

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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May 30, 2017  
Start: 10:13 a.m.  
Recess: 12:29 p.m.

HELD AT: Council Chambers - City Hall

B E F O R E:  
DONOVAN J. RICHARDS  
Chairperson

COUNCIL MEMBERS:  
Daniel R. Garodnick  
Jumaane D. Williams  
Antonio Reynoso  
Ritchie J. Torres  
Vincent J. Gentile  
Ruben Wills  
Margaret S. Chin  
Deborah L. Rose  
Rosie Mendez  
David G. Greenfield  
James Vacca  
Laurie A. Cumbo  
Stephen T. Levin

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

Richard Bass  
Akerman LLP  
Representing  
Bronx Pentecostal Deliverance Center

Guido Subotovsky  
President  
Azimuth Development Group

Pastor Jones  
Pastor  
Bronx Pentecostal Deliverance Center

Emmanuel D'Amore  
Representative  
Aufgang Architects

William Fuller  
Representative  
SEIU 32BJ

Kathleen Negri Stathopoulos  
Attorney  
Representing Horus Kebab House

Susan Stetzer  
District Manager  
Community Board 3

Clint Smeltzer  
Representative  
Community Board 3 and  
Lower Ave B Block Association

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

Caroline Harris  
Partner  
Goldman Harris  
Representing Pier 21 Development

Ron Schulman  
Best Development Group,  
Representing Pier 21 Development

Nelly Minella  
Senior Project Manager  
Gerald Caliendo Architects

Chris Vecchiarelli  
Representative  
Pier 21 Development

Bryant Brown  
Representing  
SEIU 32BJ

Stuart Beckerman, Esq.  
Law Offices of Slater & Beckerman  
Representing Bedford Arms

Michael Weiss  
Property Owner/Developer  
Bedford Arms

Charles Bass  
Affordable Housing Consultant  
Bedford Arms

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

John Schimenti  
Architect  
Bedford Arms

Jordan Press  
Executive Director for  
Planning and Development  
Government Affairs  
NYC Housing Preservation and Development

Dan Egers  
Land Use Attorney  
Greenberg Traurig  
Representing  
JBAM TRG Spring LLC

Terri Cude  
Chair  
Community Board 2

Peter Davies  
Resident of Manhattan Community Board 1

Penny Jones  
Tenant

Erica Baptiste  
Representative  
Manhattan Borough President

David Mulkins  
President  
Bower Alliance of Neighbors

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

Jebah Baum  
Tenant  
57 Spring Street

Michele Campo  
Bowery Alliance of Neighbors  
Representing Kent Barwick

K. Webster  
Resident

[sound check]

[pause]

[gavel]

CHAIRPERSON RICHARDS: Alrighty. Good morning. I am Donovan Richards, chair of the Subcommittee on Zoning and Franchises and this morning we are joined by Council Members Chin, Reynoso, Torres, Gentile, and Rose and I believe I saw Cumbo. We will be holding a public hearing on several applications this morning: four sidewalk cafés, Land Use Item Nos. 631, 632, 647, and 648; we will also be hearing the Watson Avenue Rezoning, Land Use Item Nos. 649 and 650; the 1350 Bedford Avenue Rezoning, Land Use Item Nos. 651 and 652; next, the 55-57 Spring Street Text Amendment, Land Use Item No. 653; and then the 125 Edgewater Street Development, Land Use Item Nos. 654 and 655, and we'll be laying over both items, Land Use Items 643 and 644 -- 251 Front Street.

We now will be hearing -- call the first item, a hearing for Watson Avenue Rezoning application, Land Use Item Nos. 649 and 650.

This application includes a rezoning action that would establish an R7A/C1-4 overlay

2    district instead of the existing R5 with a C1-2  
3    overlay district, and a zoning text amendment to  
4    apply the Mandatory Inclusionary Housing Area on the  
5    property.  These actions would facilitate the  
6    development of 286 units of affordable housing with  
7    units reserved for incomes ranging from 30% AMI to  
8    80% of the area median income, with 70 units reserved  
9    for senior housing.

10                   The development would be located on the  
11    site of an existing church and parking lot.  The new  
12    development would also include over 10,000 sq ft for  
13    a new church facility.  This application is located  
14    in Council Member Palma's district.

15                   I will now open the public hearing on  
16    Land Use Item Nos. 649 and 650 and we'll call up the  
17    applicants, Richard Bass, 1755 Watson; Guido -- I'm  
18    gonna butcher your names -- Subotovsky, 1755 Watson;  
19    Pastor Jones, 1755 Watson; and Emmanuel D'Amore, 1755  
20    Watson Avenue.

21                   I'll just ask you before you speak to  
22    state your name for the record and who you're  
23    representing and then you may begin.

24                   [pause]

2 And any members here or anybody from the  
3 public who's here for the Franchises agreement  
4 hearing on charter, that hearing is after we go  
5 through these land use items today. So just wanted  
6 to make sure everyone's aware.

7 [pause]

8 You may begin, and you'll hit your  
9 button; it'll light up, and then you may begin.

10 RICHARD BASS: Light up red?

11 CHAIRPERSON RICHARDS: Hit your... yeah.

12 [background comment] Uh no; do it again. It'll be..

13 [crosstalk]

14 RICHARD BASS: How 'bout now?

15 CHAIRPERSON RICHARDS: There you go, just  
16 pull the mic a little closer so we can hear you.

17 RICHARD BASS: Okay. Good morning, Chair  
18 Richards and Council Members. I'm Richard Bass, I'm  
19 with Akerman LLP; I'm speaking on behalf of the Bronx  
20 Pentecostal Center, a church who is a co-applicant  
21 with Azimuth Development. The project is known as  
22 1755 Watson Avenue.

23 The church has been at this site for 30  
24 years; it was an industrial building that was  
25 converted to a church 30 years ago; the proposal is



2       to demolish the existing church building and build  
3       approximately 286 units of affordable housing. The  
4       project is 100% affordable. Just one correction,  
5       Chair Richards; the AMI count is 10% of the units  
6       will be at shelter rents, 10% at 30% AMI, 10% at 40%  
7       AMI, 10% at 50% AMI... [interpose]

8                   CHAIRPERSON RICHARDS: 'Kay, start again.  
9       So 10% at shelter rents and... [interpose]

10                  RICHARD BASS: Okay; sorry I'm talking so  
11       fast.

12                  CHAIRPERSON RICHARDS: Uh no problem. No  
13       problem.

14                  RICHARD BASS: Uhm 10%... [interpose]

15                  CHAIRPERSON RICHARDS: I'm just a little  
16       slow.

17                  RICHARD BASS: I haven't had my coffee  
18       yet too.

19                  CHAIRPERSON RICHARDS: [laugh]

20                  RICHARD BASS: Uh 10% at shelter rents,  
21       10% at 30% AMI, 10% at 40% AMI, 10% at 50% AMI, 30%  
22       at 60% AMI, and 30% at 80% AMI.

23                  CHAIRPERSON RICHARDS: Uh what at 80,  
24       thir...

2 RICHARD BASS: The last is 30% at 80...

3 [crosstalk]

4 CHAIRPERSON RICHARDS: 30% at 80.

5 **[inaudible]**

6 RICHARD BASS: So the entire project is  
7 100% affordable.

8 As you mentioned, there's two actions  
9 being proposed -- a mapping amendment to change the  
10 R5/C1-2 to a R7A/C1-4 commercial overlay. This would  
11 facilitate the redevelopment of the church and 286  
12 units of affordable housing. We received favorable  
13 recommendation from the Community Board, from the  
14 Planning Commission, from the Borough President, and  
15 the Council Member has submitted a letter in support  
16 of the project.

17 I'm here today with Pastor Jones, the  
18 pastor of the church; his co-developer, the President  
19 of Azimuth Development, and the architect. If you  
20 have questions, we can answer those or I can go into  
21 greater detail about the design of the project.  
22 What's your preference, Chair?

23 CHAIRPERSON RICHARDS: Let's get through  
24 details; can you go through the job scenario; how  
25 you're going to ensure local residents have access to

2 jobs at the site? Is this a union job or non-union  
3 or?

4                   GUIDO SUBOTOVSKY: Good morning. My name  
5 is Guido Subotovsky; I'm the President of Azimuth  
6 Development Group; we are a mixed-income housing  
7 developer primarily in the Bronx. [interpose]

8                   CHAIRPERSON RICHARDS: Speak a little  
9 closer into the mid.

10                  GUIDO SUBOTOVSKY: Is that better?

11                  CHAIRPERSON RICHARDS: [nods in the  
12 affirmative]

13                  GUIDO SUBOTOVSKY: Okay. To answer your  
14 question with respect to local hiring; local hiring  
15 is a very important part of the way that we structure  
16 our projects. Our partner, the Bronx Pentecostal  
17 Deliverance Center has a longstanding following in  
18 the Bronx and they will be spearheading local hiring  
19 efforts from our development throughout the  
20 community, within Community Board 9 and Council  
21 Member Palma's district; it's not a union project as  
22 an affordable housing development, but local hiring  
23 efforts will be ongoing and reporting will be -- I'm  
24 not sure if quarterly or **[inaudible]**... [crosstalk]

2 CHAIRPERSON RICHARDS: And any percentage  
3 goals on local hiring, and then MWBE procurement as  
4 well?

5 GUIDO SUBOTOVSKY: Yes, so we have an  
6 MWBE requirement for 25% of the.. [interpose]

7 CHAIRPERSON RICHARDS: Okay.

8 GUIDO SUBOTOVSKY: well actually, of the  
9 HPD allocated funds, and local hiring efforts;  
10 obviously we would look to maximize and we would have  
11 quarterly reporting to both the Community Board and  
12 the Council Member as to our efforts.

13 CHAIRPERSON RICHARDS: Alright, so we  
14 would love to see you and if we can get this in  
15 writing, at least a 30% effort on local hiring; that  
16 would be awesome. And are you working with... You're  
17 gonna work directly with the church you said on local  
18 hiring or?

19 GUIDO SUBOTOVSKY: Yeah. So the church  
20 is our co-development partner, so..

21 CHAIRPERSON RICHARDS: Okay.

22 GUIDO SUBOTOVSKY: we'll be working  
23 directly with them.

24 CHAIRPERSON RICHARDS: And how will you  
25 track these jobs, Pastor?

2 PASTOR JONES: I think it'll be either  
3 monthly or quarterly.

4 CHAIRPERSON RICHARDS: Say that again.

5 PASTOR JONES: It'll be quarterly reports  
6 from Azimuth Development **[inaudible]**... [crosstalk]

7 CHAIRPERSON RICHARDS: So you'll get a  
8 report from them...? [crosstalk]

9 PASTOR JONES: Yeah.

10 CHAIRPERSON RICHARDS: A quarterly  
11 report?

12 PASTOR JONES: Yeah.

13 CHAIRPERSON RICHARDS: Okay. Can you  
14 just go through the unit spread, so one-bedrooms,  
15 two-bedrooms, three-bedrooms, studios; what does your  
16 unit breakdown look like? And I think the spread on  
17 your affordability is to be applauded; I think this  
18 is the sort of project we like to see.

