

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

SUBCOMMITTEE ON ZONING AND FRANCHISES

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February 26, 2020

Start: 10:33 AM

Recess: 11:17 AM

HELD AT: Committee Room - City Hall

B E F O R E: FRANCISCO MOYA
Chairperson

COUNCIL MEMBERS: Barry S. Grodenchik
Rory I. Lancman
Stephen T. Levin
Antonio Reynoso
Donovan J. Richards
Carlina Rivera

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

Richard Lobel, Attorney Sheldon Lobel PC

Ron Schulman, Best Consulting

Steven Pomerantz, Woodside Equities

Judy Gallent, Attorney, Bryan Cave, Leighton & Paisner.

Brenda Rose, CEO, Breaking Ground

2 (sound check) (pause)

3 CHAIRPERSON MOYA: Good morning and
4 welcome to the meeting of the Subcommittee on Zoning
5 and Franchises. I'm Council Member Francisco Moya,
6 the Chairperson of the Subcommittee, and today we are
7 joined by Council Member Grodenchik and Council
8 Member Richards. If you are here to testify, please
9 fill out a speaker slip with the Sergeant at Arms
10 indicating your full name, the application name or LU
11 number, and whether you are in favor or against the
12 proposal. One second, sir. (pause) Okay, and we're
13 going to take a brief pause for—for one moment.
14 We'll come back. (pause) Thank you. We're—we're
15 going to be continuing now with our hearing. We—
16 we've been joined by Council Members Levin, Reynoso
17 and Rivera. We will begin this meeting with— Today,
18 we will be voting to disapprove LU Numbers 632, 633,
19 634, and 635 for the Lenox Terrace Redevelopment
20 Proposal, which includes a proposed zoning map
21 amendment, a zoning text amendment parking special
22 permit and large scale special permit. The scale of
23 the proposed project and an effective doubling of the
24 square footage and 75% increase in height of the
25 existing Lenox Terrace building is not just

1 inappropriate for its immediate context, but also in
2 congress with the surrounding. Low to medium rise
3 residential buildings directly to west and south.
4 The proposed project would introduce over 1,600
5 additional dwelling units and generate unmitigated
6 impact in the area of shadows, open space,
7 construction noise, historic resources, and for
8 pedestrians. The Environmental Impact Statement
9 provided no information at about a small
10 discretionary project with fewer impacts because
11 according to the SBIS such a project would not align
12 with the applicant's goal. Instead of a project that
13 as Manhattan Borough President Gale Brewer said in
14 her remarks of February 12th includes a long-term
15 commitment of housing affordability, greater
16 investments in infrastructure, open space and
17 schools. The project before us failed to provide the
18 robust infrastructure needed and deserved by this
19 community. It includes no mechanisms to protect
20 residents from temporary burdens such as construction
21 noise or long-term rent increases. Borough President
22 Brewer noted that achieving the improvements that are
23 needed to accommodate the proposed density may need
24 to be done consort with public agencies. Here HPD
25

1 was willing to partner with the applicant for an
2 Article 7 Tax Exemption for the existing—I'm sorry.
3 Article XI tax exemption for the existing buildings
4 to remain, which would have capped rent increases for
5 a period of 40 years instead in contrast with some
6 other proposals the application for the Article XI
7 Tax Exemption was not submitted during the course of
8 ULURP. Despite conversations with the applicant
9 about the importance of having in place a
10 preservation strategy through a tax exemption and
11 regulatory agreement dating back to July of last
12 year, prior ever to the project's certification with
13 CPC. We heard clear and consistent feedback both at
14 the public hearing at this subcommittee and in our
15 correspondence from residents, neighbors and
16 community organizers echoing many of these very same
17 issues, and stating their opposition on the basis of
18 inappropriate heights and densities, lack of
19 affordability, and un-mitigating environmental
20 impact. Yet, all of these remain unresolved today.
21 However, we heard clear opposition from numerous
22 stakeholders including the LP Act Tenants Association
23 Community Board 10 and Borough President, the Public
24 Advocate, State Senator Brian Benjamin, Assembly
25

