19 great thing, and we throw it around on a subtle  
20 attempt [sic] like it's something we're supposed to  
21 accept. If someone has lived in the neighborhood and  
22 has endured the neighborhood through its good times  
23 and some of its struggling times, then we start to  
24 rebuild it for the next set of people who don't look  
25 like the people who survived the neighborhood, it's

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2 not a wonderful thing to be proud of. Gentrification  
3 is not a wonderful thing to be proud of. So I'm  
4 asking you, how do we-- how can you ensure this  
5 community, this neighborhood that wants this  
6 building, if it's to get erected, that the person who  
7 worked building this building who lived around the  
8 corner can access to live in this building? Or  
9 those who are struggling with the rates that you're  
10 saying breaking down AMIs for people to live in this  
11 building, how can you assure that the Council Member  
12 and all these concerns will be addressed, and let  
13 alone, making sure that the small local black  
14 business that's in the neighborhood can guarantee  
15 that you're going to put them in a rent that they can  
16 afford. Now, hopefully they can afford it. If you  
17 want them in, you got to give them something that  
18 they can continue to run their business, because if  
19 they can't then there goes that gentrification word  
20 again that you start bringing inside saying, "Well,  
21 they couldn't afford the rent. That's why we had to  
22 bring these other people out." So, what is your  
23 guarantee? What is going to be our energy to make  
24 sure these things don't happen?

25

2 JACQUELINE ARANGO: Okay. So you're  
3 asking two questions, one about affordability of  
4 housing, and then two, about affordability for small  
5 businesses within the community. So, the first  
6 question is the units that-- the 15 units that will  
7 be permanently affordable are going to be subject to  
8 HPD and HPD's guidelines and marketing process.  
9 There will be a 50 percent Community Board preference  
10 for those units as the guidelines currently set  
11 forth. So, that means that when there is the housing  
12 lottery for those 15 units, there is a preference  
13 given to members of Community Board Two living within  
14 the area that meet the affordability levels for the  
15 project. So, that would ensure that this preference  
16 is given right off the bat. In addition to that, the  
17 developer has partnered with Impact Brooklyn which is  
18 the local not-for-profit that will do outreach to the  
19 community to make sure that they understand, they do  
20 a financial literacy campaign, and they also ensure  
21 that the community is aware of these housing  
22 opportunities, because a lot of times from my  
23 experience I've seen that people just don't even know  
24 that these affordable housing opportunities exist  
25 within the community. So, that's-- the developer has

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2 partnered with local nonprofits to ensure that those  
3 units will not only on making sure that they go to  
4 the community, but also making sure that they're  
5 educated on the availability of these units. And  
6 it's restricted by regulatory agreement. So, the  
7 devel-- so we can't decide that we don't want to  
8 eventually provide these at affordability levels.  
9 They will be restricted permanently by legal  
10 documents.

11 COUNCIL MEMBER KING: I want to thank you  
12 for your efforts to answer the questions. He lives  
13 in the neighborhood. You have a responsibility to  
14 make sure that you protect your neighborhood. This  
15 is a good looking because. Can it-- will bring  
16 opportunities here, but if the residents who don't  
17 live around it-- I've seen HPD in work. You put  
18 together an agreement. You say these are the rules,  
19 and then you open up and change the rules or there's  
20 something that somebody missed, and then the people  
21 who are around the corner who were knocking on the  
22 door can't get in the building. Just staying, be  
23 mindful. If you're going to make an agreement, stick  
24 to it because it's going to be hard-pressed.  
25 Whatever Council Member Cumbo is looking to get,

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2 we're asking you to make sure that it gets  
3 accomplished, because it'd be hard-pressed for us all  
4 to-- we will stand with her in any efforts to make  
5 sure this building and this project is what she wants  
6 to see happen.

7 ED BROWN: I just want to make a  
8 statement in reference to that. Impact Brooklyn, I  
9 have some experience working with them on other  
10 projects, and the key, what I found out, is even if  
11 people have the income for these apartments, the key  
12 is as she mentioned is to jump out ahead of the game  
13 and provide the financial literacy workshops and  
14 provide the affordable housing application process,  
15 instruction, and we've done that at one of the local  
16 schools, and we had-- you know, we had room for like--  
17 - we expected about 30 people to come out to get the  
18 information, and like more than 80 people came out to  
19 this workshop that we had. So, I think the first  
20 thing-- and we're also working on that as well, is to  
21 educate the community in reference to, you know,  
22 financial literacy and the things necessary to take  
23 an opportunity like this as they pop up.

