

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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August 25, 2010
Start: 10:10 am
Recess: 10:35 am

HELD AT: Hearing Room
250 Broadway, 14th Fl.

B E F O R E:
MARK S. WEPRIN
Chairperson

COUNCIL MEMBERS:
Leroy G. Comrie, Jr.
Daniel R. Garodnick
Robert Jackson
Diana Reyna
Joel Rivera
Larry B. Seabrook
James Vacca
Albert Vann
Vincent M. Ignizio
Annabel Palma
Charles Barron
Brad Lander

A P P E A R A N C E S

COUNCIL MEMBERS:

Peter Koo
Rosie Mendez
Stephen Levin
James Sanders, Jr.
Jumaane D. Williams
James S. Oddo
Maria del Carmen Arroyo

CHAIRPERSON WEPRIN: Good morning everyone. My name's Mark Weprin. I am the chair of the Zoning and Franchises Subcommittee. I'm joined by lots of friends and colleagues. I will apologize to the members of the Land Use Committee who are here, but I'm just going to mention the members of the subcommittee for the record. Joel Rivera is here, Larry Seabrook, Diana Reyna, Robert Jackson, Jimmy Vacca, Al Vann, Dan Garodnick and other distinguished people from the Land Use Committee are here, but I don't think I missed anyone else from the subcommittee. Speak now. We'll get back to you later.

Good morning everyone. We are here today to consider the 15 Penn Plaza project which is Land Use numbers 159-163 inclusive. This has been the subject of a lot of discussion. 15 Penn Plaza, as you know, is a large half block site in midtown Manhattan, across the street from Penn Station. It will be developed as a modern state of the art office building that will create thousands of new jobs and billions of dollars in economic activity.

In addition, it will provide over

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2 \$100 million in transit improvements linking the
3 Penn Station transit hub there by opening the old
4 Gimbels Tunnel and allowing people to traverse
5 that whole area underground, which they cannot do
6 now. That was a major concern of the community
7 board in this matter to make sure that transit
8 improvements were included.

9 I do want to acknowledge the
10 discussion which has called some attention to this
11 matter by the Empire State Building. On behalf of
12 all my colleagues in the City Council, we love the
13 Empire State Building and we know its iconic
14 meaning here in New York City and would do nothing
15 in our minds that would hurt such a terrific site.

16 According to the final EIS
17 statement, environmental impact statement, the
18 analysis was that the prominence of the Empire
19 State Building would not be in any way
20 significantly affected because of the new building
21 in either of the formats that are being discussed,
22 either a single tenant or a multi-tenant building.
23 The two buildings are two avenues away from each
24 other and should not be affecting each other in
25 any way possible.

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2 Obviously, with all the plans for
3 the future for the west side of Manhattan, for the
4 Hudson Yards, tall buildings are going to go up
5 throughout this city. That's one of the wonderful
6 things about this city is that it continues to
7 grow, continues to breathe and we always have to
8 expand. In order to compete in a worldwide
9 market, we need to continue to modernize our
10 office structure. We need to bring in new
11 buildings to help attract new businesses to New
12 York City, not just retain our old ones.

13 So after listening to all the
14 testimony and discussing the project, we feel this
15 is an important economic stimulus for our city,
16 something that is going to be very important for
17 the future lifeblood of this city. So with that
18 in mind, I am going to recommend an aye vote on
19 this matter and I'm going to ask the counsel to
20 call the roll. Thank you.

21 CHRISTIAN HYLTON: Christian
22 Hylton, Counsel to the committee. Chair Weprin?

23 CHAIRPERSON WEPRIN: Aye.

24 CHRISTIAN HYLTON: Council Member
25 Rivera?

COUNCIL MEMBER RIVERA: I vote aye.

CHRISTIAN HYLTON: Council Member Reyna?

COUNCIL MEMBER REYNA: Permission to explain my vote?

