

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON LAND USE

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May 17, 2018
Start: 11:55 a.m.
Recess: 12:24 p.m.

HELD AT: Committee Room - City Hall

B E F O R E: RAFAEL L. SALAMANCA, JR.
Chairperson

COUNCIL MEMBERS: Adrienne A. Adams
Inez D. Barron
Costa G. Constantinides
Chaim M. Deutsch
Ruben Diaz, Sr.
Vanessa L. Gibson
Barry S. Grodenchik
Ben Kallos
Andy L. King
Peter A. Koo
Rory I. Lancman
Stephen T. Levin
I. Daneek Miller
Francisco P. Moya
Antonio Reynoso
Donovan J. Richards
Carlina Rivera
Ritchie J. Torres
Mark Treyger

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

1 COMMITTEE ON LAND USE 3

2 [sound check] [pause] [background
3 comments, pause] [gavel]

4 CHAIRPERSON SALAMANCA: Alright, good
5 morning everyone. [shushing for quiet] Barry, good
6 morning.

7 COUNCIL MEMBER GRODENCHIK: [off mic]
8 Good to see you again.

9 CHAIRPERSON SALAMANCA: [laughs]

10 COUNCIL MEMBER GRODENCHIK: [off mic]
11 Isn't it a lovely day?

12 CHAIRPERSON SALAMANCA: It is. Good
13 morning. Welcome. I am Council Member Rafael
14 Salamanca, Chair of the Land Use Committee. I want
15 to welcome my esteemed colleagues who are members of
16 the committee and are with us today. We have Council
17 Member Gibson, Deutsch, Chair Kallos, King, Koo,
18 Lancman, Richards, Torres, Grodenchik, Chair Adams
19 and Chair Moya and Council Member Rivera. I want to
20 thank Chair Moya and Council Member Grodenchik who
21 filled in for him for part of yesterday's hearing and
22 Chair Adams and Chair Kallos for their work on our
23 Land use Subcommittees. Today, we'll be voting on a
24 number of items referred out of our Planning
25 Subcommittee. We'll be voting to approve LU 79 and

2 the MPLP Uptown 6 Cluster in Council Member Perkins'
3 district in Manhattan. HPD seeks Urban Development
4 Action Area Project, UDAAP approvals pursuant to
5 Article 16 of the General Municipal Law and approval
6 of a new 40-year Article XI Tax Exemption pursuant to
7 Article XI of Private Housing Finance Laws MPLP 6
8 Housing Development Fund Corporation. HDFC will
9 purchase the city-owned properties and redevelop the
10 six existing partially occupied multi-family
11 buildings to provide 81 affordable rental units. One
12 superintendent unit and five commercial units.
13 During construction current tenants all of whom make
14 between 11 and 29% of AMI will be relocated within
15 the buildings. Of the vacant apartments, eight will
16 set aside for formerly homes households and the
17 remainder will be rented for a price affordable to a
18 family earning no more than 80% AMI. We will also be
19 voting to approve LU 80, the 615 West 150th Street
20 Cluster for properties in Council Member Levine's
21 district in Manhattan. HPD seeks Urban Development
22 Action Area Project approvals pursuant to Article 16
23 of the General Municipal Law, and approval of a 40-
24 year tax exemption pursuant to Article XI of the
25 Private Housing Finance Law. The city will convey

2 partially occupied city-owned residential buildings
3 restoring communities HDFC. The tenants will be
4 temporarily relocated while the buildings are being
5 rehabbed. The buildings will then be conveyed to a
6 cooperative HDFC formed by the building's tenants.
7 Existing tenants will be able to purchase shares in
8 the co-op for \$2,500 per unit. Vacant apartments
9 will be sold for a price affordable to a family
10 earning no more than 165% AMI as restricted under the
11 term sheets. However, the HPD Regulatory Agreement,
12 which runs with the land is more restrictive calling
13 for vacant units to be sold for a price of affordable
14 to a family making between 85 to 95% AMI. All units
15 will have resale restrictions, which will include
16 maximum sale prices, income restrictions on new
17 purchasers, limitations on profits from sales
18 proceeds and asset caps. We will be—we will vote to
19 approve LU 66, the PRC Tiffany Street Application for
20 property located at 975 Tiffany Street in my district
21 in the Bronx. HPD seeks approval of a new Article XI
22 Tax Exemption for a period of 40 years pursuant to
23 Section 577 of the Private Housing Finance Law. This
24 action will facilitate the development of a new 8-
25 story 100% affordable building with 161 residential

2 units in the Bronx. Of the 161 units, 24 units will
3 be set aside for formerly homeless households, 22
4 units at 35% AMI, 24 units at 40% AMI, 16 units at
5 50% AMI, 14 units at 60% AMI, and 60 units will be
6 rented at 80% AMI, but will be available to
7 households making up to 100% AMI. We will vote to
8 approve the Bethany Place Application LU 68 to extend
9 the term of Article XI tax exemption for property
10 located at 301 West 153rd Street and 2091 Frederick
11 Douglas Boulevard in Council Member Perkins' district
12 in Manhattan. The subject property is an existing
13 23-unit building, the building which already receives
14 a full tax exemption, is fully occupied by tenants
15 with income ranges from 70 to 80% AMI. Extensions of
16 the terms of the tax exemption is necessary in order
17 match the life of the first position loan from HDC.
18 We will vote approve two building tenants United HDFC
19 application LU 71 for property in Council Member
20 Rivera's district in Manhattan. HPD seeks a UDAAP
21 approval under Article 16 of the General Municipal
22 Law and an Article XI tax exemption under the Private
23 Housing Finance Law for property located at 280 East
24 Third Street and 230 East Fourth Street. The
25 properties are two-story multiple dwellings with 36

