CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

COMMITTEE ON LAND USE

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August 25, 2010 Start: 10:36 am Recess: 11:11 am

HELD AT: Hearing Room

250 Broadway, 14th Fl.

B E F O R E:

LEROY G. COMRIE, JR.

Chairperson

## COUNCIL MEMBERS:

Maria del Carmen Arroyo

Charles Barron Inez E. Dickens

Daniel R. Garodnick Sara M. Gonzalez

Robert Jackson Rosie Mendez

Annabel Palma

Diana Reyna Joel Rivera

James Sanders, Jr. Larry B. Seabrook

James Vacca

## A P P E A R A N C E S

## COUNCIL MEMBERS:

Albert Vann
Brad S. Lander
Stephen T. Levin
Mark S. Weprin
Jumaane D. Williams
Daniel J. Halloran III
Vincent M. Ignizio
Peter A. Koo

2	CHAIRPERSON COMRIE: We're going to
3	start the Land Use Committee meeting for August
4	25th, 2010. We have Council Member Williams,
5	Council Member Mendez, Council Member Garodnick,
6	Council Member Koo, Council Member Barron, Council
7	Member James, Council Member Seabrook, Council
8	Member Vann, Council Member Arroyo, Council Member
9	Rivera, Council Member Palma, Council Member
10	Vacca, Council Member Ignizio, Council Member
11	Levin, Council Member Weprin and Council Member
12	Lander. I believe we have quorum.
13	Again, we are here to vote on all
14	of the items related to the 15 Penn Plaza project
15	in Manhattan Community 5. It's Land Use items
16	number 159-163. There are restrictive
17	declarations and amendments to the zoning to be
18	considered. It's items C 100047 ZMN, N 10048 ZRM,
19	C 100049 ZSM, C 100050 ZSM, and C 100237 PQM.

Again, as I had stated earlier, for the committee, I would recommend that we actually vote the project. I think the issues that I raised; I did get a letter from Vornado last night. Their individual policy for MWBE to have a 45 percent personnel, women and minority owned,

women to consider themselves in MWBE category.

Their management level is 33 percent MWBE identified as minorities as women.

The reasons that I was hesitating is because members who I respect and trust and actually agree with were raising issues regarding opportunities that should be delineated in this project, not just for the contracting and the construction phase but in the procurement phase and the actual issues regarding affordability for the project once it's built for people that would want to have office space there or hold meetings there, for opportunities for procurement across the board.

The reason I'm recommending a yes vote is because of Vornado's record of MWBE. It's above the normal numbers. I think that as a major plan in the city, they will have a commitment to working with us to get the project done so we can create opportunity for all city residents.

I think, again, on the project, I personally think that this city is ever evolving and ever changing. I think that this project will be a unique and iconic addition our ever evolving

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2	city.	So	therefore,	Ι	recommend	an	aye	vote.
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Councilman Barron has a comment.

COUNCIL MEMBER BARRON: First, Mr.

Chair, let me say that a development in a city is really not about buildings, it's not about the skyline, it's not about what view you can have physically, it's about people. With 65 percent of this city being people of color now, this project represents the continuing vision of the mayor to continue to develop this city for the rich and particularly for white, wealthy developers.

When you look at the end product of this project, I will guarantee you, although they're not guaranteeing people of color much, I will guarantee you that not a single black or Latino business will be able to afford the rent in that building.

I will guarantee you there will be no commercial space available, no office space available for blacks and Latinos and Asians and struggling women that can afford to be in that building. That's the end product, even if they give you something for building, even if they provide jobs for building it. Even if you have

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some unionized jobs for the security.

the last minute with this new Vornado agreement, a goal of 15 percent for minority and women contracting, and that's just a goal. They have to meet certain criteria, what would be the capacity for that. And then to shove this in committee members' faces at the last minute while we're voting is bogus, it's nonsense.

But our committee members, blacks and Latinos and Asians in particular, we can't just be upset. You have the power to vote it down. We can't be pushed by no time limit. Vote it down.