19 EMMANUEL D'AMORE: Hi. Good morning.  
20 Emmanuel D'Amore from Aufgang Architects. So we have  
21 50 studios, 110 one-bedrooms, 76 two-bedrooms, and 50  
22 three-bedrooms.

23 CHAIRPERSON RICHARDS: Alrighty, I think  
24 that's good. Are there any questions from my  
25 colleagues on this project? Alright; seeing none.

2 Thank you so much; I think this is a good project and  
3 do you... [crosstalk]

4                   RICHARD BASS: We do too.

5                   CHAIRPERSON RICHARDS: if you want to add  
6 anything.

7                   RICHARD BASS: Yeah, again, this is one  
8 of those applications where the partnership between  
9 an affordable housing developer and the local church  
10 makes the most sense for this location and the  
11 affordability, again, is easy to represent.

12                  CHAIRPERSON RICHARDS: And Council Member  
13 Palma supports this application as well, so...

14 [crosstalk]

15                  RICHARD BASS: Yes, she does.

16                  CHAIRPERSON RICHARDS: So thank you so  
17 much for coming in today.

18                  RICHARD BASS: Thank you.

19                  GUIDO SUBOTOVSKY: Thank you.

20                  CHAIRPERSON RICHARDS: Alrighty, we're  
21 going go to our next panel, William Fuller,  
22 representing 32BJ today.

23                         And I'll just ask the applicants who came  
24 before, just to reiterate before it gets to the full  
25 Land Use Committee, a letter to the Committee in

1 writing on the goals for local hiring and MWBE as  
2 well. Thank you.

3 [pause]

4 You may begin, sir. Just state your name  
5 for the record and who you're representing. Your mic  
6 needs to be lit up. Alright, there you go.

7 WILLIAM FULLER: William Fuller, 32BJ.

8 Good morning, my name is William Fuller;  
9 I am here today testifying on behalf of 32BJ. As you  
10 know, 32BJ is the largest property services workers  
11 union in the country. 32BJ represents 7,000 building  
12 service workers in New York City; over 33,000 of us  
13 work in residential buildings, like the one  
14 **[inaudible]** to develop. Over 4,000 of us live in CD9  
15 where the **[inaudible]** development will be located. I  
16 am here to tell you just how important it is to  
17 **[inaudible]** the Committee to create a high-quality  
18 job at the 1755 Watson Avenue. My union job provides  
19 wages and benefits that allow me to support my family  
20 in New York City. I know that this is increasing  
21 difficulty to many working people and why my union  
22 strongly supports building more affordable housing in  
23 the Bronx, but we know we cannot build our way out of  
24 the affordable housing crisis; as long as hardworking  
25

2   people are paid poverty wages, they will struggle to  
3   make ends meet in this city.

4                   The Community Board recognizes how  
5   important good jobs are and it recommends a vote on  
6   this development [sic]. Board member insists that  
7   the developer commitment to create good jobs and pay  
8   the industry standard wages and benefits for similar  
9   jobs in the Bronx [sic]. At this point the developer  
10  has failed to make such a commitment. Although 32BJ  
11  has reached out, we are calling on the Committee to  
12  vote no on this project. This is an important step  
13  towards ensuring that new development in the Bronx  
14  truly benefits the neighborhood by creating high-  
15  quality, permanent jobs.

16                  CHAIRPERSON RICHARDS: Thank you.

17                  WILLIAM FULLER: Okay.

18                  CHAIRPERSON RICHARDS: Thank you for your  
19  testimony.

20                  Alrighty, are there any other members of  
21  the public here who wish to testify on this issue?

22                  Alright, seeing none, I will now close  
23  the public hearing on Land Use Items 649 and 650 and  
24  we will now move on to Land Use Item No. 631, Pat'e  
25  Palo sidewalk café.



2                   This is an application for approval of a  
3                   revocable consent to establish and maintain an  
4                   unenclosed sidewalk café located at 251 Dyckman  
5                   Street. This café would be located in Council Member  
6                   Rodriguez's district and he supports approval of this  
7                   application.

8                   Alright, are there any members of the  
9                   public who are here who wish to testify on this  
10                  issue? Alright, seeing none, I will now close the  
11                  public hearing on Land Use Item No. 631.

12                  We will now move on to Land Use Item  
13                  No. 632, Barking Dog sidewalk café -- what a name.  
14                  This is an application for approval of a revocable  
15                  consent to establish and maintain an unenclosed  
16                  sidewalk café located at 1678 3rd Avenue. This café  
17                  would be located in Council Member Ben Kallos'  
18                  district and he supports approval of this  
19                  application.

20                  Are there any members of the public who  
21                  wish to testify on this sidewalk café? Alrighty,  
22                  seeing none, I will now close the public hearing on  
23                  Land Use Item No. 632.

24                  Now we will move on to Land Use Item  
25                  No. 647, Pret A Manger sidewalk café. This is an

2   application for approval of a revocable consent to  
3   establish and maintain an unenclosed sidewalk café  
4   located at 1 Astor Place. This café would be located  
5   in Council Member Mendez's district.

6                   Are there any members of the public here  
7   who wish to testify on this issue?

8                   Council Member Mendez, do you want to say  
9   anything on the sidewalk cafe?

10                  COUNCIL MEMBER MENDEZ: Thank you,  
11   Mr. Chair.

12                  This sidewalk café application was called  
13   up so that we could get some agreement around the  
14   tables; the hours and prior to this hearing there  
15   were also some issues about garbage and all of those  
16   issues have been addressed, maybe not to the  
17   satisfaction of everyone on that block, but they are  
18   proceeding with three tables, six chairs and I am in  
19   support of this application now as proposed. Thank  
20   you.

21                  CHAIRPERSON RICHARDS: Thank you, Council  
22   Member Mendez. Alrighty, are there any other members  
23   of the public who wish to testify on this issue?  
24   Okay, seeing none, I will now close the public  
25   hearing on Land Use Item No. 647.

2 And now we will move on to our last café  
3 today, which is Land Use Item No. 648, Horus Kebab  
4 House sidewalk café. This is an application for  
5 approval of a revocable consent to establish and  
6 maintain an unenclosed sidewalk café located at 93  
7 Avenue B. This café would also be located in Council  
8 Member Mendez's district. Are there any members...  
9 Okay, we do. Alright, I'm gonna call up Ashraf Sadiq  
10 [sp?] from Horus Kebab House and Kathleen Negri --  
11 I'm gonna mess your... Stath... I'm gonna mess your last  
12 name up; I won't even read it -- Horus Café. Come on  
13 up and we will go to Council Member Mendez for a  
14 statement on it before we begin.

15 [pause]

16 COUNCIL MEMBER MENDEZ: Thank you,  
17 Mr. Chair. We'll be hearing from the representative  
18 of Horus Kebab House as well as Community Board 3 on  
19 this matter. We had discussions back and forth for  
20 the last week and earlier today we were discussing  
21 some of the issues that have come up; they've agreed  
22 to have less tables and chairs and they've agreed to  
23 shorten the hours as to what some of the other  
24 businesses and the Community Board have agreed to in  
25 terms of sidewalk café.

2                   Just drafting something that you can sign  
3 that will be submitted into the record maybe later  
4 on, you can do it on your own letterhead, but we'd  
5 love to hear from you now on this matter.

6                   CHAIRPERSON RICHARDS: Just hit your mic  
7 and state your name for the record. Not hit it  
8 literally, but the button on the mic. That would be  
9 neat if you could just hit it and it went on though..  
10 [crosstalk]

11                   KATHLEEN NEGRI STATHOPOULOS: Okay,  
12 that's good. Okay. Kathleen Negri Stathopoulos; I'm  
13 the attorney for Horus Café.

14                   So originally we were looking for 13  
15 tables, 26 seats, with hours ranging from Sunday-  
16 Thursday, from 12-12 and then on Friday and Saturday  
17 from 12-1. We have compromised with the Community  
18 Board; we've spoken with the Community Board; we have  
19 agreed on reducing the tables, first of all, to 10  
20 tables and 20 seats, and the tables will be flush  
21 against the façade of the building with the 3-foot  
22 service aisle towards the curb. And we have also  
23 agreed to a reduction of hours where we would open  
24 every day at 12:00 and we would close every day at  
25 10:00, with the exception of Friday and Saturday

2    nights, in which we would be open until 11.  And then  
3    it is our hope, of course, in the future -- we know  
4    that there's no promises -- that if we run our café  
5    efficiently and in a neighborly fashion that we might  
6    be able to come back to the Community Board in the  
7    future and request an increase in hours.

8                   CHAIRPERSON RICHARDS:  Okay.  Council  
9    Member Mendez; you okay?  Alright, so we'll request  
10   all of these things, including what she requested,  
11   before it gets to the Land Use Committee.  So I want  
12   to thank you for coming in.

13                  KATHLEEN NEGRI STATHOPOULOS:  Thank you.

14                  CHAIRPERSON RICHARDS:  We will now go to  
15   two other public speakers -- Susan Stetzer, Community  
16   Board 3, Clint Smeltzer, CB3 and Lower Avenue B Block  
17   Association.

18                  SUSAN STETZER:  I... No, I don't.  'Kay.

19                  My name is Susan Stetzer; I'm District  
20   Manager for Community Board 3 and we have agreed to  
21   this compromise; it's not the hours we looked for,  
22   because there are families living upstairs, but we  
23   have agreed to this compromise of hours that will be  
24   10 during the week and 11 on Friday and Saturday.  
25   And I just want to note that the zoning regulations

2 actually treat residential neighborhoods the same as  
3 Times Square and that is why it's necessary for us to  
4 customize agreements so that businesses and residents  
5 are not in conflict with each other.

6                   CLINT SMELTZER: I'm Clint Smeltzer; I'm  
7 a Community Board member and also chair of the Block  
8 Association of Lower Avenue B. We met with the  
9 applicants and you know there was a discussion about  
10 the number of tables; they agreed to reduce that to  
11 10; they moved it to the façade to keep the service  
12 from happening outside the sidewalk café; give the  
13 area between the sidewalk... the tables and the  
14 sidewalk for serving. In doing that, it reduced the  
15 tables to 10. We also asked them to reduce the hours  
16 consistent with what we have for other cafés in the  
17 area; they did agree to 10 for the weekdays; 11 on  
18 the weekend, and I think we are happy with that  
19 compromise.

20                   CHAIRPERSON RICHARDS: Thank you and  
21 thank you for your commitment to working with the  
22 Council Member and the café owner and compromise is a  
23 good thing and we'll just make sure that they keep  
24 their word and stay in touch with Council Member  
25 Mendez to make sure that happens. Alrighty.