CHAIRPERSON WEPRIN: So granted.

COUNCIL MEMBER REYNA: Thank you, Mr. Chair. I just wanted to, for the record, express my concern of the language concerning issues raised on MWBE contracting and employment opportunity for residents of the City of New York and small businesses alike.

Voting here at the subcommittee level, I hope that by the Land Use full committee we will see the language that has been proposed to be included with this resolution and the Land Use scheduled vote thereafter this subcommittee. I vote yes.

CHRISTIAN HYLTON: Council Member Comrie?

COUNCIL MEMBER COMRIE: May I explain my vote?

CHAIRPERSON WEPRIN: Mr. Comrie to explain his vote.

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2 COUNCIL MEMBER WEPRIN: I want to
3 concur with some of what I heard of Council Member
4 Reyna said. I'm not satisfied with Vornado's
5 explanation of the MWBE. I'm not satisfied if
6 they even understood everything that we're
7 expressing to them. This council, as part of
8 trying to stimulate economic development has a
9 need to ensure that whatever is being done in the
10 city will guarantee opportunities for all.

11 Right now, what was presented
12 yesterday was not sufficient. It did not address
13 the issues. I would hope that we can get a
14 commitment from Vornado and the city to make sure
15 that all of those issues can be addressed.

16 Unfortunately, we're up against a
17 hard deadline. The project in and of itself is a
18 project that I think is a necessary addition to
19 our city. I think that the project itself is
20 something that in a city that's consistently
21 trying to grow and evolve is needed in our city.
22 But I need to make sure that that project is
23 inclusive of opportunity for everyone in the city.
24 We cannot sit here as Council Members and not
25 ensure that and not make sure that Vornado itself

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2 in that.

3 So while I'm pushed today to vote
4 aye on the project, I'm not happy with the
5 response from Vornado. I hope that Vornado will
6 have a full commitment to sit down. We have many
7 issues in procurement and opportunities for
8 engineers and opportunities for across the board
9 from soup to nuts to make sure that there is a
10 clear set of standards that anyone in this city
11 could participate in these projects. We will be
12 pushing as a committee to make sure that those are
13 addressed in more detail.

14 It's just that we are up against a
15 clock and requirements that have made it
16 difficult. I have to apologize for part of that
17 being my fault because I was a little distracted
18 and did not keep my eye personally on the ball on
19 all of those issues. So I want to apologize to
20 the members of the committee. I will make sure
21 that this does not happen again.

22 There are some other things going
23 on that kept my focus from making sure that this
24 issue was fully delved into during the committee.
25 I would say that my commitment to the committee,

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2 to the council and to the city is to make sure
3 that we are looking at these things with a focus
4 to ensure that every city resident gets an
5 opportunity from any city project. That this
6 entire city can benefit from the things and the
7 issues that are brought forward through this
8 committee. We have to, in a negative economy, try
9 to stimulate the economy, utilizing whatever means
10 necessary to help that happen.

11 I know that, again, the issues of
12 this project, the issue of the need to stimulate
13 the economy are overriding and overarching, but I
14 think that a long-term commitment from a company
15 like Vornado is critical to ensure that our city
16 can continue to move forward for everyone. So I
17 vote aye.

18 CHRISTIAN HYLTON: Council Member
19 Jackson?

20 COUNCIL MEMBER JACKSON: I pass.

21 CHRISTIAN HYLTON: Council Member
22 Seabrook?

23 COUNCIL MEMBER SEABROOK: Pass.

24 CHRISTIAN HYLTON: Council Member
25 Vann?

2 COUNCIL MEMBER VANN: Permission to
3 explain my vote.

4 CHAIRPERSON WEPRIN: Mr. Vann.

5 COUNCIL MEMBER VANN: Thank you,
6 Mr. Chair. I fully concur with Council Member
7 Reyna who chairs Small Business for our council
8 and the arguments advanced by the chair of Land
9 Use.

