

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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November 26, 2012

Start: 1:22 p.m.

Recess: 1:36 p.m.

HELD AT: 250 Broadway
Committee Room, 16th Floor

B E F O R E:
STEPHEN LEVIN
Chairperson

COUNCIL MEMBERS:
Sara M. Gonzalez
Charles Barron
Inez E. Dickens
Peter Koo

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

Christopher Gonzalez
Assistant Commissioner, Government Affairs
HPD

Gabriella Amabile
Director of Large-Scale Planning
HPD

2 CHAIRPERSON LEVIN: Okay. All
3 right, good afternoon, welcome to the Subcommittee
4 on Planning, Dispositions, and Concessions, I am
5 Stephen Levin, Chair of the Subcommittee. I am
6 joined this afternoon by my colleagues on the
7 Subcommittee, Council Members Sara Gonzalez and
8 Charles Barron of Brooklyn.

9 We will be hearing two items today,
10 three with--well three items today, one to be
11 withdrawn. So we'll start off Land Use number 681
12 Hunters Point South Phase 1, Queens Community
13 Board 2, 20135038 HAQ. That is a motion to file
14 pursuant to withdrawal. And we will be hearing in
15 its place two separate items: Land Use number
16 729, Hunters Point South Phase 1, Parcel A, and
17 that's in Queens Community Board 2, 20135155 HAQ.
18 Testifying on this item today, we will have Chris
19 Gonzalez, Assistant Commissioner at HPD.

20 [Pause]

21 CHAIRPERSON LEVIN: And Gabriella
22 Amabile from HPD.

23 CHRISTOPHER GONZALEZ: Good
24 afternoon--

25 CHAIRPERSON LEVIN: Mr. Gonzalez,

1
2 thank you.

3 CHRISTOPHER GONZALEZ: --good
4 afternoon, members of the committee, my name is
5 Christopher Gonzalez, Assistant Commissioner for
6 Government Affairs at HPD, and with me, I have
7 Gabriella Amabile, Director of Large-Scale
8 Planning at HPD.

9 Land Use items 729 and 730 consist
10 of an amendment to a previously approved project
11 known as Hunters Point South Phase 1. On November
12 13th, 2008, the City Council approved the UDAAP
13 designation and disposition of city-owned property
14 located at Block 1, Lots 1 and 10; Block 5, Lot 1;
15 Block 6, Lots 1, 2, and 14; as well as the
16 demapping of portions of 54th and 55th Avenues.

17 Under the mixed-income rental
18 program, the sponsor proposed the construction of
19 two multiple dwelling buildings containing a total
20 of 925 rental dwelling units and 17,459 square
21 feet of commercial space. HPD is currently before
22 the Council seeking the approval of an Article 11
23 tax exemption in order to enhance the
24 affordability of the project.

25 Council Member Van Bramer has been

2 briefed and has indicated his support. We'll take
3 any questions.

4 CHAIRPERSON LEVIN: If you could
5 fill us in the level of affordability and how many
6 units?

7 GABRIELLA AMABILE: This is
8 Gabriella Amabile. There are 925 units at low,
9 moderate, and middle income levels, approximately
10 20% up to 50% of AMI, 20% up to 130% AMI, 27% up
11 to 143% of AMI, and 33% up to 176% of AMI.

12 CHAIRPERSON LEVIN: So, okay, and
13 can you explain a little bit about what the
14 Article 11 tax exemption would do in terms of
15 furthering the affordability?

16 GABRIELLA AMABILE: These units are
17 permanently affordable at these levels, and so the
18 Article 11 enables the permanence to the middle
19 and low and moderate income housing.

20 CHAIRPERSON LEVIN: And if the
21 Article 11 tax exemption were not passed, the
22 affordability levels would not be permanent, is
23 that correct?

24 GABRIELLA AMABILE: There would
25 have to be some other mechanism in place, but this

2 really ensures the permanence.

3 CHAIRPERSON LEVIN: Do any of my
4 colleagues have any questions for HPD? Council
5 Member Barron.

6 COUNCIL MEMBER BARRON: Did you
7 want to repeat that affordability--

8 GABRIELLA AMABILE: Sure.

9 COUNCIL MEMBER BARRON: --again,
10 are you saying--

11 GABRIELLA AMABILE: [Interposing]
12 So I'll start at the top and work down. So 33% at
13 176% of AMI--

14 COUNCIL MEMBER BARRON:
15 [Interposing] Now 176% of the AMI.

16 GABRIELLA AMABILE: Right. And 27%
17 at 143% of AMI; 20% at 130% of AMI; and 20% at 38
18 and 48% of AMI.

19 COUNCIL MEMBER BARRON: And what is
20 the area median income for that area?

21 GABRIELLA AMABILE: For Community
22 District 2, I don't know specifically in Queens.

23 COUNCIL MEMBER BARRON:
24 [Interposing] Then how could you say it's
25 affordable?

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GABRIELLA AMABILE: This is using the HUD standard for income levels.