2 Member Al Taylor, Assembly Member Inez Dickens.

3 Projects like this one must include resources
4 proportional to the density proposed in order to help
5 create the equitable state that we aspire to. Today
6 we will also vote to approve with modifications LU
7 627 for the 271 Sea Breeze Avenue Proposal relating
8 to property in Council Member Deutch's district. The
9 application was originally proposed, sought approval
10 for a zoning map amendment to establish a C2-4
11 overlay district within an R6 district in the West
12 Brighton neighborhood of Brooklyn to allow for
13 commercial use in a new mixed-use development as well
14 as enable an applicant to request a BSA Special
15 Permit for physical, cultural establishment or PCE
16 use. Our modifications will be to reduce the area of
17 the proposed overlay district to better reflect those
18 portions of the rezoning area appropriate for
19 commercial zoning. Council Member Deutsch is in
20 support of this proposal as modified. We will also
21 vote to approve LU 630 for the 8118 13th Avenue
22 Rezoning Proposal relating to property in Council
23 Member Brannan's district. The proposed Zoning Map
24 Amendment would establish a C2-1 commercial overlay
25 in R5-B district in Dyker Heights neighborhood of

2 Brooklyn to facilitate the legalization of office use
3 in an existing building in the project area. Council
4 Member Brannan is in support of this district—is in
5 support of this proposal. We will also vote to
6 approve with modifications LU 631 for the Queens
7 Boulevard MIH Text Amendment Proposal relating to
8 property in Council Member Holden's and Van Bramer's
9 district in the Queens. The application was
10 originally proposed, sought approval of a zoning text
11 amendment to establish two Mandatory Inclusionary
12 Housing areas both utilizing Option 1 and Option 2
13 along Queens Boulevard in the Maspeth Woodside
14 neighborhood of Queens to facilitate the development
15 of two new mixed-use buildings one with each proposed
16 MIH area with a total of approximately 218 dwelling
17 units including between 56 and 76 affordable units.
18 Our modification will be to remove MIH Option 2 and
19 retain Option 1 within the proposed westerly MIH
20 area. Council Member Holden and Council Member Van
21 Bramer are in support of this proposal as modified.
22 I now (pause) I now want to turn it over to Council
23 Member Perkins for a few remarks.

24 COUNCIL MEMBER PERKINS: (pause) Thank you
25 very much for the opportunity to share some remarks

1 with you regarding my district and—and which—and if I
2 may today's vote to disapprove the Lenox Terrace
3 Rezoning application is a firm statement of my
4 support for the tenants and the Tenant Association.
5 I have consistently sponsored and support the
6 individuals who will be most impacted by this plan
7 the 3,000 plus residents who call the Terrace home.
8 The proposed plan is not appropriate for this
9 community. The 28-story towers are simply too tall.
10 The proposed plan would double the density of this
11 community from 1,700 units to over 3,300 units and
12 the plan that results in unmitigated environmental
13 impacts including shadows, reduction of open space
14 and pedestrian crosswalks along 135th Street and
15 especially constructed impacts that could last seven
16 years including partially unmitigated noise and dust
17 impacts to the existing revenue. And to important
18 neighboring institutions like Harlem Hospital.
19 Further, the plan does not provide the affordable
20 housing in a way that meets the needs of the
21 community, which had significant low-income and
22 senior populations. The proposal calls for 75% of
23 the new units to be market rate, 75% of the new units
24 to be market rate, and does not have a preservation

2 strategy for protecting the tenants in the existing
3 1,700 apartments. Finally, the applicant does not
4 have track record of being a good actor in this
5 community. There's a long history of tenant
6 complaints about broken elevators, leaking ceilings,
7 gas leaks, mice, vermin and bed bugs, and complaints
8 about illegal rent increases and deregulation-
9 deregulation. These basic quality of life concerns
10 have not been addressed. For these reasons I urge my
11 colleagues to join me and the residents of the Lenox
12 Terrace in voicing a definitive no to this proposal.
13 Thank you.

14 CHAIRPERSON MOYA: Thank you, Council
15 Member Perkins. I now call for a vote and note that
16 a vote of aye on all will be to adopt the following:
17 To disapprove LU 632, 633, 634 and 635, to approve LU
18 630 and to approve with modifications as described
19 LUs 627 and 631.