This is a project for the rich.

This is a project that excludes us. These goals here are bogus. Most of the develop in this city, whether it was Columbia University and all of their promises, Yankee Stadium and the promises of jobs never came through. The Nets arena, promises never came through.

Now we're sitting here allowing them to erect a 67-story building that none of us people of color will be able to afford to do

anything in that building, rent office space or commercial space, and then they don't even want to give you the respect to have something decent for the building of it and permanent jobs in it.

We have to learn to use the power we have in our hands. We're representing the majority of the people in this city. Sixty-five percent of this city is black, Latino and Asian. And we're supposed to have a progressive caucus looking out for working class families, but we continue to complain about these projects and then give them your vote and say we will try to work with them afterwards.

Once you give up your power, it is over. Once you give up your power, it is over.

Now is the time to act. We should vote this project down and make them come in with some guarantees that this project is going to benefit not only during the building period, but after it's built it will benefit the new majority in this city and that's people of color.

So, you know, when it comes to my turn to vote, I'm definitely voting this down and I would encourage my colleagues don't get upset,

2	get strong and vote it down.
3	CHAIRPERSON COMRIE: Council
4	Members have to leave. Council Member Lander
5	needs to vote. Did anyone else want to make a
6	comment? Council Member Vacca and Council Member
7	Lander have to vote right now. We all have other
8	meetings we need to be at.
9	Again, I just want to reemphasize
10	what I said and maybe even make it clearer. This
11	committee needs to hold a hearing on the issues
12	that have been raised. I will charge myself at
13	fault for not having it done before this vote was
14	done. Again, I'll apologize for dropping the ball
15	and making sure that I didn't.
16	COUNCIL MEMBER BARRON: Well vote
17	it down. Vote it down.
18	CHAIRPERSON COMRIE: Again, let me
19	finish.
20	COUNCIL MEMBER BARRON: Don't give
21	them the vote and then hold hearings.
22	CHAIRPERSON COMRIE: I think that
23	this company will be able to do everything we need
24	it to do if we sit down and work on it together.
25	They have shown a record of higher percentages of

2	compliance and it's not a company that's going
3	away.
4	On the merits, on the individual
5	project, we have not brought these standards. So
6	it's really part of our fault too that we have not
7	had these discussions in this committee before in
8	raising the level. That's something that I'll
9	charge myself at fault for not making it earlier.
LO	I had planned to make it part of our fall agenda,
11	frankly, to deal with MWBE, to deal with community
12	benefits.
L3	Council Member Lander has to vote
L4	and Council Member Vacca because he's chairing a
L5	meeting. Council Member Lander, go ahead.
L6	COUNCIL MEMBER LANDER: With deep
L7	reservations and appreciation for your leadership
L8	on this issue, aye.
L9	CHAIRPERSON COMRIE: Council Member
20	Vacca.
21	COUNCIL MEMBER VACCA: I vote aye.
22	CHAIRPERSON COMRIE: Who else had
23	to vote? Council Member Ignizio and Council
24	Member Barron?
25	COUNCIL MEMBER IGNIZIO: Council

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2	Member	lanizio	votina	ave.

COUNCIL MEMBER RIVERA: Council

Member Rivera voting aye.

CHAIRPERSON COMRIE: I agree with you. I just know that I think we still have opportunities to impact and affect this project once we think about it and work together seriously on it. We still have power on this issue. With that, I recommend an aye vote by the committee.

CAROL SHINE: Carol Shine, Counsel to the committee. Chair Comrie?

CHAIRPERSON COMRIE: Aye.

CAROL SHINE: Council Member Reyna?

and I have received the document and I'm reviewing

15 COUNCIL MEMBER REYNA: I vote aye

it. We hope to continue this discussion.

Chairman Comrie, concerning MWBE and employment practices, not just with this one project. We're not referring to one project or picking on a project. But we have significant development happening throughout the city of New York and there needs to be further transparency on all of these projects so that it can benefit all New Yorkers throughout the city of New York.