COUNCIL MEMBER BARRON: [Interposing] For HUD, so then what is HUD saying--how is 176% of the AMI affordable in that area. If they don't even know what the AMI is for that area? See, I don't get that. Just give me a minute, Mr. Chairman. You know, if we're going to come and say something's affordable, to who? Affordable to who? Because, you know, what is the--AMI is what for the city, 76,000 family of four?

GABRIELLA AMABILE: [Interposing] It's 83,000 for a family of four.

COUNCIL MEMBER BARRON: Eighty-three, 83,000 for a family of four is the city's AMI, so when you say 176% of the AMI, you're saying 176% of 83,000.

GABRIELLA AMABILE: Right.

COUNCIL MEMBER BARRON: Which is--

GABRIELLA AMABILE: And that's just for the--

COUNCIL MEMBER BARRON: --which is almost a 100 and, what, 30 some odd, 20, 30,000?

2 GABRIELLA AMABILE: Yeah, about
3 that--

4 [Crosstalk]

5 COUNCIL MEMBER BARRON:

6 [Interposing] About that, right?

7 GABRIELLA AMABILE: Mm-hmm, for--

8 COUNCIL MEMBER BARRON: So for you
9 to say that's affordable, then you would have to
10 say that the area--AMI for that area is this,
11 therefore, it is affordable. For you to say I
12 don't even know what the AMI is for the area
13 because HUD said this is an affordable formula
14 that, what, fits any area? No, it's based upon
15 the AMI for that particular area.

16 CHRISTOPHER GONZALEZ: Right, we
17 hear you, we understand your concerns, we can
18 definitely get you that number, we just don't have
19 it right now.

20 COUNCIL MEMBER BARRON: You know,
21 so how are you--so you're saying it's affordable
22 just 'cause HUD said so--

23 GABRIELLA AMABILE: And--

24 COUNCIL MEMBER BARRON: --
25 basically.

2 GABRIELLA AMABILE: --yeah, the
3 rents will be below market rate, they are, in
4 fact, below market rate for that area, it's a very
5 high rent--

6 COUNCIL MEMBER BARRON:
7 [Interposing] Yeah, but the income requirement--

8 GABRIELLA AMABILE: --rental area
9 and then--

10 COUNCIL MEMBER BARRON: --okay. So
11 what are the rents going to be?

12 GABRIELLA AMABILE: Affordable to
13 those AMIs, as I just--

14 [Crosstalk]

15 COUNCIL MEMBER BARRON:
16 [Interposing] So the income requirement is going
17 to be that.

18 GABRIELLA AMABILE: That's right.

19 CHRISTOPHER GONZALEZ: Right.

20 GABRIELLA AMABILE: The--

21 COUNCIL MEMBER BARRON: So what are
22 the rents?

23 GABRIELLA AMABILE: At 38 and 48%
24 of AMI, 130% of AMI, 143% of AMI, and 176% of AMI.

25 COUNCIL MEMBER BARRON: Wait.

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2 GABRIELLA AMABILE: Are the rents.
3 Is that the question?

4 COUNCIL MEMBER BARRON: What is the
5 income requirement?

6 GABRIELLA AMABILE: There are
7 marketing bands that surround those rents that
8 give some amount of flexibility to make sure that
9 there can be tenants that fit those rents and they
10 are in compliance with the mixed-income program
11 standards.

12 COUNCIL MEMBER BARRON: See, I'm
13 trying to connect the AMI, the income requirement
14 to get in, and the rent. So the income
15 requirement is 170 some odd percent of the AMI,
16 that's how much one has to make?

17 CHRISTOPHER GONZALEZ: The income
18 bands will--so the rents are set at the rates that
19 Gabriella mentioned, but the income bands for
20 qualification for those--

21 COUNCIL MEMBER BARRON: Right.

22 CHRISTOPHER GONZALEZ: --units--

23 COUNCIL MEMBER BARRON: Right.

24 CHRISTOPHER GONZALEZ: --will be--

25 COUNCIL MEMBER BARRON: What?

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2 CHRISTOPHER GONZALEZ: --like well
3 they all vary--

4 [Crosstalk]

5 CHAIRPERSON LEVIN: [Interposing]
6 They're up to, those are the maximum AMI levels
7 for that percentage of the affordable housing, so
8 it's up to 176% of AMI, or up to 125% of AMI for
9 those bands so that you don't--I mean, obviously
10 you don't have to be exactly at that income--

11 [Crosstalk]

12 COUNCIL MEMBER BARRON:

13 [Interposing] No, I understand--

14 CHRISTOPHER GONZALEZ: Right.

15 COUNCIL MEMBER BARRON: --that, but
16 no developer is going to accept less if they don't
17 have to, most developers will hit the top. But
18 that's the income requirement for one to get it,
19 and then I'm just trying to get a clearer picture
20 of the actual rent.