2                   Alrighty, we will now close... [background  
3 comment] Oh is there any others who wish to testify  
4 on this issue? Okay, seeing none, I will now close  
5 the public hearing on Land Use Item No. 649 and 650.

6                   We are now going to hold a vote on these  
7 applications and one other application that we laid  
8 over from our last meeting. We'll be voting to  
9 approve four of the sidewalk cafés -- Land Use Item  
10 Nos. 631, 632, 648, and 647.

11                   We'll be voting to modify the Watson  
12 Avenue Rezoning -- Land Use Item Nos. 649 and 650 --  
13 in order to change the text amendment to MIH Option  
14 1, requiring 25% of the floor area averaging at 60%  
15 of AMI. The application currently proposes Option 2.

16                   We are also going to hold a vote on Land  
17 Use Item No. 635, the 13-15 Greenpoint Avenue text  
18 amendment in Council Member Levin's district that was  
19 laid over from our previous meeting. This  
20 application is for a zoning text amendment that would  
21 create Section 62-356 [sic] to allow the lot line  
22 separating the development site from the park to  
23 serve as a street line for purposes of applying bulk  
24 regulations.

2 We will be voting on modifications that  
3 would increase the required setback from the park to  
4 28 ft on the residential portion and 18 ft on the  
5 commercial portion and prohibit balconies on the side  
6 of the building facing the park and require 6-10 ft  
7 walls separating the park from the development site.  
8 These modifications would help to ensure a harmonious  
9 transition from public to private space.

10 I will now go to Council Member Levin for  
11 statements on this application -- Palma's not here,  
12 right, and Mendez left. So we will go to Levin for  
13 comments before we vote.

14 COUNCIL MEMBER LEVIN: Thank you very  
15 much, Mr. Chair.

16 So I'm going to be recommending an aye  
17 vote on this project, and I just want to make a  
18 couple acknowledgements. This has been a lengthy  
19 process working with members of the community, so I  
20 just want to acknowledge the Friends of Transmitter  
21 Park -- Steven Chesler is here, Sante Miceli,  
22 Katherine Naplatarski, Francesca Olivas [sp?], and  
23 Joe Mayock.

24 I'd also like to acknowledge the  
25 developers, the Swett family, for working with the



1 community on reconfiguring this site, working on...  
2 coming up with an agreement on a physical barrier  
3 which is going to be a concrete wall that is going to  
4 be up to 10 ft tall that will separate the park from  
5 the development site and therefore ensuring in  
6 addition to a setback from the park boundary into the  
7 property of 30 ft on the commercial portion and 20 ft  
8 on the residential portion -- I'm sorry, other way  
9 around -- 30 ft on the residential portion; 20 ft on  
10 the commercial portion -- that will ensure that there  
11 is enough of a barrier between the private  
12 development and the public park so that there's a  
13 clear break and that the public can continue to enjoy  
14 this passive park in quiet and enjoy that aspect of  
15 nature on the Greenpoint waterfront.  
16

17 So I also want to acknowledge Nick  
18 Hockens, who is here, working with us on coming to  
19 the terms of this agreement. But again, the Friends  
20 of Transmitter Park, Parks Department, Mary Salig,  
21 who is here, as well as my staff, Jonathan Boucher,  
22 my Chief of Staff, and Ben Solotaire for working on  
23 this project, and I appreciate my colleagues allowing  
24 me to speak here and I encourage you all to vote in  
25 favor of this application.

2                   CHAIRPERSON RICHARDS: Thank you, Council  
3 Member Levin.

4                   I will now call a vote to approve Land  
5 Use Item Nos. 631, 632, 648, and 647, and approve  
6 Land Use Item No. 649, 650 and 635 with the  
7 modifications I just described.

8                   Counsel, please call the roll.

9                   COMMITTEE COUNSEL: Chair Richards.

10                  CHAIRPERSON RICHARDS: I vote aye.

11                  COMMITTEE COUNSEL: Council Member  
12 Gentile.

13                  COUNCIL MEMBER GENTILE: Aye on all.

14                  COMMITTEE COUNSEL: Council Member  
15 Reynoso.

16                  COUNCIL MEMBER REYNOSO: Vote aye.

17                  COMMITTEE COUNSEL: Council Member  
18 Torres.

19                  COUNCIL MEMBER TORRES: I vote aye.

20                  COMMITTEE COUNSEL: By a vote of 4 in the  
21 affirmative, 0 in the negative and 0 abstentions,  
22 the... [background comment] one moment... Land Use Items  
23 631, 632, 647, and 648 are approved and Land Use  
24 Items 649, 650 and 635 are approved with  
25

2   modifications and all items are referred to the full  
3   Land Use Committee.

4                   CHAIRPERSON RICHARDS:   Alright, we'll  
5   hold this vote open... [background comments]

6                   Alright, next we will have Land Use Item  
7   Nos. 654 and 655, the 125 Edgewater Street  
8   development.   This application is for a zoning map  
9   amendment and zoning text amendment to facilitate the  
10   development of three mixed-use buildings, including  
11   approximately 371 units of housing and 24,000 sq ft  
12   of retail.   The development would also provide a  
13   publicly accessible upland connection and shore  
14   public walkway.   The Mandatory Inclusionary Housing  
15   program would apply to this development and is  
16   proposed to allow for Option 1, Option 2 or the  
17   workforce option.   This application is located in  
18   Council Member Debi Rose's district.

19                   I will now open the public hearing on  
20   Land Use Item Nos. 654 and 655 and go to Council  
21   Member Rose for a statement, if she so wishes.

22                   COUNCIL MEMBER ROSE:   Thank you.   Thank  
23   you, Chair Richards for allowing me this opportunity  
24   to speak regarding a proposed rezoning in my  
25   district, at 125 Edgewater Plaza, LU 654 and 655.

1                   This is an exciting time on Staten  
2  
3 Island's north shore waterfront; there is a  
4 tremendous amount of economic development taking  
5 place along our waterfront, bringing housing, hotels,  
6 restaurants, and retail space for tourists and Staten  
7 Islanders alike. The amount of money being invested  
8 is unprecedented for my borough; indeed, one can say,  
9 without a hint of irony, that we are living history  
10 and it is of that history that I am ever mindful as  
11 this process unfolds, a history of overdevelopment in  
12 other parts of Staten Island, of a loss of nature,  
13 protections from floods and water damage that have  
14 made us more vulnerable, a loss of open spaces and  
15 promises made and not always kept.

16                   I have been and will continue to be very  
17 supportive of development that is environmentally  
18 safe, responsible and affordable, development that  
19 will build the infrastructure to adequately support  
20 the project and will bring the promise of good jobs  
21 to my constituents both during construction and  
22 afterwards.

23                   I look forward to hearing from the  
24 applicant regarding all of these important elements  
25

2 of their project in today's hearing. Thank you,  
3 Chair.

4                   CHAIRPERSON RICHARDS: Thank you so much,  
5 and I know we're joined by Caroline Harris, Ron  
6 Schulman, Chris -- gonna mess your last name up --  
7 Nelly Minella. Alrighty, so you may begin and you'll  
8 please state your name for the record and who you're  
9 representing and then you may begin.

10                  CAROLINE HARRIS: I'm Caroline...  
11 [crosstalk]

12                  CHAIRPERSON RICHARDS: Please speak into  
13 the mic.

14                  CAROLINE HARRIS: Caroline Harris, a  
15 partner at Goldman Harris representing Pier 21  
16 Development, but having some technical problems; I  
17 did set this up before the hearing and it was removed  
18 and now is not opening. [background comments] You  
19 do have a handout, so rather than delay anymore with  
20 this...

21                  CHAIRPERSON RICHARDS: We heard it's  
22 partly our fault, so it's okay. [laugh]

23                  CAROLINE HARRIS: Uhm I apologize; I was  
24 looking forward to using it. [background comment]

1                   So the application, as you already  
2  
3 revealed -- and first of all, good morning and thank  
4 you for letting us appear here. We've met before  
5 about the project, Council Member Richards and  
6 Council Member Rose, and we look forward to sharing  
7 it with the rest of the Committee and the community  
8 here.

9                   125 Edgewater Street is located in  
10 Community Board 1, as you'll see on the second page  
11 of the handout, on the eastern shore of the northern  
12 portion of Staten Island; it's near the community  
13 called Rosebank; it's south of Stapleton and St.  
14 George, where currently a City Planning study is  
15 going forward on Bay Street, there's been a  
16 tremendous amount of development in the North Shore  
17 with EDC supported projects. This project would be  
18 the first privately funded project, excluding issues  
19 of affordable housing and it would be the first  
20 Mandatory Inclusionary Housing project on Staten  
21 Island.

22                   The proposal is to extend the Special  
23 Stapleton Waterfront District -- this is page 3 --  
24 which you'll see in gray on the third page of the  
25 presentation. The Special Stapleton Waterfront

1 District ends north of this site, beyond the northern  
2 border of 1 Edgewater and the proposal is to extend  
3 the Special Stapleton Waterfront District over 1 and  
4 125 Edgewater, which are currently mapped as an M2-1  
5 district; we would create two subdistricts within  
6 this extension of Stapleton on Area D, which would be  
7 approximately the Pouch Terminal site, which is not  
8 the subject of this application, except for the  
9 extension of the Stapleton Waterfront District, and  
10 Subarea E, which is the applicant site.

12 The Subarea E regulations would include  
13 special use modifications, bulk regulations and  
14 design requirements for the waterfront public access  
15 area, and of course, the mandatory inclusionary  
16 zoning mapping.

17 I'm mindful of your time, so I'll skip  
18 forward to details about the project we have provided  
19 in the presentation material you have why this is an  
20 appropriate extension of the Special Stapleton; we've  
21 reviewed what ULURP actions are necessary, which has  
22 already been reviewed by the Chair, and the benefits  
23 to the community, which include consistency with the  
24 Stapleton goals and being able to establish physical  
25 and visual public access to the water, developing new

1 residential and commercial uses from a nonperforming  
2 manufacturing site, attractive environment and  
3 helping to build the residential community.

4  
5 There are already some variance  
6 application projects in the neighborhood, in the  
7 immediate neighborhood, and as you know, it's not far  
8 from the Staten Island Railroad station, which we  
9 hope will be increasingly used by residents of the  
10 area. And the property -- if you look to the survey,  
11 you'll see it in blue and tan -- is an L-shaped  
12 property with the longest part of the property along  
13 the waterfront, which is where this very substantial  
14 long waterfront esplanade will be created; there will  
15 be public access, although on private property, from  
16 Edgewater Street at Lynhurst, going towards the  
17 waterfront; that road will be paved, enhanced  
18 landscape and have public parking on it to connect to  
19 the waterfront esplanade.