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That's the discussion that is way overdue.

I look forward to being a part of that discussion as opposed to finding out or trying to create last minute agreements that perhaps may or may not work. Right now, this particular document has certain provisions but we still don't know what monitoring mechanisms will quarantee that this will be followed through.

This, unlike other projects that have public subsidies, this is a private application with private commitments and we want to make sure that they honor that private commitment of MWBE contacting opportunities as well as employment opportunities, especially within chronically unemployed zip codes. Thank you very much.

CAROL SHINE: Council Member

Barron?

COUNCIL MEMBER BARRON: Well, you know, we keep giving away the city to the rich and when you complain and then give it up and give up your power, they don't have to do anything after this. If they're not doing anything now, not having a vote, what makes you think they're going

2	to do something after you give it to them? The
3	only time they're going to understand us and
4	respect us is when we stand up and use the power
5	we have and say no. We can still do that at the
6	Stated Meeting. I hope you change your mind.
7	A progressive caucus of 13 blacks
8	and Latino and Asians, 27, and we can't stick it
9	to folks sometimes and say no, you're not going to
LO	disrespect us. We're not going to allow you to
11	have a discriminatory practice and promise us
12	things that never come through with these
L3	developers. Stop giving up your power. Say no.
L4	I vote no.
L5	CAROL SHINE: Council Member
L6	Jackson? Not here. Okay. Council Member
L7	Sanders?
L8	COUNCIL MEMBER SANDERS: Pass.
L9	CAROL SHINE: Council Member
20	Seabrook?
21	COUNCIL MEMBER SEABROOK: Pass.
22	CAROL SHINE: Council Member Vann?
23	COUNCIL MEMBER VANN: I'd like to
24	explain my vote. Council Member Comrie, I don't
25	think you are the blame. You're taking some

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responsibility. There's some things you felt that
you could have done and perhaps you could. But
the first cause is not your cause.

The first cause is that an entity as large as Vornado, as experienced as Vornado came before this body, this City Council, which is primarily black and Latino in number, came before committee. We'd had significant representation of the black and Latino and Asian community in the city.

They presented a plan that the magnitude of this plan rivaling, if you will, the iconic Empire State Building and there was no thought of how black and Latino people will be involved in this project in any dimension. Forty-five percent of your employees you say are minority; three of the nine in top leadership you say are either women or minority. You mean you don't know which those three are.

There is no influence in the whole Vornado organization you say coming before the City Council there must be some sensitivity to those of us who happen to be African American, Latino and so forth. If someone came in from

2 another planet and was here without

representation, they wouldn't know that we existed
in New York City. There's something wrong with
that. I raised the issue yesterday. I was really
dumbfounded. I didn't really know what to say

7 because I just couldn't believe that this was

8 happening in New York City.

Then I was told that there would be a response. I saw a letter yesterday that said hardly anything. Then I was told that they were going to come with something more comprehensive and perhaps more concrete. Maybe this is it. I don't read that fast, I must admit. I'm sorry. I have no idea what this really does.

So therefore, there's no way I could in good conscience represent not just my community, the city of New York, and I don't think they would want me to vote age on something that I have no knowledge of what's in it. So because of that, I abstain. I hope that there will be something that will give me some confidence that everybody is going to be included in this prosperity.

We're in a recession. People don't

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Gonzales?

have jobs. People are losing their homes. We're
going to come with a major project which I would
support. I'm not caught up in the iconic struggle
between the Empire State Building and this
proposed building. No, I don't have a problem
with that. We need jobs. We need commerce. We
need to improve the economy of New York City and
so forth. I'm down with that.

But everybody has to share and there has to be something in the plan that guarantees that everybody's going to be a part of it. Based on that, I abstain.

CAROL SHINE: Council Member

aye. But also, I'm just adding that there be further discussion in respect to contracting with MWBE and employment opportunities, in respect to the economy and the state that we're in. So many people are out of work in the city of New York. So for a project of this scale, it's really important that on record it stand that yes, I'm voting aye, understanding that there will be further discussions on that issue. Thank you.