21 CHRISTOPHER GONZALEZ: So--

22 [Crosstalk]

23 CHRISTOPHER GONZALEZ: --one-third.

24 CHAIRPERSON LEVIN: One-third of
25 the income levels, right?

2 CHRISTOPHER GONZALEZ: Right.

3 COUNCIL MEMBER BARRON: So it'll be
4 one-third of the income levels. So if the--okay.

5 CHAIRPERSON LEVIN: Gail Benjamin,
6 Director of Land Use.

7 GAIL BENJAMIN: I was going to try
8 to clarify for you. I think what Gabriella was
9 saying was that the income bands are up to those
10 levels and--

11 COUNCIL MEMBER BARRON: Right.

12 GAIL BENJAMIN: --that, generally
13 speaking, the rental amounts would be
14 approximately one-third of the income.

15 COUNCIL MEMBER BARRON: Of the
16 income.

17 GABRIELLA AMABILE: And then in
18 compliance with Article 11, two-thirds of the
19 incomes have to be below 165% of AMI, so that's
20 being met by this mix as well.

21 COUNCIL MEMBER BARRON: Two-thirds-

22 -

23 GABRIELLA AMABILE: [Interposing]
24 Two-thirds of the units have to have incomes not
25 exceeding 165% of AMI, that's--

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COUNCIL MEMBER BARRON:

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[Interposing] One sixty-five?

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GABRIELLA AMABILE: Yeah. That's

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for--

6

[Crosstalk]

7

GAIL BENJAMIN: Yeah.

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COUNCIL MEMBER BARRON: Two-thirds.

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GABRIELLA AMABILE: --Article 11

10

statute.

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COUNCIL MEMBER BARRON: And no one

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has any idea what the area median--

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[Crosstalk]

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GABRIELLA AMABILE: [Interposing]

15

For CB 2, I'm sorry, I'll have to get it.

16

GAIL BENJAMIN: Gail Benjamin,

17

again. The area median income is one that is

18

determined by HUD and is for not just New York

19

City, but for several of the surrounding counties,

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and as HPD just indicated, I believe it's \$83,000

21

that is the area median income.

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COUNCIL MEMBER BARRON: That's New

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York City or...?

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GAIL BENJAMIN: The metro--

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[Crosstalk]

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CHRISTOPHER GONZALEZ: --
surrounding.

GAIL BENJAMIN: --the metropolitan.

COUNCIL MEMBER BARRON: And the
metropolitan, but I mean--

GAIL BENJAMIN: Yeah.

[Crosstalk]

COUNCIL MEMBER BARRON: --like, for
instance, I meant for that particular area where
it's being built in CB 2. Because the area median
income from my East New York is like 28, \$30,000,
even though the citywide, including the
metropolitan area, is 83,000, but for my East New
York would be--

GAIL BENJAMIN: [Interposing] But
under the HUD guidelines, in order to use their
money, you need to use their incomes, and the way
that you would get apartments for which people
with a lower income would be eligible is to go
down to 40% of AMI--

COUNCIL MEMBER BARRON: Right.

GAIL BENJAMIN: --or 30% of AMI or
something like that. The AMI doesn't change
though--

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COUNCIL MEMBER BARRON:

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[Interposing] No, I understand that--

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GAIL BENJAMIN: --but you reach the

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income--

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[Crosstalk]

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COUNCIL MEMBER BARRON: --

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percentage of the AMI--

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GAIL BENJAMIN: [Interposing]

10

Right, that's how you reach--

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[Crosstalk]

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COUNCIL MEMBER BARRON: --could

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change, yeah, right. And you say it's 20% is

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what?

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GABRIELLA AMABILE: Is at 38 and

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48% of AMI.

17

COUNCIL MEMBER BARRON: It's at

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20%. Couldn't that be higher?

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GABRIELLA AMABILE: More than 20?

20

Well the--

21

COUNCIL MEMBER BARRON:

22

[Interposing] Just as long as you are closer to

23

65--as long as you're not over, what, 65?

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GABRIELLA AMABILE: Right.

25

COUNCIL MEMBER BARRON: One sixty--

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GABRIELLA AMABILE: [Interposing]

3

One sixty-five, right. That's--

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COUNCIL MEMBER BARRON:

5

[Interposing] Couldn't there be more, not higher,

6

I mean, more in that area?

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GABRIELLA AMABILE: Yes, that would

8

comply, yeah, with Article 11.