20 The aerial view, which is further along  
21 in the materials, you'll see the same L-shaped  
22 property; it envelopes, if you will, the existing  
23 Pouch Terminal, which also has a private road  
24 connecting from Edgewater towards our site, and our  
25 applicant has been granted an easement for pedestrian



2 and vehicular egress and access that will provide a  
3 second entrance from Edgewater to the project site  
4 and will include, on the client's property, the  
5 required turnaround for Fire Department vehicles.

6 The area currently -- you'll see site  
7 photos on the next page -- is predominantly  
8 industrial or with Pouch Terminal offices, so this  
9 will be a shift in the use of the waterfront area  
10 right there and going north to being a residential  
11 area.

12 The proposed project is to be mapped from  
13 the M2-1 waterfront to an R6 with a C2-2 overlay.  
14 The permitted FAR would be 2.42 for residential, 4.8  
15 for community facility and 2 FAR for commercial. And  
16 we're proposing height limits that differ from the R6  
17 standard height to be consistent with Stapleton  
18 waterfront. The base height, 55 ft, maximum building  
19 height for the tallest building will be 120; for the  
20 second building, Building B/C, would be 110. So you  
21 can see those buildings on the front page of your  
22 handout -- Building A is the one on the far left;  
23 that's the building that would be no more than 120  
24 ft, and the Building B is the two towards in the  
25 center that would be 110 ft There will be a maximum

1 of three towers; the smallest building is -- six... six  
2 stories? -- is six stories, which is the third  
3 building; what we call Building C.

4  
5 These will be built -- and this is part  
6 of our request that they be built in a series,  
7 consecutively; not have to be built all at once.  
8 This is important both for staging of the  
9 construction and then completion of the esplanade  
10 would be in accordance with each building being  
11 constructed, because there would be risks and sort of  
12 needless activity to build the esplanade and then  
13 having construction vehicles on it while you're  
14 building the apartment building.

15 There will be a total of -- if you look  
16 to the zoning analysis page -- the residential  
17 building, residential total will be approximately  
18 351,567 ft, commercial 24,173 ft, for a total floor  
19 area of 375,740; they anticipate 371 apartments;  
20 although the environmental impact statement did  
21 consider 396 units, the proposal is actually for 371,  
22 with 346 parking spaces. Parking -- just for your  
23 information -- is required at 70% of market rate; 55%  
24 for affordable units, and the project is providing  
25 67% parking, which is greater than what would have

1           been required under the zoning requirements; there  
2           are an additional 16 spaces, so we end up with 71%  
3           parking, which is greater than needed under the  
4           zoning. There is also required parking for the  
5           commercial uses, which amounts to 81 spaces. The  
6           Waterfront Public Access Area provided is 52,126,  
7           which is more than 30,000 sq ft more than required.  
8           And it's gonna be beautiful; there'll be a beautiful  
9           esplanade for the public to use.

11                   I know there have been questions raised  
12           by the community about parking and the client has  
13           committed to exploring if there is a demand for  
14           additional parking... if there is a demand for  
15           additional parking that's found during marketing,  
16           they will be able to put additional parking spaces in  
17           Building C, Council Member Rose, which is something  
18           we had not been able to ascertain before, but they  
19           will be able to increase the number in Building C.

20                   And another question that was raised  
21           during the review process was whether we would be  
22           working -- we're certainly committee to local hiring  
23           and women and minority business industry, and as HPD  
24           requires, prevailing wage. The client has been in  
25           touch with 32BJ, the Service Employees International,

1 particularly Kyle Bragg, who is the secretary, to  
2 discuss permanent jobs that would be union jobs. He  
3 hasn't finished his construction budget, so he's  
4 working on that and will continue discussing union  
5 jobs with the building trade.  
6

7 The affordability issues, I would rather  
8 defer to my colleague, Ron Schulman, to discuss what  
9 they've been in discussion with HPD regarding for  
10 affordability. On sustainability issues, Nelly  
11 Minella could go into more detail if you'd like, but  
12 the building will have an independent generator in  
13 the event of -- we hope no more floods -- but in the  
14 event of a terrible storm, and flooding, there will  
15 be an emergency generator. The buildings are by law  
16 required to be built above the flood hazard elevation  
17 and they will be -- they're exploring whether solar  
18 panels, the viability of solar panels from a  
19 financial viewpoint, whether there is NYSERDA money  
20 or some other program to help with the installation  
21 of other sustainability features. So they're working  
22 hard at that right now, as I understand it.

23 And I think that covered all the issues,  
24 other than affordability, which I'd like to defer to  
25

1  
2 Mr. Schulman. Are there questions about the project  
3 overall, or you'll come back... [interpose]

4 CHAIRPERSON RICHARDS: We'll ask after  
5 he...

6 RON SCHULMAN: Good morning. My name is  
7 Ron Schulman, Best Development Group and I represent  
8 Pier 21 on the affordability.

9 We passed around a one-page handout to  
10 show the difference between Option 1 and Option 2  
11 under Mandatory Inclusionary Housing. Option 1, of  
12 course, is 25% at 60; Option 2 is 30% at 80, on  
13 average. We understand, Mr. Chair and Council Member  
14 Rose, that there was a discussion about affordability  
15 at the lowest tier -- 40%, which we're calling 37% of  
16 AMI -- actually you could accomplish that in both  
17 options, if that's the desire; it's required under  
18 Option 1 and Option 2 we could skew the rents down to  
19 average out at 80 so we could have some at 37%, some  
20 at 80; some above 80; play around with the AMI mix,  
21 but you could accomplish both affordability, deep  
22 rent skewed, targeted units if so desired under  
23 either option. The sponsor would like to keep both  
24 of these options open for the project and you know  
25 the affordability of course would be larger under

2   Option 2 -- 30% of the units, 30% of the square  
3   footage, Option 1 is 25%. I'd be happy to answer any  
4   questions, but we just wanted to give you that look  
5   of the difference between the Option 1 and Option 2.  
6   We've also met with HPD about the financing of the  
7   project; it's not committed to be financed with HPD  
8   or HDC, but we just had a very good conversation  
9   about the project and it could possibly be financed  
10  there, but that decision has not yet been made. I'll  
11  be happy to answer any questions.

12                   CHAIRPERSON RICHARDS: So on the handout  
13  you gave on Option 1, so Option 1 mandates 10% of  
14  units be at around 40% of AMI... [crosstalk]

15                   RON SCHULMAN: Correct.

16                   CHAIRPERSON RICHARDS: that's not really  
17  reflected here. So can you just speak to that? So I  
18  see 30%... 37% AMI at 3%, but in the MIH Option 1,  
19  which we passed in this Council, it mandates 10% of  
20  the units to be at around 40% AMI. So I don't know  
21  if this is a typo or...

22                   RON SCHULMAN: Ten percent of the total  
23  in the project... [interpose]

24                   CHAIRPERSON RICHARDS: Uhm-hm.

25                   RON SCHULMAN: or 10% of the MIH?

2 CHAIRPERSON RICHARDS: Yeah.

3 RON SCHULMAN: And that's a typo, so 10%  
4 of the project would be... it would be 37 or 39,  
5 depending on how large the project is, because it's  
6 371 to 396.

7 CHAIRPERSON RICHARDS: So you're aware of  
8 that?

9 RON SCHULMAN: Yes.

10 CHAIRPERSON RICHARDS: Okay.

11 RON SCHULMAN: Sorry about that.

12 CHAIRPERSON RICHARDS: Alright, so let's  
13 go through... so just go through your averages again on  
14 both buildings.

15 RON SCHULMAN: So Option 1 would be 25%  
16 of the units; we're using the -- 396 was in the EAS  
17 -- the application had 371 total for all three  
18 buildings; if you took 25% of the 396, you'll come up  
19 with 99 units of MIH under Option 1 and under Option  
20 2, you would have 30% of the units, which is 119,  
21 just shy of 120 units, so it'd be 40 units -- well  
22 actually, go back to Option 1. Option 1 would have  
23 37 units at the 37% and 62 units at 57. And then  
24 under Option 2, you would have 39... 40 units, rounded  
25 to 40 units at 37 and then we would mix it between

2   the 80s and the 20s, which would be 70 units  
3   distributed between the other two bands.

4                   CHAIRPERSON RICHARDS:   Okay.  And this  
5   area was -- and I'll let Council Member Rose sort of  
6   go through that a little bit more, through the  
7   affordability, but the Committee likes Option 1 here,  
8   so I know we have not selected an MIH option.  Can  
9   you just go into a little further -- so you're in  
10  discussions with HPD now?

11                  RON SCHULMAN:   We met with HPD about a  
12  week or two ago, we had a good discussion, we  
13  presented the project; we talked about the financing;  
14  we did not commit to the financing and they didn't,  
15  you know, return the commitment back, but we had a  
16  very good discussion about how the project would be  
17  financed if it is financed by HPD and HDC.

18                  CHAIRPERSON RICHARDS:   So are you looking  
19  at any programs -- ELLA or any other program...?  
20  [crosstalk]

21                  RON SCHULMAN:   It would probably be an M  
22  Squared project; it would not be an ELLA; it's not  
23  all-tax credit deal, so probably M Squared.

24                  CHAIRPERSON RICHARDS:   And can you go  
25  through the NCA [sic] again, so you spoke of putting



2   the generator up on the roof, which is standard now,  
3   I mean at least in waterfront communities. Can you  
4   go through other waterproofing measures that you're  
5   putting in place for these buildings? And this area  
6   I would assume was hit by Sandy; correct? Okay. Uh  
7   it's uh like... yeah, yeah, it's not on.

8                   NELLY MINELLA: Good morning. My name is  
9   Nelly Minella; I'm from the Gerry Caliendo  
10  Architects.

11                  We will be required to have the -- below  
12  the flood level is only the lobbies, the elevators;  
13  the stairs to get above the flood level; all of that  
14  will be required to be either dry or wet flood-  
15  proofing and we will be looking to doing that. Other  
16  than that, I know we have a requirement for an  
17  emergency generator above 125, which one of the  
18  buildings from the ground will be more than that, so  
19  we have a requirement to do that.

20                  CHAIRPERSON RICHARDS: And have you  
21  thought of flood-proofing gates or no?

22                  NELLY MINELLA: We haven't discussed  
23  flood-proofing gates, but it is a... we could discuss  
24  that with the client if we... we can [sic]... [crosstalk]

2 CHAIRPERSON RICHARDS: Yeah, I think it  
3 should be something you certainly look at and get  
4 back to us on. I'm gonna go to Council Member Rose,  
5 but just want to reemphasize on the affordable;  
6 Option 1 is what we are interested in and the  
7 Committee. Council Member Rose.

8 COUNCIL MEMBER ROSE: Thank you, Chair.  
9 And I want to say also that there needs to be further  
10 conversation about the MIH and the options, because  
11 I'm concerned about how would the application of MIH  
12 Option 1 or MIH Option 2 affect the feasibility of  
13 this project?