2	did the correct thing by not putting Mother
3	Theresa and lighting it up for her. I don't think
4	religious figures should be honored in a building
5	in that way. But anyway, I vote aye. Thank you.
6	CAROL SHINE: Council Member Levin?
7	COUNCIL MEMBER LEVIN: Permission
8	to explain my vote. I just want to associate my
9	comments with the comments of my colleagues
LO	regarding MWBE. It is my sincere hope that
11	Vornado will be keeping to its word and doing
12	everything within its ability. It's my
13	understanding that its abilities are great and
L4	they have the financial capacity to make
15	significant concessions and engage very deeply in
L6	a full discussion on minority and women owned
L7	businesses.
L8	So it's my sincere hope that these
19	discussions continue past this vote, that they
20	don't walk away from commitments that they are
21	making. With that, I vote aye.
22	CAROL SHINE: Council Member
23	Weprin?
24	COUNCIL MEMBER WEPRIN: Aye.
25	CAROL SHINE: Council Member

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COUNCIL MEMBER WILLIAMS: May I be excused to explain my vote?

5 CHAIRPERSON COMRIE: Yes.

blessed and highly favored because I have a very good job. But I do not forget that a lot of people who look like me are not as blessed and highly favored, to the tune about 52 percent, much higher than the national average. That concerns me.

COUNCIL MEMBER WILLIAMS:

I've only been elected for a few months, but I do know that this issue has come up more than once, twice, 12, 15 times and not much has been done about it. I've seen the most recent MWBE report. It is atrociously abysmal, period.

That means nothing has been done about it. I do know that each time 1, 2, or 12 times it's come up, it has been said we will do something about it. The hearings have been held. We vote it through and we'll try to work on it after. I'm very concerned that that hasn't worked.

I'm even more concerned now that

2	the people who have these issues and whose
3	communities are affected are now in the majority
4	of the City Council and for some reason still
5	can't get it done. That concerns me very, very,
6	very, very much.
7	I haven't had an opportunity to
8	read this. So I'm going to abstain and take a
9	look and see what's going on. But it concerns me
10	if the same rhetoric continues while the people
11	who have the concerns and the people whose
12	communities have the concern are in the majority.
13	It makes absolutely no sense. This is something
14	we have to take seriously and make sure it
15	happens. I abstain.
16	CAROL SHINE: Council Member
17	Jackson?
18	COUNCIL MEMBER JACKSON: Thank you.
19	I reiterate what I said earlier in the Zoning
20	Committee concerning all of the issues that I
21	raised. My position is the same. With that, I
22	vote yes.
23	CAROL SHINE: Council Member
24	Halloran?

COUNCIL MEMBER HALLORAN: Can I be

excused to explain my vote? Let me say that I am going to vote aye because it's a project that I think the city needs. But I am incredibly moved by the statement of, believe it or not, Charles Barron who quite eloquently indicated what the problem is in the City Council as a whole. We don't exercise our abilities and our prerogatives preemptively and we don't put sufficient pressure on City Hall to make sure that the concessions are given upfront.

While I am voting age on this, I would strongly encourage my friends on the other side of the aisle to start to look to do that because I think you have an ability right now to really press some issues, to make the city more responsive to your needs and to actually get things accomplished in a whole different light. I think if you did that preemptively, I think our chairman is an incredible example of leadership but I think that we could do a lot more. I think that in the future we should be looking to do those kinds of things.

You're right; we do have the power here to hold these things up. We do have the

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power to put pressure on only before our vote, not after our vote. While this is a private enterprise I support, I understand exactly what you're saying and I agree with you wholeheartedly that our power is best used when it's exercised preemptively and not post-emptively.

I think you have some legitimate concerns for both the employment condition in the city and the level to which private industry and the city has paid attention to the needs of certain groups in our community. For that, I may be one of those people in a community that is doing a little bit better, but that doesn't mean I don't understand. So I'll vote aye.