20 CLERK: Chair Moya.

21 CHAIRPERSON MOYA: Aye on all.

22 CLERK: Council Member Levin.

23 COUNCIL MEMBER LEVIN: I vote aye on all.

24 CLERK: Council Member Richards.

25 COUNCIL MEMBER RICHARDS: Aye on all.

2 CLERK: Council Member Reynoso.

3 COUNCIL MEMBER REYNOSO: Permission to
4 explain my vote.

5 CHAIRPERSON MOYA: Yes, you may explain.

6 (sic)

7 COUNCIL MEMBER REYNOSO: Thank you,
8 Chair. I just want to congratulate Council Member
9 Perkins for fighting this hard for his community. I—I
10 think that this is a reflection of further or the
11 reflection of the need for comprehensive climate
12 (sic) that's happening in the city of New York.
13 These neighborhoods shouldn't have to be fighting for
14 affordable housing in siloed areas or one at a time.
15 We should be working together as a city, the entire
16 city South Brooklyn to the northern portion of the
17 Bronx to talk about how we're going to get the city
18 of New York out of this hole, the affordable housing
19 hole. It shouldn't be the burden of black and brown
20 communities, and if it is going to happen this way,
21 then what we ask for absolutely needs to be met, and
22 at this point District 9 Council Member Bill Perkins
23 has said no so I am going to be also voting no—I mean
24 yes on all or aye on all, which means I'll be
25 disapproving this project. So thank you.

2 CHAIRPERSON MOYA: Thank you.

3 CLERK: Council Member Grodenchik.

4 COUNCIL MEMBER GRODENCHIK: (off mic) I
5 was there until I was going to vote for this program.

6 COUNCIL MEMBER REYNOSO. Oh, come on.
7 You may—you know what it is on.

8 FEMALE SPEAKER: Alright and beyond.

9 (sic)

10 CLERK: Council Member Rivera.

11 COUNCIL MEMBER RIVERA: Aye.

12 CLERK: By a vote of 6 in the
13 affirmative, zero in the negative and no abstentions,
14 the items are approved and referred to the full Land
15 Use Committee. (cheering/applause)

16 CHAIRPERSON MOYA: Okay. Thank you folks,
17 thank you folks. We will now continue this meeting
18 with our hearings. We will now hear Preconsidered LU
19 Items for the 52nd Street Rezoning Proposal under
20 ULURP Numbers C 180154 ZMQ and N18020155 ZRQ relating
21 to the property in Council Member Van Bramer's
22 district in Queens. Can you just get a little quiet,
23 please? The applicant seeks approval of two actions
24 in conjunction with a proposed new development in
25 Sunnyside, Queens. The applicant—the application

2 includes a proposed zoning map amendment to change an
3 R5B District to an R7A C2-3 District, and a related
4 zoning text amendment to establish a Mandatory
5 Inclusionary Housing Area utilizing Option 1-- Can
6 we get a little quiet please.

7 SERGEANT-AT-ARMS: Quiet, please.

8 CHAIRPERSON MOYA: We're still conducting
9 a hearing, please. Thank you. A Mandatory
10 Inclusionary Housing utilizing Option 1 and 2. These
11 actions would facilitate the development of an eight-
12 story mixed use building with approximately 61
13 dwelling units and ground floor commercial space
14 along with 33 residential and 13 commercial parking
15 spaces. I now open the public hearing on this
16 application, and we will be calling up Richard Lobel,
17 Steve Pomeranz and Ronald Schulman. Counsel, if you
18 can please swear in the--the panel.

19 LEGAL COUNSEL: Please raise your right
20 hands and state your name for the record.

21 Richard Lobel, Sheldon Lobel PC.

22 CLERK: Do you swear or affirm that the
23 testimony you're about to give will be the truth, the
24 whole truth and nothing but the truth, and that you
25 will answer all questions truthfully?

2 RICHARD LOBEL: I do.

3 CLERK: Thank you.

4 CHAIRPERSON MOYA: Just give us one
5 second. Sorry. (pause) Thank you.

6 RICHARD LOBEL: Thank you, Chair Moya and
7 Council Members. Good morning. Once again, Richard
8 Lobel from Sheldon Lobel PC. I'm pleased to be here
9 joined by Steven Pomerantz of Woodside Equities as
10 well as Ron Schulman of Best Consulting for the 52nd
11 Street Rezoning. So the area of the rezoning as you
12 can see from the circled area on the zoning map is
13 located currently within an R5B District. That R5B
14 District in which the property is located I'm going
15 to just switch to the tax map is located between and
16 R-6 district and an R7X District both of which are
17 districts which permit far higher density than the
18 current R5B. The RYX District generally permits 5-
19 FAR buildings, the R6 District up to 4.8 Far with
20 community facilities. So, when we began thinking
21 about this rezoning, the idea was whether or not this
22 block merited additional density the conversation
23 with City Planning was proposing an R7A with a C2-3
24 overlay to allow for several things. The first would
25 be to reflect the existing density in the area. So,