14 RON SCHULMAN: I don't know; it's... the  
15 feasibility could go either way; it's just a  
16 different way of financing it; the 25% at 60 is one  
17 way where likely there would be a sale of tax  
18 credits, because those 60% of units generate tax  
19 credits; the 30% average at 80 might not be a tax  
20 credit purchaser, because you might not have enough  
21 units in a lower income tier to sell tax credits.  
22 It's just a different way to finance the project.  
23 They're both possible ways of financing the project;  
24 one is just a different way from another. I can't

1 say that one is better or one is worse, it's just  
2 different ways of financing the project.

3  
4 COUNCIL MEMBER ROSE: And were there  
5 conversations with HPD about lower affordability?

6 RON SCHULMAN: We discussed the  
7 affordability I would say in general and we didn't  
8 get into a long discussion about how low; we just  
9 talked about what levels we were thinking and talking  
10 about the different options. They didn't ask us to  
11 go any lower; right? We did mention the 40% that was  
12 your desire and we said we could accomplish it with  
13 either Option 1 or Option 2.

14 COUNCIL MEMBER ROSE: So are we looking  
15 at further discussion on Option 1?

16 CHRIS VECCHIARELLI: Good morning, Chris  
17 Vecchiarelli. Absolutely. The reason -- as you  
18 know, when we first presented the project, we  
19 presented it with three options; understanding that  
20 the workforce housing option was not a desirable  
21 option we eliminated that. The reason that I am  
22 requesting having both options still in play is to  
23 have some flexibility with the financing of the  
24 project. And so Ron just alluded to just different  
25 ways to finance the project, where both can achieve,

1  
2 you know a band of the 40% AMI that you are looking  
3 for, and from my point of view, having that  
4 flexibility just makes me more comfortable with  
5 bringing the project to fruition.

6 COUNCIL MEMBER ROSE: And nothing's been  
7 decided yet?

8 CHRIS VECCHIARELLI: Nothing has been  
9 finalized as of now [sic], no... [crosstalk]

10 COUNCIL MEMBER ROSE: Finalized. Okay.  
11 In terms of the parking, you know the plan addresses  
12 that there will be one space per unit in Building A,  
13 so can you just clarify your commitment to use the  
14 stackers in Buildings B and C for one to one ratio  
15 parking, and what is the timeframe for the building  
16 of Buildings A and B?

17 CAROLINE HARRIS: In terms of commitment,  
18 the client has not committed to one to one parking, I  
19 want to be clear; I don't want to be disingenuous  
20 here. There isn't space in the project for one to  
21 one parking; the project was designed in accordance  
22 with the zoning regulations and yet giving more than  
23 the zoning was going to require, and there is a total  
24 of... the total number of spaces is 346 if you include  
25 commercial, the permitted parking that's on the

1 street, and the amount of parking attributing to  
2 required parking, but it's actually more than is  
3 required. There is not room for one to one parking  
4 only for residential in this project; it was designed  
5 without that in mind; the height limitations, the  
6 maximum height of the building was planned with only  
7 the parking at the elevation of the ground. If they  
8 had been planning a one to one parking for the  
9 residential plus the required, there might well have  
10 been a different building design; maybe a different  
11 request on height. So there's not just ultimate  
12 flexibility to provide the 1 on 1; the place where  
13 they could provide the stackers is in Building C,  
14 between our last discussion and now they actually  
15 explored the floor to ceiling height in Building B  
16 and the ground floor where the parking is doesn't  
17 allow for stackers, but there is enough room in  
18 Building C to provide additional stackers. So..

19  
20 COUNCIL MEMBER ROSE: But not in Building  
21 B?

22 CAROLINE HARRIS: Now... I understand now  
23 not... that they actually measured it and it's not  
24 feasible to put stackers in Building B, they could  
25 put smaller spaces, like for compact cars, but not

2   stackers; it requires too high a floor to ceiling  
3   height.

4                   COUNCIL MEMBER ROSE:   So if there is a  
5   need for additional parking; that will not happen  
6   until the very last building is finished.

7                   CAROLINE HARRIS:   Building C.   But as you  
8   said, as you pointed out, Building 1 has 100%  
9   parking; that doesn't mean that all the units in that  
10   building are going to be renting all of those spaces;  
11   they might, and if they do, that would certainly be  
12   indicative that they would want to add more parking  
13   in the later phase.

14                  COUNCIL MEMBER ROSE:   So I could be a  
15   resident in Building B and not have a space?

16                  CAROLINE HARRIS:   That's theoretically  
17   possible; we would have to deal with that and see  
18   where the parking can go.

19                  COUNCIL MEMBER ROSE:   So what's the  
20   timeframe in terms of building, you know, Buildings B  
21   and C?

22                  CAROLINE HARRIS:   The EAS gave a two-  
23   year... a little over two-year timeframe from  
24   construction of Building 1 to Building 2... [interpose]

1  
2 COUNCIL MEMBER ROSE: The... Two years  
3 between each building... [crosstalk]

4 CAROLINE HARRIS: No. No, no...

5 COUNCIL MEMBER ROSE: being built?

6 CAROLINE HARRIS: Total.

7 COUNCIL MEMBER ROSE: Okay.

8 CHRIS VECCHIARELLI: No, two years in  
9 total. And again, as we had requested to do the  
10 project in phases, there's also the possibility that  
11 they can, you know, multiple buildings can be built  
12 at the same time and the entire project can be built  
13 at the same time, so again, our request to build  
14 phases is just our request, thinking that it may be a  
15 better way to build out the site, being that it's a  
16 large site; however, that doesn't need to be the  
17 case. So to your question earlier -- is there a  
18 possibility of somebody in Building B not having a  
19 spot -- should we have tremendous success with Phase  
20 1 or Building A, there could be a possibility that  
21 Buildings B and C get built at the same time,  
22 simultaneously and that could accommodate then  
23 probably, you know, a very close; not a one for one,  
24 but a very close one for one parking ratio.

1  
2 COUNCIL MEMBER ROSE: And so in the one  
3 to one ratio, was the -- I heard in the presentation  
4 that in the affordable percentages that there's a  
5 different ratio... [crosstalk]

6 CHRIS VECCHIARELLI: Yes. Yes.

7 CAROLINE HARRIS: Under the Zoning  
8 Resolution, affordable parking has a lower parking  
9 ratio than market rate units do.

10 COUNCIL MEMBER ROSE: So where are you  
11 compensating for these fewer parking spaces?

12 CHRIS VECCHIARELLI: No; what we're doing  
13 is; we at the moment -- the market rate units, we're  
14 required to supply 70% parking for the market rate  
15 units; with the affordable units the ratio is 55%; we  
16 are achieving 70% at the site as it's currently  
17 designed, so at the moment we are already providing  
18 more parking than the zoning requires.

19 COUNCIL MEMBER ROSE: You know I have a  
20 problem with this parking; right?

21 CAROLINE HARRIS: We do understand that;  
22 as I said, there's very... there are very limited ways  
23 that we can expand the amount of parking only to a  
24 certain extent, based on the design of the project  
25



1  
2 and it's... I'm happy to discuss it with you outside of  
3 the hearing.

4 COUNCIL MEMBER ROSE: And how many  
5 parking spaces are you looking at around the complex...  
6 [crosstalk]

7 CAROLINE HARRIS: There are 16...

8 COUNCIL MEMBER ROSE: if you're talking  
9 about street parking?

10 CAROLINE HARRIS: The street parking on  
11 the private street is 16 and that's included in the  
12 70%, what we've achieved as a little over 70%  
13 parking, 71%.

14 COUNCIL MEMBER ROSE: So you're building  
15 that into the 70%?

16 CAROLINE HARRIS: Yes. You have 16  
17 spaces.

18 CHRIS VECCHIARELLI: That street is on  
19 our property... [crosstalk]

20 CAROLINE HARRIS: It's a... It's a private  
21 street.

22 CHRIS VECCHIARELLI: that's on the visual  
23 corridor of the property.

24 COUNCIL MEMBER ROSE: So you're not  
25 counting parking on Edgewater?

1  
2 CHRIS VECCHIARELLI: No, we are not...  
3 [crosstalk]

4 CAROLINE HARRIS: No.

5 CHRIS VECCHIARELLI: absolutely not; this  
6 is all on-site parking.

7 CAROLINE HARRIS: I imagine that we could  
8 swap -- I'd have to look into swapping the 16 that  
9 are on the street to make them in some way dedicated  
10 for the commercial use and have those 16 spaces  
11 inside the parking garage as residential spaces; we  
12 could look into whether... from the zoning perspective  
13 if we're allowed to do that; I don't know if we are.

14 COUNCIL MEMBER ROSE: So where are you  
15 looking at the commercial parking at?

16 CAROLINE HARRIS: They're in the garage.

17 COUNCIL MEMBER ROSE: In the garage  
18 also...? [crosstalk]

19 CAROLINE HARRIS: Yes.

20 CHRIS VECCHIARELLI: Correct.

21 COUNCIL MEMBER ROSE: Okay.

22 CAROLINE HARRIS: So if we can add  
23 residential park... take some of the garage spaces that  
24 are now earmarked for commercial and allow them to be  
25 counted on the outside on the street, because it is

2 private property and it could be monitored, then...  
3 I'll see if we can do that; I don't know if the  
4 zoning will allow us to do that.

5                   COUNCIL MEMBER ROSE: And how many  
6 commercial spaces?

7                   CAROLINE HARRIS: Eighty-one.

8                   COUNCIL MEMBER ROSE: Eighty-one. Are  
9 the towers going to be visible from upland  
10 communities?

11                  CAROLINE HARRIS: There are places where  
12 the towers will be visible, but very minimally. In  
13 the handout that we shared with you, there is a  
14 perception of building height; the... Building A, the  
15 first building on the left, will be visible behind  
16 the power station smokestack, but the smokestack  
17 itself blocks a good portion of that... of the  
18 building... [crosstalk]

19                  COUNCIL MEMBER ROSE: And how many  
20 stories are we talking visibility?

21                  CAROLINE HARRIS: It's... I... I... [background  
22 comment] about two, three stories. [background  
23 comment] Behind Pouch Terminal... from very few  
24 vantage points you might see one story above the roof  
25 of Pouch and behind the tower -- I don't know the

1  
2 number that's visible behind the tower. It's set  
3 back from the street considerably and you'd only have  
4 to be... you'd be standing in the middle of Lynhurst to  
5 be able to see it. It's not visible from the streets  
6 that are parallel to Bay Street when you're on the  
7 street; your perspective isn't adequate to look over  
8 the other buildings that are between you and the  
9 project.

10 COUNCIL MEMBER ROSE: And with the  
11 resiliency efforts, what are you doing to ensure the  
12 flood resiliency?

13 CAROLINE HARRIS: Well number one; the  
14 building is being built above the flood hazard level,  
15 which is the brand new flood hazard level; you know  
16 that actually caused some issues with our  
17 environmental study, because the flood hazard levels  
18 have changed, so the base flood elevation that you  
19 build from has been raised. So according to the  
20 current science, the building -- no residential  
21 portion of the building will be in the flood hazard  
22 level, the ground floor, where the flood would occur,  
23 is occupied by cars; not by commercial or residential  
24 space, and that's compliance with the most recent  
25 iteration of the flood hazard map, so that's the

2   number one facility, to protect the buildings and the  
3   people from the risk of a flood.