10 You may recall, I raised the issue
11 yesterday because I was appalled that there was no
12 even comment relative to MWBE employment hiring
13 for minorities or any consideration of commercial
14 space that could accommodate those of us who don't
15 have a lot of money. When I raised the question,
16 the response was rather ridiculous. No thought at
17 all seemed to have gone into the majority of the
18 people who live in the City of New York.

19 So I agree with my colleagues who
20 have spoken on it and I have not seen a response.
21 I saw a letter that came in yesterday that was
22 totally inadequate by anyone who saw it and had
23 any concerns for it. I understand there was to
24 have been another response which I really haven't
25 seen.

2 So at this juncture, Mr. Chairman,
3 regrettably, I would have to abstain at this
4 point.

5 CHRISTIAN HYLTON: Council Member
6 Garodnick?

7 COUNCIL MEMBER GARODNICK: Mr.
8 Chairman, opportunity to explain my vote?

9 CHAIRPERSON WEPRIN: Mr. Garodnick
10 to explain his vote.

11 COUNCIL MEMBER GARODNICK: Thank
12 you. So the proposed tower at 15 Penn Plaza is,
13 in a word, massive. 2.8 million gross square feet
14 in bulk, 1,200 feet in height. In size it would
15 closely rival the Empire State Building. Not only
16 that, but unlike any of the other towers that have
17 challenged the Empire State Building in height or
18 in the popular imagination, this one would be
19 located right on 34th Street, just two avenues
20 away from New York's most famous building.

21 That appropriately gave many of us
22 pause. Would this audacious newcomer blot out a
23 significant icon on our skyline? After all, the
24 skyline is a central part of New York's identity.
25 We welcome additions to it. Additions are also a

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2 part of New York's identity. But those changes
3 should not be haphazard or disruptive to existing
4 landmark towers. I believe that 15 Penn Plaza is
5 neither of those things.

6 Only from a limited, an extremely
7 limited perspective would it appear to loom over
8 the Empire State Building. In fact, if it were
9 built even another avenue or two further away in
10 any direction, it would have almost the same
11 effect when viewing it from a distance. We cannot
12 limit development on that basis alone.

13 As for the sheer immensity of the
14 building, Community Board 5 noted in its
15 resolution and testimony that the developer did
16 not provide a sufficient rationale for the
17 requested up zoning and indeed, the applicant
18 could have done much more to convince the board,
19 particularly because of the size and location of
20 this project.

21 The board also expressed concern
22 that without final tenant specific designs in
23 place, the tower at 15 Penn Plaza may yet change
24 in a way that would be deleterious to the skyline.
25 It is a fair concern but one that would likely be

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2 too limiting on our ability to build anywhere in
3 the city. When the Empire State Building itself
4 opened with 56 empty floors in 1931, it earned the
5 nickname, "The Empty State Building."

6 It is my view that this is an
7 absolutely appropriate place for peak density
8 because it is right at one of our region's
9 critical transportation hubs, Penn Station and 15
10 Penn Plaza developers undertaking numerous
11 improvements to critical mass transit entrances in
12 return for additional floor area.

13 Because this project is an
14 appropriate location for high density and I
15 believe that the location does not diminish the
16 public's enjoyment of an iconic landmark building
17 in a material way, Mr. Chairman, I vote aye.

18 CHRISTIAN HYLTON: Council Member
19 Vacca?

20 COUNCIL MEMBER VACCA: I vote aye.

21 CHRISTIAN HYLTON: Council Member
22 Ignizio.

23 COUNCIL MEMBER IGNIZIO: Yes, thank
24 you. If I may briefly explain my vote, I believe,
25 as I did prior in the Zoning Committee, that I

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2 think this is an important step in developing the
3 city. The city reinvents itself quite often. If
4 you need only look across the water that if we
5 don't, in New York, compete and continue to strive
6 to build newer modern buildings, other
7 jurisdictions and other municipalities will do
8 that for us. The jobs and the people and the
9 overall economic impact for this city will go with
10 it.