24 COUNCIL MEMBER KING: So, I'm going to  
25 end with this. I have the same similar situation in



2 my district with a building. The same thing offered  
3 financial-- I'd just like to know, are we offering  
4 financial literacy to every community at every time  
5 we erect a building, because what I'm hearing from  
6 time to time is how do we weed out people we don't  
7 want there. We create a scenario saying that you may  
8 not know how to manage or get into a building. If I  
9 have the income to get into a building, I should, and  
10 I have access to it, then no one should give other  
11 barriers and have other criteria to say, "Well,  
12 you're not prepared or ready, but I'm going to bring  
13 these people in because they're prepared and ready."  
14 They don't make the-- if someone is making 70,000 on  
15 this side, same person making 70,000 dollars, but I  
16 live around the corner, yeah, when you build it you  
17 should be building it for that person who is right  
18 around the corner who is trying to get out of mom's  
19 and pop's house, not someone who lives in another  
20 boroughs and bringing them in and saying, "Ah, they  
21 qualify because they were fiscally responsible, and  
22 they should be able to get in the building." That's  
23 the point I'm saying, because I don't want us to be  
24 coming in on a Land Use process and then at the end  
25 of the day, the neighborhood that this house is being

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2 built gets gen-- and I say gentrification is not a  
3 great thing. I don't want that to happen here, and  
4 that's why we're asking these hard questions, because  
5 at the end of the day whatever Council Member Cumbo's  
6 fighting for, we're going to stand with her whether  
7 that's a yes or a no. Thank you.

8 JACQUELINE ARANGO: Thank you.

9 COUNCIL MEMBER DEUTSCH: Thank you,  
10 Council Member King. We've been also joined by  
11 Council Member Vanessa Gibson and Council Member  
12 Ruben Diaz, Senior. Any other-- any questions? No?  
13 Okay, I don't see anyone else to testify, no. Any  
14 other members of the public who wish to testify?  
15 Seeing none, I now close the public hearing on this  
16 application, and it will be laid over. Thank you  
17 very much. We will now pause our hearings to take a  
18 vote on 158, 159, 160, and Friendset Apartments, and  
19 161. We will be voting on two-- we're voting on two  
20 projects that we will not be holding hearings on  
21 today because they are amendments to previously  
22 approved applications which was subject at prior  
23 hearings. These amendments necessary to correct  
24 typographical or similar errors. The first is LU  
25 158, the NHP Hope Homes Cluster Amendment for

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2 property in Council Member Perkins' and Ayala's  
3 district. The exemption area was identified as one  
4 property comprised of block 1750 lot 57 and 58. The  
5 correction is for them to identify each property  
6 separately as block 1750 lot 57 and block 1750 lot  
7 58. The second is LU 161, the Small Homes Rehab, the  
8 NYCHA SQVH Cluster II Amendment for property in  
9 Council Member Adams' district. In this case, part  
10 of the project area was identified as 147-06 Sutter  
11 Place. The correction is to identify it as 147-06  
12 Sutter Avenue. I now call for a vote approve LU's  
13 158, 159, 160, 161, and Pre-considered LU Friendset  
14 apartments, all of which have the support of the  
15 local Council Members. Counsel, please call the  
16 roll.

17 COMMITTEE COUNSEL: Gibson?

18 COUNCIL MEMBER GIBSON: Permission to  
19 briefly explain my vote on the record? I want to--

20 COUNCIL MEMBER DEUTSCH: [interposing]  
21 Permission granted.

22 COUNCIL MEMBER GIBSON: Thank you. I  
23 want to speak in favor of LU 160, 1103 Franklin  
24 Avenue who has applied to HPD for a 40-year tax  
25 exemption, Article XI, and I am grateful for the

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2 shareholders and the co-op residents of 1103 Franklin

3 in my district in the Morrisania community, because

4 they faced a number of challenges with maintaining

5 their HDFC status, and through this tax exemption

6 they're going to remain affordable for the next 40

7 years for these families as well as future families.

8 So, I want to recognize 1103 Franklin Avenue and

9 thank HPD and the HDFC Coalition who did a tremendous

10 amount of work to get them back on good ground so

11 they can maintain their status. So, I ask my

12 colleagues on the committee to please vote in the

13 affirmative, and I vote aye on all. Thank you.