1 right now currently on the southwest portion of the
2 intersection of Queens Boulevard—I'm sorry—of
3 Roosevelt Avenue and—and 52nd Street there are
4 currently eight story and nine story buildings. So
5 the density here really is reflective of this type of
6 development as well as the R6, which permits for much
7 taller buildings because it's a non-contextual
8 district. So, you can see from the land use map here
9 obviously it's a very dense area particularly with
10 regards to commercial uses. The property in question
11 here roughly 15,000 square feet was home to the
12 facilities of Baby King Products. This was products
13 for toddlers and babies, which was heavily utilized
14 in its day and now has been basically sitting vacant
15 for years. The property itself the zoning R5B has
16 been in place since 1992. So, this is roughly 30
17 years in where there was no rezoning activities or
18 sitings. So, particularly in light of the
19 surrounding density, and in light of the transit rich
20 area in which the property is located the Planning
21 Commission and the applicant proposed and R7A. This
22 is a copy of the Zoning Change Map, which you could
23 see the current easterly portion of 52nd Street
24 between Queens Boulevard and Roosevelt Ave. Roosevelt
25

1 Avenue is an R5B. The R7A would form a bridge between
2 the distant R7X along Queens Boulevard and Extra Line
3 Boulevard and 200 feet and Roosevelt Avenue to the
4 north. The remaining items are basically designed
5 both to give you some idea about context of the area,
6 as well as to demonstrate the nature of this
7 building. You can see from this kind of eagle-eye
8 view of the area that there are many dense buildings
9 in the area as well as the nature of the transit,
10 which nature of the area. As noted in the
11 Commission's Report, 52nd Street here on Roosevelt
12 has a current subway line, a 7-Line. The area is
13 transit rich with regards to buses and public
14 transportation. So when the city looks to change the
15 density and use of under-utilized properties in
16 transit rich areas for a better prime for, you know,
17 additional residents units and affordable units, this
18 is kind of what they had in mind, which is why we
19 received such nice support for the application, and I
20 would say that as the process went along and we
21 talked to Community Board 2 there were certain
22 requirements and preferences that they had for the
23 building, the type of building and so we hired a
24 specialist to design a contextual building here that
25

reflects many of the building types in the area. You can see here that on—in the right center will be the building as proposed. This is a view from Queens Boulevard. You can see the—you can see the existing 9 and 8-story buildings to the south of us. So, it really is a lovely project. We talked to the community board as well about the uses in the building and the fact that they were desirous of having community facility use. Steven Pomerantz and— and his family to their credit discussed having two new facilities on the ground floor so instead of 9,000 square feet of commercial, they are now proposing reducing down to 4,000 square feet with 4,600 square feet to be devoted to educational uses such as Pre-K or other community facilities. This is something that was seen by the areas. Really a nice way to fit within the area, and to provide much needed community facilities. The cellar floor here has parking for 43 units. This is well above the required parking for the building given the number of units that are currently proposed, and again, the building is mix of ones, twos and threes, and we're very excited about moving forward with the project. We did receive the approval of Community Board 2.

2 There was no hearing or vote for the Queens Borough
3 President's Office and the City Planning Commission
4 approve it at the current proposed density of R7A
5 with a C2-3 overlay so with that I think that I
6 think that concludes my presentation and we're happy
7 to answer any questions. Both Steven and Ron noted
8 that they are available for questions to the Council.

9 CHAIRPERSON MOYA: Great. Thank you.
10 You actually answered my first question--

11 RICHARD LOBEL: Okay, great. (laughs)

12 CHAIRPERSON MOYA: --which is the
13 community facility question. So thank you, and so
14 just one question. Going back to the parking, this
15 project is in the block of the 52nd Street Train
16 Station. Could you speak to the decision behind
17 providing the amount of the proposed parking here?

18 RICHARD LOBEL: Yes, so I thin that
19 there's an understanding that the fact that we're
20 literally a hundred feet from the subway station is a
21 huge benefit for this buildings. It was noted by the
22 Community Board at their hearings as well as by the
23 City Planning Commission. I think the overage of
24 parking here, which frankly is not something that we
25 typically do. Parking is expensive, but the idea here

2 was that—was that the applicant had the availability
3 in the cellar. There's good access to the site.
4 There's, you know, there's both pedestrian and garage
5 entrances. Due to the long frontage of the site it's
6 very convenient for us to provide both residential
7 community facility and garage entrances, and so,
8 given the fact that we have the space, the applicant
9 was happy to provide the additional parking.