4                   COUNCIL MEMBER ROSE:   Along the  
5   esplanade, what are you doing to... are you doing any  
6   measures to ensure resilience?  Are you building any  
7   kind of wall or widening the... [crosstalk]

8                   CAROLINE HARRIS:  No, we're not... we're  
9   not building a flood barrier there, and my  
10   understanding is that the Parks Department does not  
11   want a flood barrier, but has a... the shoreline is  
12   designed in a way that water washes in and out, so  
13   the esplanade itself, the distance between the  
14   shoreline and the building is another measure that  
15   actually protects the buildings from -- because  
16   they're set back from the waterfront -- protects the  
17   buildings from flood hazard.

18                  COUNCIL MEMBER ROSE:  And there was a  
19   question about the waterfront being constructed in  
20   phases; Mr. Vecchiarelli mentioned that it's possible  
21   that maybe all three buildings might be worked on at  
22   the same time?

23                  CHRIS VECCHIARELLI:  It's a possibility;  
24   I mean it's... we're not making a commitment to that;  
25   obviously the market has a lot to do with dictating

1  
2 that -- financing the project has a lot to do with  
3 that, but that is a possibility at the end of the  
4 day.

5 COUNCIL MEMBER ROSE: And if you do that,  
6 does that then change how the esplanade will be  
7 constructed... [crosstalk]

8 CHRIS VECCHIARELLI: Sure, absolutely.

9 COUNCIL MEMBER ROSE: because right now  
10 it... [crosstalk]

11 CHRIS VECCHIARELLI: Absolutely, if all  
12 three buildings are being built simultaneously;  
13 again, which I don't anticipate happening, but if  
14 they were to be built simultaneously, the shore  
15 public walkway would also be built at the same time.

16 CAROLINE HARRIS: There is a practical  
17 matter; the Pouch Terminal is immediately behind  
18 Buildings B and C, so there is no place to put, for  
19 example, a crane or a tractor upland from B and C.  
20 So they need to use the space either to the south or  
21 to the north or towards the water in order to build  
22 the building; you don't want that kind of heavy  
23 equipment on a brand new esplanade; it'll ruin the  
24 esplanade, so it's only practical to build the  
25 buildings first and then make the esplanade beautiful

1  
2 after you've finished having all the heavy  
3 construction equipment on it; the same thing with the  
4 smaller building, Building C, there is room between  
5 Buildings B and C for equipment and the area right in  
6 front is not wide enough for construction equipment.  
7 So Building C, which is the shortest, and probably  
8 would end up being built with Building B; when  
9 they're finished, then they'll be able to complete  
10 the esplanade, but it makes no sense to build the  
11 esplanade out, have it be beautiful and then have it  
12 be ripped up by construction vehicles.

13 COUNCIL MEMBER ROSE: So what's the  
14 timeframe do you think that, you know, for  
15 accessibility to the esplanade, the entire esplanade?

16 CAROLINE HARRIS: When Building C is  
17 complete the entire esplanade would be accessible,  
18 sometime shortly thereafter, after they finish and  
19 then they fix the esplanade.

20 COUNCIL MEMBER ROSE: And so the  
21 timeframe again for all three buildings to be  
22 complete... [crosstalk]

23 CAROLINE HARRIS: The EAS reported a two-  
24 year timeframe for building all three buildings, and  
25

1 so sometime after that, shortly after that would be  
2 the completion of the esplanade.

3  
4 COUNCIL MEMBER ROSE: And my last  
5 question is -- and I thank the Committee's indulgence  
6 -- will the jobs be local hiring, good-paying, with  
7 attention being paid to MWBE contractors?

8 CAROLINE HARRIS: Yes; in fact, we'd very  
9 much like to work with the Councilwoman's office and  
10 the Community Board to provide for local hiring and  
11 MWBE businesses as part of the project mission, for  
12 construction jobs and then during... both for  
13 employment hire, as I mentioned at the beginning and  
14 Mr. Vecchiarelli is already in discussion with BJ..  
15 [interpose]

16 COUNCIL MEMBER ROSE: 32BJ... [crosstalk]

17 CAROLINE HARRIS: 32... 32.

18 COUNCIL MEMBER ROSE: And those  
19 conversations are going to continue?

20 CAROLINE HARRIS: Yes, they are.

21 CHRIS VECCHIARELLI: Absolutely.

22 CAROLINE HARRIS: And for, you know,  
23 retail jobs, like the shop keepers and so on,  
24 definitely looking to have local hire, and we'd love  
25 to work with your office on that.



2 COUNCIL MEMBER ROSE: Okay. Thank you.  
3 Thank you, Chair.

4 CHAIRPERSON RICHARDS: Thank you. We're  
5 gonna go to Council Member Wills for a question.

6 COUNCIL MEMBER WILLS: Good afternoon.  
7 Could you just give me a brief history of your  
8 development track record -- how much you've built;  
9 how long you've been building?

10 CHRIS VECCHIARELLI: Sure. I've been in  
11 this business for 17 years; I actually started my  
12 business on Staten Island, building single-family and  
13 two-family homes. We primarily now focus on midrise,  
14 multifamily apartment buildings; we typically build  
15 for long-term hold and investment, and you know, have  
16 a considerable, sizable portfolio at the moment.

17 COUNCIL MEMBER WILLS: So if I was to ask  
18 you about MWBE contractors, post-construction and  
19 post-hiring for MWBE and single individuals or  
20 minority hiring or community preference, you already  
21 have a track record that you could speak to?

22 CHRIS VECCHIARELLI: Absolutely.

23 COUNCIL MEMBER WILLS: So then what are  
24 your aspirational goals or what other goals you have  
25 already met in some of the other projects?

2 CHRIS VECCHIARELLI: Well in some of the  
3 other projects I think we tried to meet a 7% WBE and  
4 I think a 10-12%, maybe even 15% ME, local hire.

5 COUNCIL MEMBER WILLIS: You said 7%?

6 CHRIS VECCHIARELLI: Seven percent, yes,  
7 of MBE... [crosstalk]

8 COUNCIL MEMBER WILLIS: MWBE or WBE?

9 CHRIS VECCHIARELLI: W, excuse me, WBA...  
10 [crosstalk]

11 COUNCIL MEMBER WILLIS: W; what about  
12 minorities?

13 CHRIS VECCHIARELLI: Fifteen percent.

14 COUNCIL MEMBER WILLIS: Fifteen percent?

15 CHRIS VECCHIARELLI: Yes.

16 COUNCIL MEMBER WILLIS: And that's  
17 aspiration or have those goals actually been met?

18 CHRIS VECCHIARELLI: Those goals have --  
19 if they haven't been met; they've been very close.

20 COUNCIL MEMBER WILLIS: Okay. When you  
21 spoke to the phases, I know that you said that trying  
22 to complete the work at one time is something that  
23 you would try... you're not taking it out, but you're  
24 not committing to it because of logistical issues,  
25 especially with the Council Member wanting the

1  
2 promenade to be accessible, but you spoke about  
3 logistics to that, but is financing one of the pieces  
4 that would say we would build -- I mean that would  
5 make sense, right; you would build one... [crosstalk]

6 CHRIS VECCHIARELLI: That's the main  
7 reason... the main reason of requesting a phase  
8 development is the market and the financability of  
9 the project.

10 CAROLINE HARRIS: The financability is  
11 the project; not the esplanade. The esplanade is  
12 definitely gonna be built... [crosstalk]

13 COUNCIL MEMBER WILLIS: No, no, I  
14 understand. No, I'm speaking... I'm speaking to the  
15 project, but her desire is to have the... I'm speaking  
16 to the project... [crosstalk]

17 CAROLINE HARRIS: Yes.

18 COUNCIL MEMBER WILLIS: I understand the  
19 construction portion of the project [sic]...  
20 [crosstalk]

21 CAROLINE HARRIS: I wanted to mention  
22 something about financing the project; not to  
23 contradict my colleague. One of the options that he  
24 mentioned depends on tax credits being viable, and  
25 with the current temperament in Washington, the

2       future of tax credits is a bit in the air, as I  
3       understand... [interpose]

4                   CHAIRPERSON RICHARDS:   Low-income taxes.

5                   CAROLINE HARRIS:   Low-income tax, which  
6       is part of my being involved here, and tax credits  
7       generally -- we don't know.   So the desire would be  
8       to be able to come up with a financing package that  
9       could address the whole project at once and have  
10      lenders involved -- private lenders as well as  
11      whatever HPD sources there are -- be able to finance  
12      the whole project at once.   We're not certain that's  
13      gonna happen, so that's why we were looking for  
14      different -- having some flexibility on the options  
15      going forward with a commitment to 40% AMI, but with  
16      flexibility as to which option was gonna be used,  
17      'cause we don't know what the... [interpose]

18                  COUNCIL MEMBER WILLS:   Are you soft  
19      peddling the 40%?

20                  CAROLINE HARRIS:   I'm not soft peddling;  
21      I'm committed to the... [crosstalk]

22                  COUNCIL MEMBER WILLS:   Oh okay, I was  
23      just... Okay **[inaudible]**... [crosstalk]

24                  CAROLINE HARRIS:   No, I'm saying; in both  
25      Option 1 and 2, 40% is there and... [crosstalk]

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COUNCIL MEMBER WILLS: Right.

CAROLINE HARRIS: and we're committed to that...

COUNCIL MEMBER WILLS: Okay.

CAROLINE HARRIS: it's whether we can do... you know whether it's the 57... [crosstalk]

COUNCIL MEMBER WILLS: If you can go deeper.

CAROLINE HARRIS: No. Option 1 and 2, as I understand the difference, and Mr. Schulman will address it, one has 57% AMI and the 37% AMI and the second one has up to 120% to 37% AMI. That's all I'm talking about is the different between having Options 1 and 2 prevail on the property [inaudible]...

[crosstalk]

COUNCIL MEMBER WILLS: Okay, so you're just clarifying to make sure that there was no promise to... Okay, I just wanted to make sure.

CAROLINE HARRIS: Yes, uh...

COUNCIL MEMBER WILLS: Alright; I appreciate it.

CAROLINE HARRIS: that's my... my job, in part, is to make sure my clients don't overpromise...

[crosstalk]

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COUNCIL MEMBER WILLS: Okay [sic].

CAROLINE HARRIS: so I wanted to make sure that was the case.

COUNCIL MEMBER WILLS: Always under promise; over deliver.

CAROLINE HARRIS: That's the best, right...

COUNCIL MEMBER WILLS: Understood.

CAROLINE HARRIS: people are happy then.