14 COMMITTEE COUNSEL: Deutsch?

15 COUNCIL MEMBER DEUTSCH: Aye on all.

16 COMMITTEE COUNSEL: King?

17 COUNCIL MEMBER KING: Aye on all.

18 COMMITTEE COUNSEL: Diaz?

19 COUNCIL MEMBER DIAZ: Aye [sic].

20 COMMITTEE COUNSEL: By a vote of 4 in the

21 affirmative and 0 in the negative with 0 abstentions,

22 the items are recommended to the full Land Use

23 Committee.

24 COUNCIL MEMBER DEUTSCH: Thank you very

25 much. Gracias. Our next hearing will be LU 157, the

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2 286 West 151<sup>st</sup> Street tax exemption application for  
3 property in Council Member Perkins' district in  
4 Manhattan. This application is for the termination  
5 of the prior exemption for this fully-occupied 18-  
6 unit residential co-op for low-income households. A  
7 new Article XI tax exemption is proposed. I now open  
8 the public hearing for this application. Lacy Talba  
9 [sp?], Malcolm Morris, and Artie Pearson [sp?].  
10 Malcolm Morris and Artie Pearson. Okay, wow we see  
11 you again.

12 ARTIE PEARSON: Yeah.

13 COUNCIL MEMBER DEUTSCH: Wow. Okay, so  
14 we're not going to swear you in again, unless you  
15 really want. Okay.

16 ARTIE PEARSON: Land Use number 157  
17 consists of an exemption area containing one  
18 privately-owned building located at 286 West 151<sup>st</sup>  
19 Street in Manhattan Council District Nine. This  
20 property, too, is a candidate for Round 10 of the  
21 third party transfer program interim action number 51  
22 for which HPD is seeking Article XI tax benefits.  
23 The building was taken into city ownership in 1978  
24 and subsequently entered into the TIL program. On  
25 June 27<sup>th</sup> of 2002, HPD conveyed the property to the

2 existing occupants as a low-income cooperative with  
3 household AMIs capped by the maintenance and utility  
4 formula outlined in Section 576 Article XI of the  
5 Private Housing Finance Law. The building contains a  
6 total of 18 residential units. It is fully occupied  
7 and comprised of 11 one-bedroom, two two-bedroom, and  
8 five three-bedroom apartments. Apparently-- I'm  
9 sorry. Currently, the property is in TPT as it meets  
10 the criteria which includes municipal arears more  
11 than a year old. Some of the reasons that contributed  
12 the building's candidacy include the passing of  
13 original shareholders, some who have moved out of the  
14 property, and some shareholders who refuse to pay  
15 maintenance. Therefore, with fewer resources, the  
16 HDFC was faced with operating deficiencies. After  
17 realizing they were in danger of foreclosure, the  
18 shareholders worked out a plan to help save their  
19 building. They recently entered into a payment  
20 program-- a payment plan with DEP, and in October  
21 2016 the Board increased the rent and maintenance  
22 fees in order to meet the financial obligations of  
23 the building to maintain solvency. The HDFC will  
24 enter into involuntary repair agreement to address  
25 outstanding Housing Code violations and any needed

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2 repairs. So, in an effort to save this building and  
3 maintain affordability and stability, HPD is before  
4 the Council seeking tax benefits for a period of 40  
5 years that will coincide with a regulatory agreement  
6 which also mandates annual maintenance increases  
7 among other requirements such as hire a third-party  
8 property manager. Approval of the tax exemption will  
9 facilitate the removal of 286 West 151<sup>st</sup> Street from  
10 consideration as a candidate for Round 10 of TPT so  
11 that the building can provide long-term home  
12 ownership for the shareholders.

13 COUNCIL MEMBER DEUTSCH: Thank you. Any  
14 members of the public wish to testify? Seeing none,  
15 I now close the public hearing on this application,  
16 and it will be laid over. Our next public hearing  
17 will be on LU 156 Balton [sic] Commons for property  
18 located at Fillin [sic] in Council Member Perkins'  
19 district of Manhattan. HPD seeks an approval of an  
20 urban development action area project, UDAAP  
21 designation project approval and disposition approval  
22 for block 1932, lots five, seven, and 107. These  
23 actions will facilitate the development of a new  
24 mixed-use seven-story building with 36 affordable  
25 housing units and commercial and community facility

2 space. I now open the public hearing. We have  
3 Kenneth, Kenneth Morrison, Kevin Paris [sp?], and  
4 Lacy Talbot [sp?]. Counsel, I'd like to ask the  
5 Counsel to swear in the applicants.