11 So while preservationists want to
12 speak in regards to the visual corridor of another
13 building, which many during that generation would
14 probably have opposed for the same reasons, we saw
15 ultimately what that meant for this city and now
16 having the Empire State Building. So too will
17 this building come, and we hope the jobs with is.
18 We ought to make and building as good a mousetrap
19 as we can, which I believe this project does in
20 regards to the improvements to transportation. We
21 should welcome and applaud development of this
22 type.

23 The concerns that are issued by
24 some of my colleagues here are ones that are very
25 serious and ought to be addressed. I'm happy to

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2 support them in that endeavor. But one of the
3 main functions that this Zoning Committee has is
4 to assure that this city grows into a city of the
5 next century that we are proud of and one that
6 addresses the needs of a global capital economy.
7 That's what New York City is, that's what it needs
8 to be, and we need to make sure that New York
9 stays at the forefront of our global economy and
10 does not get lost to cities like, in our local
11 region, Jersey City, or in the global region such
12 as Singapore and Hong Kong.

13 So with that, I vote aye. Thank
14 you.

15 CHRISTIAN HYLTON: Council Member
16 Jackson?

17 COUNCIL MEMBER JACKSON: Mr. Chair,
18 may I be excused to explain my vote?

19 CHAIRPERSON WEPRIN: Mr. Jackson to
20 explain his vote.

21 COUNCIL MEMBER JACKSON: Thank you.
22 I listened to the testimony of the various parties
23 yesterday in our Zoning Committee hearing and also
24 listened to the issues and concerns addressed by
25 members of the community board. Obviously, as you

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2 know, community boards are the local structures in
3 our government. While I understand what their
4 issues and concerns are, such as not knowing, for
5 example, when is this project going to be built.
6 Is it going to be a year from now, two years,
7 three, four, or five? There is no definitive
8 answer.

9 It's clear that Vornado Realty
10 Trust plans to build, and obviously as expressed
11 by Vornado, they had intentions on building one
12 aspect, which was a single occupancy situation and
13 then they had to change that as a result of the
14 economic situation in our country and throughout
15 the world.

16 In looking at the pictures that
17 they gave as to what the building would look like,
18 in my view, it's a very positive aspect to our
19 great city. Quite frankly, I was to see our great
20 city continue to grow and prosper.

21 Then I think about the people that
22 I represent in northern Manhattan where the
23 average family, based on the 2000 census, of four
24 earn \$34,000 a year. I think about currently now
25 the amount of massive unemployment that exists not

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2 only in my district but around the city. I say to
3 myself a project that's going to in the future
4 cost anywhere between \$3 and \$4 billion and
5 thousands of jobs, construction jobs and service
6 jobs and other jobs. How can I say no to that?

7 How can I say no to that, knowing
8 that Empire State Building owners does not want it
9 to be built because quite frankly, in my opinion,
10 it's competition against what they have?

11 Then I think about, Mr. Chair and
12 members of our committee, I think about the fact
13 that a request was made by our City Council
14 Speaker and members of the City Council concerning
15 lighting the Empire State Building for someone
16 that has worldwide appeal that has done so much
17 for millions and millions of people that are in
18 need, Mother Theresa. Emphatically, they said no.
19 To me, I take that to heart. Let me just say that
20 to you. I am not a Christian.

21 But knowing also that my colleague,
22 the chair of the Land Use Committee, Leroy Comrie,
23 has expressed himself in my opinion most honestly
24 and forthright, especially this morning, and
25 listening to my colleague Al Vann that as a

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2 seasoned legislature at the state level and at the
3 city level with over 30 years of service to our
4 great city, and listening to Diana Reyna, the
5 chair of our Small Businesses Committee, I say to
6 all of you and say to Vornado principals and
7 employees that are here, as the co-chair of the
8 New York City Council's Black, Latino and Asian
9 Caucus, this is an issue for us.