10 CHAIRPERSON MOYA: Great. Thank you very
11 much. Thank you that you gave us what we need today.
12 Thank you.

13 RICHARD LOBEL: Thank you Chair.

14 CHAIRPERSON MOYA: Are there any other
15 members of the public who wish to testify. Seeing
16 none, I now close the public hearing on this
17 application, and it will be laid over. We will now
18 hear Preconsidered LU items for the 90 Sand Street
19 Rezoning Proposal under the ULURP Nos. C 20059 ZMK
20 and N 200060 ZRK relating to property in Council
21 Member Levin's district. The applicant seeks approval
22 of two actions related to the Proposed conversion of
23 a existing building in Downtown Brooklyn. He
24 application includes a proposed Zoning Map Amendment
25 to change an M1-6 District to a M1-6/R10 Special

2 Mixed Use District and a related zoning text
3 amendment to establish a Mandatory Inclusionary
4 Housing Area utilizing options 1 and 2. These actions
5 would facilitate the conversion of an existing 29-
6 story formerly hotel dormitory building to a
7 supportive and affordable housing facility with
8 approximately 805 supportive housing units and 202
9 affordable housing units. I now open the public
10 hearing on this application and I would like to turn
11 it over to Council Member Levin for remarks.

12 COUNCIL MEMBER LEVIN: Thank you, Chair.
13 I just want to take a moment to say on the record how
14 much I appreciate the development team Breaking
15 Ground and CCS and the entire—everyone that's been
16 involved in this project for really stepping up and
17 providing the type of affordable housing and
18 supportive housing that everybody in our city says
19 that they want, and everybody in the city says that
20 we want to do this, and we know that it's necessary
21 to do this in order to effectively address our
22 homelessness crisis in New York City. This is a
23 beautiful well maintained potentially very profitable
24 building in the middle of Downtown Brooklyn feet away
25 from the entrance to the Brooklyn Bridge, and—and we

2 are showing that-that that is a perfect location for
3 supportive housing, and I'm excited to-to hear the
4 application here at the Council. I look forward to
5 voting on it soon, and hopefully the project will be
6 approved by the Council and moving forward from
7 there, but I just want to acknowledge the Speaker
8 Corey Johnson and-and the De Blasio Administration
9 for helping to fund the acquisition of this property,
10 which I'm sure you'll speak of, but it's-it's a-it
11 shows the commitment of the City government to these
12 objectives, and so very much appreciate the city's
13 financial support on that. With that, I'll turn it
14 over to the Chair.

15 CHAIRPERSON MOYA: Thank you, Council
16 Member Levin and we now call up the first panel.
17 Judith Gallant, Brenda Rosen and David Beer, and
18 Counsel, please swear in the first panel.

19 LEGAL COUNSEL: Please raise your right
20 hand and state your name for the record.

21 JUDITH GALLANT: Judith Gallant.

22 BRENDA ROSEN: Brenda Rosen.

23 DAVID BEER: David Beer..

24 CLERK: Do you affirm that the testimony
25 you're about to give will be the truth, the whole

2 truth and nothing but the truth, and that you will
3 answer all questions truthfully?

4 JUDITH GALLANT: I do.

5 BRENDA ROSEN: I do.

6 DAVID BIER: I do.

7 CLERK: Thank you.

8 JUDITH GALLENT: Good morning Chair Moya,
9 Council Member Levin. I'm Judy Gallent from Bryan,
10 Cave, Leighton & Paisner the land use counsel for the
11 applicant, which is an affiliate of Breaking Ground,
12 which is as you may know is a provider of affordable
13 and supportive housing and homeless services
14 throughout the city I'm joined by Brenda Rosen who
15 is the CEO of Breaking Ground and Dave Beer who's the
16 Vice President for Development, and we're here as
17 Council Member Levin has indicated in connection with
18 an application to rezone Brooklyn Block 87 to
19 facilitate the conversion of an existing 29-story
20 hotel building located at 90 Sands Street to mix of
21 supportive housing for formerly homeless adults and
22 affordable housing for low and moderate income
23 adults. These two uses in the combination
24 percentages that they are in are considered a Use
25 Group 3 Community Facilities, which is not allowed in