COUNCIL MEMBER WILLS: With the affordable units in the buildings, how are those going to be placed if you're doing phases; are we looking at... [crosstalk]

CAROLINE HARRIS: In each building...

COUNCIL MEMBER WILLS: Yeah.

CAROLINE HARRIS: the percentage of affordability in each building will be scattered through the building as required, with no discrimination based on the income level of the tenant.

COUNCIL MEMBER WILLS: So then the affordable units will be placed in each building with... [crosstalk]

CAROLINE HARRIS: Percentage...

2 COUNCIL MEMBER WILLS: with the equity..  
3 [interpose]

4 CAROLINE HARRIS: Yes.

5 COUNCIL MEMBER WILLS: so it won't be  
6 something with the parking that she has a concern  
7 over, parking in the... [crosstalk]

8 CAROLINE HARRIS: Right.

9 COUNCIL MEMBER WILLS: the last building  
10 be put it; it would be spread across?

11 CAROLINE HARRIS: Spread even...  
12 proportional to each building's number of units will  
13 be the percentage of affordable units as we go  
14 building by building.

15 COUNCIL MEMBER WILLS: Alright. Thank  
16 you very much; that's the end of my questions.

17 CHAIRPERSON RICHARDS: Alrighty, thank  
18 you. Any other questions from my colleagues?  
19 Alrighty, seeing none, we now move on to the next  
20 panel. Thank you and just on the jobs and local  
21 hiring and MWBE, establishing a reporting mechanism  
22 with Council Member Rose... [interpose]

23 CAROLINE HARRIS: Certainly.  
24  
25

2 CHAIRPERSON RICHARDS: before it reaches  
3 the Land Use Committee would be important to this  
4 Committee.

5 CAROLINE HARRIS: Excellent; we'd be  
6 happy to do that.

7 CHAIRPERSON RICHARDS: Thank you.  
8 Alrighty, we are now going to move on to Brian Brown  
9 from 32BJ.

10 [pause]

11 We'll put on a clock, two minutes.  
12 Sergeant at Arms, two minutes on the clock.

13 [pause]

14 BRYANT BROWN: Good morning Council  
15 Members; thank you for the opportunity to testify.  
16 My name is Bryant Brown and I am here speaking on  
17 behalf of my union, SEIU 32BJ. We represent 600  
18 members who live in Staten Island Community District  
19 1, the district where Pier 21 Development is  
20 proposing to develop 125 Edgewater. I am testifying  
21 today to urge you to consider how important it is  
22 that Pier 21 Development commit to creating high-  
23 quality jobs at 125 Edgewater.

24 Developments that pay building service  
25 workers the industry standard prevailing wage and



1 benefits package allows workers to stay in the City  
2 and support their families. These jobs at the  
3 building will affect the well-being of the community  
4 for years to come. Staten Island Community Board 1,  
5 I would like to reemphasize, recognized the need for  
6 these kinds of good jobs in their recommendations  
7 regarding this project. It is especially important  
8 that Pier 21 Development provides both affordable  
9 housing and high-quality building service jobs at 125  
10 Edgewater because this development will serve as a  
11 model for the developments that will follow the  
12 planned rezoning of the Bay Street Corridor. The  
13 Council can help ensure that 125 Edgewater sets a  
14 strong precedent for responsible development in  
15 Staten Island.  
16

17 This is why 32BJ is calling on you to  
18 disapprove this project unless Pier 21 Development  
19 commits to providing good building service jobs that  
20 pay the prevailing wage to local residents. Thank  
21 you.

22 CHAIRPERSON RICHARDS: Thank you. Are  
23 there any other members of the public... oh.

24 COUNCIL MEMBER WILLIS: So Mr. Brown, the...  
25 wait, before you leave, 'cause you've been here, you

2   are in negotiations with... right?  And do you have a  
3   hard deadline on when the negotiations... I mean the  
4   Chair already spoke to before it goes to Land Use, so  
5   what is your timeline with the negotiations that  
6   you're working with now?

7                   BRYAN BROWN:  I would have to follow up  
8   with my colleagues as far as a specific timeline, but  
9   I would like to confirm that yes, we have been in  
10  conversations; we look forward to them continuing; we  
11  still haven't come to an agreement or a commitment  
12  and so as far as timeline goes, I would have to get  
13  back with you.

14                  COUNCIL MEMBER WILLS:  Alright, well we  
15  have all respect with Kyle Bragg, so we understand  
16  that they'll work it out.  Thank you.

17                  BRYAN BROWN:  Thank you.

18                  CHAIRPERSON RICHARDS:  Thank you.  And I  
19  also want to acknowledge we are joined by PS 166, I  
20  believe, from Queens.  [background comment]  Hello.  
21  Sorry; I hope we didn't put you to sleep.  And they  
22  are from Council Member Van Bramer's district and  
23  they're from Astoria, Queens.  I know Zoning could be  
24  complex, but you can become zoning gurus by sticking  
25  around her a little longer.

2                   Alrighty, are there any other members of  
3 the public who wish to speak? Alright, seeing none,  
4 I will now close the public hearing on Land Use Item  
5 Nos. 654 and 655, and we are laying over this  
6 application until our next meeting.

7                   I want to acknowledge we've been joined  
8 by Chair Greenfield and we will continue the roll  
9 call in the Subcommittee. Counsel, call the roll.

10                  COMMITTEE COUNSEL: Council Member Wills.

11                  COUNCIL MEMBER WILLS: Aye.

12                  COMMITTEE COUNSEL: The vote stands at 5  
13 in the affirmative, 0 in the negative and 0  
14 abstentions.

15                  CHAIRPERSON RICHARDS: Alrighty. We will  
16 now move on to Land Use Item Nos. 651 and 652, 1350  
17 Bedford Avenue rezoning. This application includes a  
18 rezoning action that would establish an R7D district  
19 instead of the existing R6A district and a zoning  
20 text amendment to apply a Mandatory Inclusionary  
21 Housing Area on the property. These actions would  
22 facilitate the development of a 93-unit affordable  
23 housing development reserved for families making  
24 between 40-130% of the area median income. The  
25 development would be located on a site as an existing

1  
2 78-unit Section 8 building with tenant incomes  
3 ranging from \$32,000 to \$60,000. The new development  
4 would be located on the parking lot of the existing  
5 building. This application is located in Council  
6 Member Cumbo's district. I will now open the public  
7 hearing on Land Use Item Nos. 651 and 652 and go to  
8 Council Member Cumbo, if she wishes to give a  
9 statement quickly, and then we will move on to the  
10 first panel, Charles Ruggs, Bedford Arms; Michael  
11 Weiss, Bedford Arms; John Schimenti, the architect  
12 for the project. Alright, she's not gonna give a  
13 statement. Okay, you may begin. Alright and you'll  
14 just hit... light your mic, you'll press the button on  
15 your mic and light it up and you may begin.

16 STUART BECKERMAN: Good morning. I'm  
17 Stuart Beckerman from the Law Offices of Slater &  
18 Beckerman. Thank you, Chair Richards and Council  
19 Members. With me are Michael Weiss, who's from  
20 Bedford Arms, which is the owner and developer of the  
21 property; they've owned the property for 40 years,  
22 and we can talk a little about what they do later,  
23 and also here is Charles Brass, our affordable  
24 housing consultant, and John Schimenti, the  
25 architect.

1                   So just briefly, the development site  
2  
3                   itself, which is also the rezoning site, is  
4                   approximately 35,000 sq ft, with frontages on Dean  
5                   Street, Bedford Avenue and Pacific Street.  
6                   Currently, the site is improved with a six-story,  
7                   74.5 ft high Section 8 building with 78 apartments,  
8                   with approximately 68,000 sq ft of floor area and an  
9                   existing 35-space accessory parking lot.

10                   We're here seeking your recommendation  
11                   for the City Council to approve the following two  
12                   actions: one is an application to rezone the  
13                   development site from an R6A district to an R7D  
14                   district and the boundaries of the zoning lot are the  
15                   full extent of the rezoning area, and we're also  
16                   seeking an amendment to the text of the Zoning  
17                   Resolution to designate this site a Mandatory  
18                   Inclusionary Housing Area.

19                   Just briefly, the Community Board voted  
20                   no negative votes in support of this application with  
21                   no conditions and the Borough President recommended  
22                   approval and we can discuss a little bit about what  
23                   they wanted, which we are generally in compliance  
24                   with.

1 So here, just for your reference, is the  
2 zoning map, so you'll see that currently our site is  
3 R6A and we're going to create an R7D over our  
4 property, and here is the new -- on the upper right  
5 is the new MIH Area, over our site.

6 So the project itself, what we're  
7 proposing to construct over the existing parking lot  
8 is a nine-story, 89.5-foot-high, 100% affordable  
9 housing apartment building with 80,000 sq ft of floor  
10 area and 94 dwelling units. It says here 23 spaces  
11 that we're gonna be providing or required; actually,  
12 only 21 spaces are required and because most of the  
13 units on the project are going to meet the definition  
14 of income-restricted and because we're in a transit  
15 zone, under the new zoning regulations that the  
16 Council adopted last year, under ZQA, only 21  
17 required spaces are required and we're going to  
18 provide two additional spaces.

19 Here is the unit breakdown and the AMI  
20 breakdown; we are proposing to build 59 one-bedrooms,  
21 25 two-bedrooms, 9 three-bedrooms, and 1 super's unit  
22 -- a total of 94 units.  
23  
24  
25

1                   The AMI breakdown is as follows: 10  
2  
3 units are going to be at 37% AMI, 14 units at 57%  
4 AMI, 28 units at 80% AMI, and 41 units at 130% AMI.

5                   So those 41 units are what generate the  
6 requirement for parking -- under ZQA a total of 21  
7 spaces is required, which explains that we're also  
8 going to have two additional spaces that are not  
9 required. Even though this is not before the City  
10 Council, it is important to note that we also have an  
11 application pending at the Board of Standards and  
12 Appeals; this is a new Special Permit that was  
13 created as part of ZQA last year and we're actually  
14 the first applicant under this section. If our  
15 existing Section 8 building were to be constructed  
16 today under ZQA, because we're in a transit zone and  
17 all the units are under 80% AMI -- actually, I think  
18 they are like 50% AMI -- no parking would be  
19 required, so because we're building over the parking  
20 lot and we're asking for a waiver to eliminate the  
21 existing 35 required parking spaces that were  
22 required when we created our Section 8 building in  
23 1980; at that time, I think it was 50% parking that  
24 was required, so we are seeking permission to waive,  
25

1  
2 and you know, the parking lot has been significantly  
3 underutilized, so we have a strong case for that.