6 COMMITTEE COUNSEL: Please raise your  
7 right hand. Do you affirm to tell the truth, the  
8 whole truth and nothing but the truth in your  
9 testimony before this Subcommittee and in answer to  
10 all Council Member questions?

11 UNIDENTIFIED: Yes.

12 UNIDENTIFIED: Okay.

13 COUNCIL MEMBER DEUTSCH: You may begin.

14 UNIDENTIFIED: Thanks. LU number 156  
15 consists of the proposed disposition of three city-  
16 owned sites located at 263 to 267 West 126<sup>th</sup> Street  
17 in Council District Nine, known as Balton Commons.  
18 In 2008, HPD completed a ULURP application to approve  
19 the disposition of city-owned sites for the expansion  
20 of an existing commercial facility in the borough of  
21 Manhattan. Subsequent to these actions, HPD did not  
22 continue with the disposition of these sites.  
23 Therefore, to facilitate the intended project, the  
24 ULURP actions before the City Council involve an  
25 Urban Development Action Area Project, or a UDAAP,



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2 designation and project approval and disposition for  
3 the proposed development of Balton Commons under  
4 HPD's Neighborhood Construction Program, or NCP. The  
5 project site contains a community garden known as  
6 Mandela Garden which was licensed as an interim  
7 garden in late 2014. In 2015, HPD informed the  
8 gardeners that the site was moving forward as an  
9 affordable housing project. Over the course of the  
10 last two years, HPD and the Parks Department have  
11 made several attempts to engage the cooperation of  
12 the gardeners in an effort to provide relocation  
13 assistance that included alternate sites upon which  
14 to establish a new garden. While eight alternative  
15 sites were offered, none were accepted. In 2015, HPD  
16 issued a request for qualifications geared toward  
17 certified MWBE organizations that would be given the  
18 opportunity to submit a proposal to develop the lots  
19 as low-income rental housing. On January 13<sup>th</sup>, 2017,  
20 the development team was selected to develop the  
21 Balton Commons site under the NCP term sheet, as I  
22 mentioned. The proposal includes the construction of  
23 a seven-story mixed-use building containing  
24 approximately 37 apartments, including a  
25 superintendent's unit, as well as 6,000 square feet

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2 of commercial space and 1,400 square feet of

3 community facility space. Once completed, the new

4 building will be comprised of 11 studios, 12 one-

5 bedroom, and three three-bedroom units, plus one for

6 a superintendent. Targeted incomes will range from

7 30 to 100 percent of AMI, approximately 93,900

8 dollars for a family of three, with rental tiers at

9 27, 57, and 90 percent of AMI, which is about 367

10 dollars for a studio to 2,367 dollars for three-

11 bedroom. Amenities for the building include a

12 dishwasher in all residential units, as well as a

13 gym, an outdoor activity space, laundry per floor,

14 and bicycle parking spaces. The sponsor has

15 partnered with Silicon Harlem, a for-profit

16 organization that focuses on technology who will

17 operate from the commercial space. The community

18 facility space will be utilized by Silicon Harlem's

19 nonprofit arm, offering educational and workspace for

20 local groups. Additionally, the retail space is

21 anticipated to be utilized by a coffee shop. In order

22 to facilitate development of the Balton Commons

23 project, HPD is before the Council seeking approval

24 of Land Use Item Number 156. And we have a

25 representative from the development team who can take

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2 you through a brief presentation. If you're ready,  
3 yeah.

4 COUNCIL MEMBER DEUTSCH: Okay.

5 KENNETH MORRISON: Good afternoon.

6 Kenneth Morrison, Principal of Lamar Realty  
7 Corporation, one of the MBWE partners that was  
8 awarded the site.

9 COUNCIL MEMBER DEUTSCH: Great. Okay.  
10 You're not testifying yet? No comments, right?  
11 Okay. This project is supported by the Council  
12 Member--

13 UNIDENTIFIED: [interposing] Presentation,  
14 do you want to do the presentation?

15 COUNCIL MEMBER DEUTSCH: Okay, you don't  
16 have to. Supported by the Council Member, and are  
17 there any questions-- any members of the public that  
18 wish to testify? Seeing none, I know close the  
19 public hearing on this application and it will be  
20 laid over. Thank you. I would like to thank the  
21 Council and Land Use staff for preparing today's  
22 hearing, the members of the public, and my colleagues  
23 for attending. This meeting is hereby adjourned.

24 [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 August 8, 2018