1 the existing and 1-6 district. The project block is
2 located at the southern edge of Dumbo Heights in
3 Brooklyn, Community District 2 between the Manhattan
4 and Brooklyn Bridges. It's bounded by Sands and High
5 Streets on the north and south and Jay and Pearl
6 Streets on the eastern route. The-the proposed
7 rezoning block, Block 87 contains just two lots.
8 They are under separate ownership, but they
9 constitute a single zoning lot. Lot 9 contains the
10 90 Sands Street Building. It's outlined in yellow
11 here, which was built in 1992 as a hotel for the
12 Jehovah's Witnesses who were working in the Watch
13 Towers Building adjacent to this site, and as you can
14 see there's a pedestrian bridge in buildings that are
15 across Sands Street. It's been vacant since mid-2017.
16 The building is 329 feet tall and has a little bit
17 over 7-FAR. The building also contains seven--600-
18 square foot plaza along it's J Street frontage.
19 Proposed improvements to that plaza require a New
20 York City Planning Commission Chair's Certification.
21 They will make it more open and inviting to the
22 public and Breaking Ground is working on that
23 application with City Planning currently. Lot 5,
24 which is located just to the west with an address of
25

1 175 Pearl is an 8-story office building that was
2 recently renovated to be a Class A office building.
3 It has approximately—almost 4 FAR, a little bit less.
4 It's connected by a pedestrian bridge to 77 Sands
5 Street across Sands Street and it also was part of
6 the Watch Tower Complex, which was sold in 2013. The
7 area surrounding the project site contains a mix of
8 residential, commercial, community facility and, um,
9 uses and commercial uses. Concord Village is a
10 seven-building complex each of which are 17 stories.
11 It contains approximately a thousand condominium
12 units as well as Four East Hall, which is a CUNY
13 academic building as part of the New York City
14 College of Technology are located to the south of 9th
15 Sands, to the southeast of the new 33-story building
16 at 203 Jay Street, which contains residential office
17 retail and community facility uses. To the north are
18 four buildings. As I mentioned, that was previously
19 part of the Watch Tower complex. They have all been
20 converted to office, retail and in one of them is
21 actually a school. To the east is Manhattan Bridge
22 and to the west— I'm sorry. To the east is Manhattan
23 Bridge, a small part to the west is another CUNY
24 building the Environmental Center Building and the
25

1 Brooklyn Bridge. The block is located in an M-16
2 district, which is a light manufacturing district in
3 which commercial manufacturing and very limited
4 community facilities uses are permitted. The
5 proposed supportive and affordable housing, which is
6 not-for-profit institutions and sleeping is not
7 permitted in the M1-6 district hence the need fir the
8 rezoning. In order to facilitate the project, two
9 land use actions are required. The first is a Zoning
10 Map Amendment to rezone the block from M1-6 to a
11 special mixed-use district pairing the existing M1-6
12 with an R10 to permit the use. It would expand the
13 range of permitted uses to include use with three
14 community facilities that are not permitted by the
15 existing M1-6, which allows very limited community
16 facilities. There would be no change as a result of
17 the rezoning and the existing FAR for commercial,
18 manufacturing and community facility district. Under
19 both the M1-6 and the proposed MX district, the basic
20 maximum FAR for those uses would be 10, a bonus of
21 over 12 by the provision of the public plaza or an
22 arcade. Under the proposed rezoning residential use
23 would be newly permitted at an FAR of 12 with a
24 Mandatory Inclusionary Housing component. No changes
25

2 to the exiting hotel building are proposed and no
3 changes to the 175 Pearl Street Building are expected
4 because there has been recent investment in that
5 building and to repurpose it for a Class A office
6 use. The section required is a zoning text amendment
7 to establish a Mandatory Inclusionary Housing area
8 over the block allowing Options 1 and 2 as
9 residential use will be newly permitted. Noted. We
10 should note that the MIH requirement will not be
11 triggered by the proposal because no residential use
12 is proposed. It's there in case in the future of
13 residential use is developed on the lot. As you can
14 see, there are an X district in the area specifically
15 north of York Street that permits the same use, a mix
16 of residential, commercial, manufacturing uses as the
17 proposed district. In addition, the project block is
18 surrounded on three sides by districts that would
19 allow this use as of right. To the south it's R7-1
20 and 2. To the east is an R6 and to the west is
21 another R7-1 and 2 combination. The propose MX
22 district would mediate between the residential uses
23 to the south and the MX district to the north. There
24 are several parks in the vicinity. You can see
25 there's quite a lot of green. That would be an

1 amenity to the residents of the building. Community
2 Board 2 voted unanimously in favor of the project and
3 Borough Presidents Eric Adams also recommended
4 approval with a number of suggestions for working
5 with the community on outreach and targeting seniors
6 and members of the community district. I can go
7 through all of them if you want me to, but it's sort
8 of a lengthy list. I am happy to answer questions
9 with Brenda Rose and we'll continue the presentation
10 and explain more about the income level.