CAROL SHINE: Council Member Koo?

COUNCIL MEMBER KOO: Permission to

explain my vote? Being a minority myself and a

first generation immigrant, I fully understand my

colleagues' different positions. I think if we're

here all day long, there's no use now. We

understand every project they agreed to give

minority women business a 15 percent chance. But

in reality very few minority companies get

contracts in big projects. Why? Because we

2 didn't do enough.

All the minority companies, when they apply for these big jobs, they don't fulfill the requirements because they're too small. So at the city level, we have to make sure we do some fundamental changes at the basic level. Like the building trade have to open up their systems and let more minority get into the program. Right now in the city there are very few minority members. You can name only a few. There are 2,000 licenses but how many of them belong to minority businesses? None, or maybe a very few, I can't say none.

But we have to do fundamental changes at the city level to help minority construction people to get licenses, to teach them how to apply for these big projects or even be a part of these big projects. For a long time we just talked. All these other big projects, when they go to the City Council, they promise us this but at the end I don't see any minority companies being hired to do the work.

So I encourage my colleagues, from now on we find ways to encourage the building

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2	trade, the unions to open up the systems and let
3	more minority people in the union as licensed
4	plumbers, electricians and then that way we have
5	more minority companies having contracts. That is
6	my concern. I vote yes for this.
7	CAROL SHINE: Council Member
8	Dickens?
9	COUNCIL MEMBER DICKENS: Permission
10	to explain my vote.
11	CHAIRPERSON COMRIE: Your mike's
12	not on.
13	COUNCIL MEMBER DICKENS: Thank you.
14	I apologize for my lateness. But I did want to
15	read an MWBE plan that has been submitted by
16	Vornado because of the issues that I had and my
17	colleagues had concerning MWBE and the inclusion
18	of minority businesses. I realize that Vornado
19	had originally discussed the staffing, which I'm
20	not interested in that. We're interested in who
21	the contractors are.
22	As part of this plan, the MWBE,

As part of this plan, the MWBE, there is a minimum award of 15 percent of the total value of the construction trade contracts, which will include subcontracts and material

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suppliers. So that's a very important component because that was the issue that my colleague and the chair, Leroy Comrie as well as Council Member Al Vann had raised. That had not been addressed. But now I've got something in writing that addresses that particular issue.

Now, in saying that, and I am going to vote yes for this. But in so saying that, I'm going to ask the chair to continue to work with Vornado that aside from the construction, which is very important, the permanent jobs that might come out of this as well as there are other soft costs that will be a part.

I realize that it's such a large firm, but there are legal services, there are architectural and engineering as well as, a very important, is insurance. A piece could be broken off for minority insurance brokers to get a piece of this. This is very important.

This is a large project. The 15

percent is commendable, but there are some

additional things that must be incorporated that

are usually not taken into consideration when the

City Council votes on projects of this size. So I

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2	do vote yes and I did want apprise my colleagues
3	in case it had not come out about the fact that we
4	now have from Vornado, who I don't always have the
5	best relationship with, I will admit, but with
6	this they have put this in writing. Thank you and
7	I vote aye.
8	CAROL SHINE: Council Member
9	Sanders?
10	COUNCIL MEMBER SANDERS: Permission
11	to explain my vote. As an aside, let me say that

to explain my vote. As an aside, let me say that it's sad that we couldn't get life for Mother Theresa. There's something wrong with this fundamental conversation that we're having. There's something wrong that we even have to have this conversation.

May I remind people that New York
City is a majority minority city? Meaning that
we're close to 70 percent people of color and
we're setting a goal of 15 percent, a goal,
meaning that we may not get there, meaning that we
may get to 2 percent. A goal.

I've looked at the document as quick as I could. May I remind people that I am the prime author of New York City's MWBE program?