10 Knowing what Leroy said, that we're
11 going to continue to be on top of this, the people
12 in New York City want to see fairness and equity
13 as far as employment in New York City. We want to
14 see the people of New York City employed. While I
15 care about people all over the world, more
16 specifically I care about people in New York City
17 first.

18 Knowing that the timeframe is upon
19 this, this is the last Stated Meeting before this
20 matter expires on the calendar, I must vote yes.
21 I vote yes today, knowing what I've said with
22 respects to everything else. So the struggle
23 continues and I look forward to working with
24 Vornado in order to clear up some of the issues
25 that have been raised throughout this hearing.

Thank you.

CHRISTIAN HYLTON: Council Member
Seabrook?

COUNCIL MEMBER SEABROOK: Thank
you, Mr. Chair. In having the opportunity just a
few minutes ago to look at these documents as it
relates to the MWBE component and to what would be
a relationship with those communities of color as
it relates to job opportunities and business
opportunities as well. This was just given out to
me and I certainly am not ready to vote for this
without an understanding. But I think that some
clarification needs to be put here.

This is a city that the
unemployment level for everybody is double digit.
But in our community for African American males
and Latino males, it's 52 percent unemployment at
this level. So when we look at that level and see
the level of unemployment, this is a golden
opportunity to do something. And the level of
competition, I do believe in competition, and if
you truly want to compete and be a part of the
Empire State, then here's a golden opportunity to
do some of the things that would allow this real

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2 sense of development.

3 One of the projects that we looked
4 at and saw one of the greatest opportunities to
5 deal with participation was what the New York Jets
6 had proposed when they were talking about building
7 the stadium on the west side. Now the stadium
8 never was built, but they had the most
9 comprehensive committed program to deal with
10 employment levels as it relates to minorities and
11 women and also minority and women
12 entrepreneurship. All they would have to do is
13 dust it off, take a look at it and be committed to
14 do what has to be done as it relates to that.

15 In fact, you can go to Brooklyn and
16 see what was done with the Nets Stadium as it was
17 done over there and their participation of what
18 they talked about at the Atlantic Yards and dust
19 that off and you can have a real program that
20 talks about how best dealing with community as
21 well as dealing with minority and women owned
22 business. I think it's important that we look at
23 this and see.

24 It would be very hard for us to
25 vote now. I understand, but I think that people

2 need to understand that there's a difference in
3 terms of what happens within the city and the
4 level of unemployment within the city is how best
5 we're going to address the needs and concerns of
6 those people who are in dire need when we have for
7 everybody double digit unemployment and for
8 African American males 52 percent unemployment.

9 We have to take some stand to have
10 a creative and innovative program to address these
11 issues and concerns. So there is an opportunity
12 for two more votes to take place. I will get a
13 chance to read this but at this particular point
14 in time I would abstain from voting for this.

15 CHRISTIAN HYLTON: By a vote of
16 eight in the affirmation, none in the negative and
17 two abstentions, LU 159, 160, 161, 162 and 163, 15
18 Penn Plaza is approved and referred to the full
19 Land Use Committee.

20 COUNCIL MEMBER BARRON: Are we
21 meeting now?

22 CHAIRPERSON WEPRIN: Thank you.
23 Let me just adjourn this one and we'll move on to
24 the Land Use Committee next. I just want to
25 acknowledge the clarion call you heard today from

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2 members of this committee for future developers in
3 this city and for the developers here. This is a
4 very important issue to the New York City Council
5 that we do a far reaching net of hiring people in
6 employment and construction jobs to make sure that
7 it's not only the people that have been doing it
8 for hundreds of years but the new and improved
9 businesses of this city that need to be included.

10 With that in mind, the meeting is
11 now adjourned.

C E R T I F I C A T E

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_____

Date September 9, 2010