9

COUNCIL MEMBER BARRON: And where

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is this? What is the racial composition of that

11

Community Board area?

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GABRIELLA AMABILE: That I don't

13

know.

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CHRISTOPHER GONZALEZ: We can get

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that for you.

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COUNCIL MEMBER BARRON: I have to

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vote, so you want to come back after I vote and

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then say what?

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FEMALE VOICE: Well you could

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abstain--

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[Pause]

22

COUNCIL MEMBER BARRON: Okay. Well

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I'm going to vote no.

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GABRIELLA AMABILE: Okay. Thank

25

you.

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2 CHAIRPERSON LEVIN: I just want one
3 last question, does this project, is it getting a
4 421a tax abatement as well or no? It's--

5 GABRIELLA AMABILE: [Interposing]
6 No.

7 CHAIRPERSON LEVIN: Okay. It's
8 not.

9 COUNCIL MEMBER BARRON: But 21a
10 would only--

11 CHAIRPERSON LEVIN: [Interposing]
12 Why is that? Why is that?

13 GABRIELLA AMABILE: Because the
14 Article 11 is--

15 CHAIRPERSON LEVIN: Okay.

16 GABRIELLA AMABILE: --sufficient.

17 CHAIRPERSON LEVIN: That covers it,
18 okay.

19 GABRIELLA AMABILE: Mm-hmm.

20 CHAIRPERSON LEVIN: Okay. We've
21 been joined by my colleagues on the Subcommittee,
22 Council Member Inez Dickens of Manhattan and
23 Council Member Peter Koo of Queens.

24 Do any of my colleagues have any
25 further questions regarding Land Use number 729?

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2 Okay. Seeing none, we'll close out the hearing on
 3 that item and move on to Land Use number 730, this
 4 is Hunters Point South Phase 1, Parcel B.

5 [Crosstalk]

6 CHAIRPERSON LEVIN: Oh, I'm sorry.

7 [Off mic]

8 CHAIRPERSON LEVIN: Oh, you--

9 [Pause]

10 CHAIRPERSON LEVIN: --both.

11 GABRIELLA AMABILE: Yeah.

12 CHRISTOPHER GONZALEZ: We present
 13 at the same time, yeah.

14 CHAIRPERSON LEVIN: Okay, okay. So
 15 we'll be closing out Land Use--with that, we'll be
 16 closing out Land Use numbers 729 and 730, Hunters
 17 Point South Phase 1, Parcels A and B. Just to
 18 reiterate that Parcel A is 20135155 HAQ, Parcel B
 19 is 2013516 HAQ. So we'll be closing out the
 20 hearing on both of those items and we will be
 21 laying over Land Use number 719 to a future date.

22 Thank you very much, both of you,
 23 for your testimony. Thank you, Council Member
 24 Barron, for your questions. And I will ask
 25 counsel to the committee to--sorry.

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[Pause]

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CHAIRPERSON LEVIN: Okay. So first

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I will ask counsel to the committee to call the

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roll on Land Use number 681, which is a motion to

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withdraw, and I--and then Land Use numbers 729 and

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730, I recommend an aye vote on all three items.

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FEMALE VOICE: Chair Levin.

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CHAIRPERSON LEVIN: I vote aye on

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all.

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FEMALE VOICE: Council Member

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Barron.

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COUNCIL MEMBER BARRON: I vote no

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on all.

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FEMALE VOICE: Council Member

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Gonzalez.

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COUNCIL MEMBER GONZALEZ: Aye on

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all.

19

FEMALE VOICE: Council Member

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Dickens.

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COUNCIL MEMBER DICKENS: Aye.

22

FEMALE VOICE: Council Member Koo.

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COUNCIL MEMBER KOO: Aye on all.

24

FEMALE VOICE: By a vote of four in

25

the affirmative, one in the negative, and zero

2 abstentions, Land Use items 729 and 730 are
3 approved and referred to the full Land Use
4 Committee, and Land Use item 681's motion to file
5 pursuant to withdrawal is approved by a vote of
6 five in the affirmative, one in the negative, and
7 zero abstentions.

8 CHAIRPERSON LEVIN: Four in the
9 affirmative.

10 FEMALE VOICE: I'm sorry, four in
11 the affirmative, one in the negative, and zero
12 abstentions.

13 COUNCIL MEMBER BARRON: You have a
14 weighted voting system--

15 [Pause]

16 [Laughter]

17 COUNCIL MEMBER DICKENS: No.

18 CHAIRPERSON LEVIN: Thank you very
19 much everybody, and this meeting is adjourned.

20 [Gavel]

C E R T I F I C A T E

I, Tammy Wittman, 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 *Tammy Wittman*

Date December 11, 2012