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I know this stuff. This is a tepid response to a need, a very tepid response. We can't go on like this. That we even have to have this conversation means that dialogue needs to take place. The we have to understand that New York City has changed and there is a new New York here and that greatness comes in every color.

Now we're not asking for anyone to take a loss on any contract. We're saying that everybody black, white or whatever has to get to the same starting point, has to be able to do the job, has to be able to do it as well as anyone else; an even playing field, no more, but no less. We are talking about something that the goal of 15 percent reveals that we may not be as committed as we need to be in New York to a diverse city.

However, I've had the opportunity to do dialogue with some of the people around this issue of Vornado. I've been assured that this conversation is not the end of this conversation and that they are willing to go and grow and build beyond what we are simply speaking here.

In the hope that this is true and the desire that this is true and with the great

respect that I have of the people of Vornado and of the people who are advocating in favor of them, I'm going to vote yes. But I am going to do my utmost to ensure that New York is New York for everybody. That the days that there was only one New York and if you weren't that type it was over. New York has to be New York for everybody.

even playing field, an honest day's work for an honest day's pay. That sounds like American ideas to me. So why don't we practice American ideas in New York City too. It's sad when our contractors can do better in Selma, Alabama than they can do in New York City. Something is wrong here and we shouldn't continue this. With a step towards solving this, I vote yes and let the dialogue begin, a real dialogue. Thank you, Mr. Chair.

CAROL SHINE: Council Member

Seabrook?

COUNCIL MEMBER SEABROOK: Thank

you, Mr. Chair. To explain my vote, as I

indicated that we look at the level of

unemployment in this city and the level of

unemployment for African American and Latino males

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in this city, it's atrocious. But I think that this discussion that we're having around MWBE is very important and I want to thank the chair and I want to thank Council Member Al Vann for really bringing this to light to have a discussion around this issue. This is probably the lengthiest discussion that we've had around this issue.

I think that one of the things that I would hope, and having the opportunity to talk to a person who is affiliated with the group and knowing him and knowing what he stands for and the commitment that I know that he has in terms of dealing with these issues that we discuss, gives me a sense of hope.

But I think that there's a point that people need to understand that's most important of what Councilwoman Inez Dickens has raised. In many cases, we associate the jobs and the union jobs with MWBE. That's not MWBE. That's employment for people and everybody who needs a job should get a job. That's employment for people. MWBE is how you're going to deal with minority and women owned businesses, who in most cases employ minority people and therefore giving

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2 them and opportunity.

She raised the issue, and I would hope that people will understand, about when you're doing this as it relates to business, insurance and all those areas, architectural work, the electrical work and all of those things where this development takes place and there are zero opportunities that exist for minority participation. Let me remind you that zero is a quota too. So we need to understand that. It's important that we understand when we talk about minority and women owned business how best do we deal with that.

I understand this is a private entity, but there's a responsibility that we all have because we use public sewers and we use public sidewalks and we use public lighting. So it's private in one sense but the use of our dollars in another sense.

So I would hope that in this dialogue that Councilman Vann and yourself be an instrumental part in making his happen to allow this to exist. So therefore, I will vote age and I will continue to raise these issues. As you

know, Mr. Chairman, I've been raising these issues
for eight years at this committee level. Every
time that these projects have come up, I've said
the same thing for eight years and I will continue
to say that as long as I'm here. Thank you very
much, Mr. Chair.

CAROL SHINE: By a vote of 19 in the affirmative, one in the negative and two abstentions, LU 159, 160, 161, 162, and 163 are approved. Please sign the reports.

CHAIRPERSON COMRIE: With that, we will now close the Land Use meeting. I appreciate all of the comments made by all the members.

There will be direct follow up with Vornado before the full council meeting later today. Meeting is adjourned.

I, Donna Hintze certify that the foregoing transcript is a true and accurate record of the proceedings. I further certify that I am not related to any of the parties to this action by blood or marriage, and that I am in no way interested in the outcome of this matter.

Signature	Donas

Date \_\_September 9, 2010