12 BRENDA ROSE: Thank you. Good morning
13 Chair Moya and Subcommittee members and vendors and
14 presidency of Breaking Ground. Breaking Ground is a
15 not-for-profit developer and operator of supportive
16 and affordable housing. We own and manage about
17 4,000 units in Manhattan, the Bronx, Brooklyn,
18 Upstate New York and Connecticut. We already operate
19 four buildings in Brooklyn with a fifth currently
20 under construction. In addition to providing housing
21 Breaking Ground also provides street outreach to
22 homeless persons throughout Brooklyn and Queens and a
23 large block of Midtown Manhattan. Our proposed 90-90
24 Sands Street project will maintain the existing the
25 508 apartments in the building, 415 of which are and

1 will be studios and 93 of which are and will be one-
2 bedroom units. These will include 305 supportive
3 housing units for formerly homeless single adults,
4 202 affordable units and one unit for the super. The
5 building's lobby will be supervised by front desk
6 attendants on a 24-hours 7-day a week basis.

7 Professional services will be provided on site by the
8 Center for Urban Community Services, and will be
9 available to all residents of the building. These
10 serviced will include case management, primary
11 medical care, mental health services, employment
12 assistance and benefits counseling, and approximately
13 30,000 square foot community facility and our
14 commercial space will be created on a portion of the
15 ground floor and two cellar levels. The existing
16 plaza along Jay Street will be redesigned and open
17 for public use. As Judy has already explained this is
18 subject to the separate application for insurance
19 certification. The income levels to the affordable
20 units will range from 30% of the area median income
21 to 100% of the area median income. Rents for
22 affordable units based on the latest HUD income
23 limits will range from \$504 a month for a studio at
24 30% of the AMI, and \$2,000 a month for a one-bedroom
25

2 unit, and 100% of the area median income. I'm happy
3 to answer any questions you may have.

4 CHAIRPERSON MOYA: Thank you. One quick
5 question and I'll turn it over to Council Member
6 Levin if he has any questions. When it comes to the
7 plaza design, I understand that the design changes
8 will be the subject of future certification
9 applications.

10 BRENDA ROSE: Correct.

11 CHAIRPERSON MOYA: If you have a response
12 to the community boards' feedback about the open
13 areas on the site, and generally regarding ways to
14 engage with the community through the process as well
15 as through the actual design.

16 BRENDA ROSE: Do you want to get that or
17 should I?

18 RICHARD LOBEL: We have sent Community
19 Board 2 our proposed plans for the plaza and we have
20 let them know that we would be happy to give a
21 presentation about those plans.

22 CHAIRPERSON MOYA: Thank you. I'll
23 change it over to Council Member Levin for some
24 questions.

2 COUNCIL MEMBER LEVIN: Can you speak a
3 little bit about the breakdown between supportive
4 units and affordable units how you arrived at that
5 ratio, whether or not these will be integrated with
6 one another, whether there will supportive and
7 otherwise affordable units on the same floors, and
8 how you arrived at the Ami levels for the affordable
9 units?

10 RICHARD LOBEL: Sure. So as Judy
11 mentioned, in order to create a community facility
12 use we had to set aside 60% of the total units for
13 formerly homeless, singles exiting homelessness. So
14 that's the derivation of the 60/40 split of the
15 units. We do plan to fully integrate all the floors
16 in the building with both homeless units and the
17 community units. There won't be any segregation of
18 the homeless units in the building. In our original
19 plan because of the preponderance of the homeless
20 units we originally proposed income bands of 60%, 80%
21 and 100% AMI. We did not propose 30 and 40% AMI
22 bands, but the feedback that we received from a
23 number of stakeholders was that we should create
24 some—we should put some units in 30% AMI and 40% AMI
25 bands. The borough president in particular has

2 encouraged us to do targeted outreach to seniors so
3 that when we begin the marketing for the community
4 units as many of the 30 and 40% AMI studios will be
5 able to be filled with extremely low income seniors.