2 rental units. All units are fully occupied and
3 targeted to households 60 to 80% AMI. Currently
4 there is no exemption provided for real property
5 taxation and there are significant tax arrears. To
6 preserve the rent affordability and prevent tenant
7 displacement while also addressing the retroactive
8 tax burden, the current owners will transfer the
9 properties to the city. The city will then convey
10 the properties free and clear of the tax arrears to
11 two building tenants United Housing Development Fund
12 Company, HDFC. Under the new regulatory agreement
13 the HDFC will preserve and rehabilitate the buildings
14 and continue to provide affordable rent stabilized
15 apartments. We will also vote to approve C-H-S- C-S-
16 H applications LU72 for a 40-year tax exemption
17 pursuant to Article 11 of the Private Housing Finance
18 Law for a property located at 752 MacDonald Street
19 and 1638 Broadway in Council Member Ampry-Samuel's
20 District in Brooklyn. These two buildings are part
21 of 32 buildings CSH Corporation for supportive
22 housing portfolio that entered into a new regulatory
23 agreement at HPD in 2015. The Article XI tax
24 exemption for these two buildings will replace a
25 different type of tax exemption, a 420-C that was

2 erroneously applied. The exemption will last for 35
3 years from 2015 and to be with a new regulatory
4 agreement. There are—are there any questions or
5 remarks from members of the committee? No. So, I
6 just want to point out there's a project in my
7 district a PRC project at Tiffany Street. Just this
8 month alone I've approved 200% affordable buildings
9 that amounts to 275 units. 1490 Southern Boulevard,
10 which includes a 30% homeless set-aside, which gives
11 you 34 units and PRC Tiffany, which is a 15% homeless
12 set-aside of 24 units amounting to 58 units for the
13 formerly homeless. Both projects at 50% homeless
14 set-aside higher—are higher than the mandatory
15 minimum, and you continue to hear from me to repeat
16 this commitment over and over again, because I firmly
17 believe that each and every one of us as Council
18 Members needs to be part of the solution to solve the
19 city's homelessness crisis. So, I urge my colleagues
20 to join me in this commitment as new projects come
21 through your district, and I want to thank you Chair
22 Kallos who has been an advocate, and who has been
23 helpful and who has been working with Council members
24 to seek deep affordability as their projects are
25 coming to their districts. So, thank you, Chair

1 COMMITTEE ON LAND USE

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2 Kallos for that. Any other comments? No. With that,
3 please call the roll.

4 CLERK: William Martin, Committee Clerk,
5 roll call vote Committee on Land Use. All items are
6 coupled, Chair Salamanca.

7 CHAIRPERSON SALAMANCA: Aye on all.

8 CLERK: Deutsch.

9 COUNCIL MEMBER DEUTSCH: Aye on all.

10 CLERK: Gibson.

11 COUNCIL MEMBER GIBSON: [off mic] Aye on
12 all

13 CLERK: Constantinides.

14 COUNCIL MEMBER CONSTANTINIDES: Aye on
15 all.

16 CLERK: Kallos.

17 COUNCIL MEMBER KALLOS: Aye on all.

18 CLERK: King.

19 COUNCIL MEMBER KING: Aye on all.

20 CLERK: Koo.

21 COUNCIL MEMBER KOO: Aye on all.

22 CLERK: Lancman.

23 COUNCIL MEMBER LANCMAN: Aye.

24 CLERK: Richards.

25 COUNCIL MEMBER RICHARDS: Aye.

2 CLERK: Torres.

3 COUNCIL MEMBER TORRES: Aye.

4 CLERK: Grodenchik.

5 COUNCIL MEMBER GRODENCHIK: Aye.

6 CLERK: Adams.

7 COUNCIL MEMBER ADAMS: Aye.

8 CLERK: Moya.

9 COUNCIL MEMBER MOYA: Aye on all.

10 CLERK: Rivera.

11 COUNCIL MEMBER RIVERA: Thank you, Mr.

12 Chair. Congratulations, and I'm excited about my

13 project in the Lower East Side. I vote aye on all,

14 except for Land Use No. 66. I abstain. [pause]

15 CLERK: By a vote of 14 in the

16 affirmative, zero in the negative, and no

17 abstentions, all items are adopted with the exception

18 of Land Use Item 66, which has been adopted by the

19 committee 13 in the affirmative, zero in the negative

20 and 1 abstention.

21 CHAIRPERSON SALAMANCA: I would like to

22 thank the members of the public, my colleagues,

23 Counsel and the Land Use staff for attending today's

24 hearing. I will leave the roll open for 15 minutes.

25 [pause]

2 CLERK: Continuation roll call, Committee
3 on Land Use Council Member Reynoso.

4 COUNCIL MEMBER REYNOSO: I proudly vote
5 aye on all. Thank you. [pause]

6 CLERK: The final vote Committee on Land
7 Use, Land Use Items 68, 71, 72, 79 and 80 are adopted
8 by a vote of 15 in the affirmative, zero in the
9 negative and no abstentions with Land Use Item 66
10 being adopted by a vote of 14 in the affirmative,
11 zero in the negative and 1 abstention.

12 CHAIRPERSON SALAMANCA: Thank you. This
13 hearing is now closed. [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 June 12, 2018