6 COUNCIL MEMBER LEVIN: And in terms so
7 the outreach for the community unit those will be
8 available with a lottery through HPD?

9 RICHARD LOBEL: Yes.

10 COUNCIL MEMBER LEVIN: And how are you—if
11 you—a lot of those units would make up—would be very
12 desirable for lower income seniors who receive on a
13 fixed income. Is the outreach that you're doing to
14 various senior communities or other communities in—in
15 the city or in Brooklyn vacant because (sic)

16 BRENDA ROSE: Sure we only market to
17 seniors. Specifically we look up and have meetings
18 and put out its mission sites to all seniors within
19 the area and across the five boroughs. In addition
20 we reach out to community groups, resident
21 associations, and all elected regarding the best way
22 to—to find and really market specifically to seniors.
23 So that's very important to us.

24 COUNCIL MEMBER LEVIN: I'm sorry did you—
25 did you mention the—how this was financed?

2 BRENDA ROSE: I did.

3 COUNCIL MEMBER LEVIN: Just to go over to
4 that.

5 RICHARD LOBEL: So, Breaking Ground
6 purchased the property in August 2018, and the
7 purchase was financed by the city \$157 million, a \$10
8 million grant from the Enterprise Foundation and
9 Breaking Ground for then a sponsor, made a sponsor
10 loan to the project of \$3 million for a total
11 purchase price of \$170 million. Once after the ULURP
12 action is approved we plan to close on our
13 construction financing with the New York City Housing
14 Development Corporation, which will issue 501 (c) (3)
15 bonds to fund the construction loan for the project.
16 The construction loan will be about \$62 million. We
17 anticipate starting that work in July after a June
18 closing and the construction period will be about 14
19 months, 14 months.

20 COUNCIL MEMBER LEVIN: And this is--this is
21 a somewhat I think the novel model because I think
22 that it's been--it's been actually used throughout the
23 city for supportive housing dominance, but often
24 we're bringing supportive housing units online
25 through new construction. Can you compare timelines?

2 How long this project is compared to a new
3 construction timeline, and they have in the system
4 the ability there?

5 RICHARD LOBEL: New construction is for
6 supportive housing. Typically for-for an average
7 project is a 26-month timeline. So this is
8 considerably shorter than-than a new construction
9 time table would be.

10 COUNCIL MEMBER LEVIN: Okay. So, I-I'm
11 obviously very please that we're here today. I'm
12 very appreciative of the community that came out to
13 meet with-with you all numerous times, but
14 particularly the-the Concord Village Community. Just
15 for the record the, um, the Development Team Breaking
16 Ground and then the search provider UCS was-came out
17 and had multiple meetings with residents at Concord
18 Village, which is a-a cooperative development that is
19 directly south of the site and, um, and they had
20 initially raised some concerns. It's a large number
21 of supportive units, but through engagement and
22 conversation, the Concord Village community has been
23 supportive, and, you know, we have not seen there be
24 any nimbyism obviously by the lack of any body here
25 testifying against the project. This has been fully

2 embraced by a community without any dissension, and
3 that's important because—actually I think—I think
4 it's—has been instructive because Concord Village
5 they are owners. So this is—this is a, you know,
6 when they look at their neighbors they are in the
7 back of their minds often thinking about the resale
8 of their home, and—and for this community to come out
9 in full support in a very high-end neighborhood, this
10 directly adjacent to (coughs) the property that was
11 acquired by the Kushner Organization, and it's Dumbo,
12 which is the—I think Dumbo and Vinegar Hill are the
13 ones that—two of the three most expensive
14 neighborhoods and their homes in all of Brooklyn and—
15 and so to see that community embrace this project I
16 think can be instructive to neighborhoods throughout
17 New York City because we absolutely need to as
18 quickly as possible bring supportive units online so
19 that we can help bring people from—from the street,
20 from in the subways, from dangerous living conditions
21 and into safe and permanent housing. So, this is a—a
22 good project. I'm excited to vote on it.

23 CHAIRPERSON MOYA: Thank you, Council
24 Member. Thank you very much for your testimony
25 today. Are there any other members of the public who

2 wish to testify? Seeing none, I now close the public
3 hearing on this application, and it will be laid
4 over. This concludes today's meeting. I would like
5 to thank the members of the public, my colleagues,
6 Counsel and Land Use staff for attending. This
7 meeting is hereby adjourned. [gavel]

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C E R T I F I C A T E

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



Date March 12, 2020