4           So here is the -- this is the site plan,  
5 the existing building, so you'll see the parking lot  
6 is quite significant; it's on Pacific Street and the  
7 building itself is kind of irregularly L-shaped and  
8 it fronts on Bedford and Dean Street. Here are some  
9 photos of the site; here's the existing Section 8  
10 building. And that is on Pacific Street; that shows  
11 you the development site, that's the parking lot that  
12 we are going to build on; another view of the parking  
13 lot. And finally, it's worth noting that across the  
14 street, to the right across Pacific Street is the  
15 Bedford Atlantic men's shelter. So you know, we're  
16 going to definitely be improving this location with  
17 the construction of -- actually, this is the site  
18 plan and this is what... this is a rendering of the  
19 proposed building.

20           So at this point I think what I'll do is;  
21 I'll entertain any questions that the Council Members  
22 might have.

23           CHAIRPERSON RICHARDS: Thank you for your  
24 testimony. I wanted to know; what would be the  
25 feasibility of squeezing in a few more units at the



1  
2 37% and 57% AMI; is there possibility of squeezing in  
3 a few more units there?

4           STUART BECKERMAN: I think I'll let  
5 Mr. Brass address that, but I'll just point out that  
6 you mean converting some of the units that we have  
7 higher AMIs and turning them into 37%. That really  
8 goes to the economics of the building. And I just  
9 wanna make one other point that I don't think I don't  
10 think I emphasized enough, and that is that Bedford  
11 Arms is part of The Engel Group, which owns and  
12 operates presently about 3500 affordable housing  
13 units in New York and New Jersey; this is what  
14 they're committed to doing. You know I believe in a  
15 couple of weeks when you vote on this you're also  
16 going to be voting on the Article IX application; we  
17 are ready to hit the ground to build this building;  
18 it's not just gonna sit empty. And so the economics  
19 -- and just to answer your question, you know the  
20 economics have been very carefully studied; these are  
21 experienced developers of this type of housing. And  
22 one other thing -- I'm sorry; I just wanna make one  
23 other important point -- and that is; once this is  
24 granted and once the Special Permit is approved and  
25 we've now reduced the number of parking spaces on the

1 lot from 35 to 23, what we will be doing is mandating  
2 that these units will be permanently affordable,  
3 because the parking -- obviously the amount of  
4 parking is linked to the number of units that are not  
5 income-restricted, so I just wanted to point that  
6 out. So I'll let Mr. Brass answer that question.

8 CHARLES BRASS: So there are already, as  
9 Stuart pointed out, 78 very low-income units next  
10 door in the Section 8 project that are essentially  
11 going to be permanently affordable, so what we're  
12 seeking to do here is to bring a mixed-income  
13 development into the immediate area where there are  
14 78 very low-income units next door and a homeless  
15 men's shelter across the street. So with regard to  
16 the economics of this project, we're... I heard the  
17 discussion about tax credits last year, in the last  
18 presentation; we're not seeking any federal tax  
19 credits here; all of the equity for the project is  
20 gonna be provided by the owners of Bedford Arms and  
21 you know we're seeking subsidies from HDC and HPD to  
22 develop the income mix that we're proposing here,  
23 which actually far exceeds the required -- already  
24 far exceeds the requirements of mandatory  
25 inclusionary and that we have 55% of the units below...

1 of these new units, below 80% of AMI instead of 30%,  
2 so.  
3

4 CHAIRPERSON RICHARDS: Alright. So I  
5 just would caution you just to keep an open mind here  
6 and obviously I'm happy to hear you're seeking  
7 subsidy from HPD. I'm going to go to Council Member  
8 Cumbo, but we would love to see a little bit.. you  
9 know, squeeze a few more units out under 60, so we'll  
10 go to Council Member Cumbo.

11 COUNCIL MEMBER CUMBO: Thank you. Wanted  
12 to hear more about the adjacent building, the Section  
13 8; wanted to find out what was the history of that,  
14 how that project came to be and what is the viability  
15 and the future of that project moving forward, the  
16 adjacent lot that is the Section 8 housing?

17 MICHAEL WEISS: Good morning.

18 COUNCIL MEMBER CUMBO: Good morning.

19 MICHAEL WEISS: And let me respond to  
20 that. I'm Michael Weiss; I'm with Bedford Arms; my  
21 family and partners own the adjacent building; we  
22 built that building in response to a request for  
23 proposals from HPD in 1981; it was an abandoned  
24 private hospital; prior to that it was a hotel. When  
25 we opened our doors in 1981, it was 78 Section 8

2   units, low-income Section 8 units. We have renewed  
3   our HAP contracts, which run -- depending on what the  
4   government sees fit -- generally 20 years; we just  
5   recently, within the last three years, renewed our  
6   HAP contract, so we have another 15 years. We  
7   couldn't go any further than 20 years because the  
8   federal government doesn't have that vehicle. It is  
9   our intention to keep that building as Section 8. We  
10  have a presence in Brooklyn -- just to give you an  
11  idea of our family -- for 60 years we've been... the  
12  family's been building and has buildings, other  
13  Section 8 units in Bed-Stuy on Howard Avenue, outside  
14  of your district, Councilwoman, and they remain to  
15  this day, after 30 years, Section 8 and will remain  
16  Section 8; we have a mission, although we're profit-  
17  motivated, as long it's economically feasible, it's  
18  our intention and my family's intention and partners  
19  to keep it Section 8. I hope that addresses your  
20  question.

21                   COUNCIL MEMBER CUMBO: What is the  
22  average annual income of the individuals living in  
23  the adjacent building?

24                   CHARLES BRASS: Well they can't exceed  
25  50% of AMI and I don't know the exact incomes here,

1 but I've looked at a lot of Section 8 projects and  
2 it's typically people making, you know, anywhere from  
3 10-30%, 40% of the area median income, the average is  
4 typically around 25-30% of AMI in a typical Section 8  
5 project and there's no reason to think this would be  
6 any different than that.

8 STUART BECKERMAN: And we can provide  
9 that to your offices... we will provide... [crosstalk]

10 COUNCIL MEMBER CUMBO: Oh would  
11 appreciate that. Let me ask you another question.  
12 Moving forward, the project that is presented before  
13 us, the Borough President addressed this issue, I've  
14 also brought it up, in terms of MWBE and local  
15 hiring; that's a very important aspect of this  
16 particular project and to the 35th Council District.  
17 Can you speak to your MWBE and local hiring plan for  
18 this project specifically?

19 MICHAEL WEISS: Yes. On May 26 we  
20 submitted a letter to your offices telling you that  
21 it is our intention to abide by and try and ascertain  
22 the goals, although they're not exactly known yet, to  
23 use minority-based and women-based enterprises. If I  
24 might digress for a moment; when we did our Section 8  
25 buildings, not only in the find City of New York, but

1  
2 in New Jersey, we always made sure that we tried to  
3 ascertain and reach the goals for minority-based and  
4 women-based contracting, and we will do the same  
5 here.

6 COUNCIL MEMBER CUMBO: I want us to do --  
7 on this particular project, I want us to do more than  
8 try; I really want in this project for us to reach  
9 that 30% goal that the City of New York is trying to  
10 achieve by 2021; I'd like to see it done now so that  
11 we can be at the forefront of making sure that MWBEs  
12 and local hiring are a major part of this project  
13 because that adds to the economic growth of our  
14 community. Can you talk about reaching that  
15 commitment vs. the trying to reach that commitment?  
16 We have to reach that commitment; our tries have  
17 fallen short with MWBEs being less than 4% of all  
18 City contracts with subsidies that are actually  
19 awarded, so we wanna move from the try to established  
20 goals.

21 MICHAEL WEISS: I agree with you. I can  
22 only talk in terms of we plan to do it; we have done  
23 it and we plan to work with your offices and seek  
24 qualified people who are financially stable and make  
25

1  
2 sure that we have one of the finest projects  
3 utilizing the goals of the City. Yes.

4 COUNCIL MEMBER CUMBO: That's exactly  
5 what I wanted to hear. Wanted to discuss with you  
6 the Borough President's recommendations, as well as  
7 mine, that there be a housing lottery partner that  
8 makes sure that local area residents are provided  
9 with all of the information necessary to qualify for  
10 the housing lottery for this, because what we see is  
11 that often local communities are not given that  
12 opportunity to have access to the lottery system.  
13 What is your plan in order to provide a housing  
14 lottery component that is accessible to the community  
15 and having an outreach partner to do that?

16 CHARLES BRASS: Well we'll be happy to  
17 work with your office and the Community Board to  
18 identify someone to, you know affirmatively market to  
19 residents in the community, you know, pursuant to the  
20 preferences that HPD and HDC have in their marketing  
21 plan to meet at least a 50% set-aside for Community  
22 Board residents in the neighborhood, so.

23 COUNCIL MEMBER CUMBO: Have you worked  
24 with a partner previously?

1  
2 MICHAEL WEISS: We intend to be an  
3 Article XI and we are going to partner with New York  
4 City Housing Partnership; we worked with them in our  
5 past on some of our other buildings and we intend to  
6 use the facilities of HPD and market through them and  
7 when I told them we had 94 units in the preliminary  
8 discussions, they said we'll have 80,000 applicants.  
9 So not only do we intend to com to you and ask  
10 anybody you direct us to who is qualified, we are  
11 going to work with the New York City Housing  
12 Partnership. I'm sure you all are familiar with them  
13 and their track record; very admirable.

14 COUNCIL MEMBER CUMBO: I have a number of  
15 community-based housing development not-for-profits  
16 that could service this particular program. Are you  
17 open and committed to working with a housing partner  
18 not-for-profit to make sure that the lottery not only  
19 reaches 80,000 people but most importantly, reaches  
20 individuals in the immediate community, even if it's  
21 those individuals living right next door in your  
22 Section 8 housing, which I applaud your efforts to  
23 renew that particular program and maintain the  
24 Section 8 portion of that particular project; want to  
25 get a commitment that we can work together on; a



2 community-based not-for-profit partner to make sure  
3 that the lottery is geared and marketed to the  
4 immediate community.

5 MICHAEL WEISS: You have my commitment  
6 that I'll work with your offices to try and satisfy  
7 your need.

8 COUNCIL MEMBER CUMBO: And...

9 MICHAEL WEISS: And the needs of the  
10 community.

11 COUNCIL MEMBER CUMBO: Certainly. And  
12 just wanted to -- the Community Board approved this  
13 particular project by 24 approved, there were two  
14 abstentions?

15 MICHAEL WEISS: One... I thought there was  
16 only one.

17 STUART BECKERMAN: One or two, right?

18 **[inaudible]**... [crosstalk]

19 MICHAEL WEISS: I'm not sure. I can't... I  
20 think it was... I know it was 24 for; I'm not sure how  
21 many abstained.

22 COUNCIL MEMBER CUMBO: Okay.

23 CHARLES BRASS: But nobody voted no, so  
24 that's right... that's a record probably, so.

2 COUNCIL MEMBER CUMBO: And another point  
3 that the Borough President and I both brought up was  
4 that HPD modify affordable housing lottery community  
5 preference to be inclusive of the school zone  
6 attended by a child of a household residing at a  
7 City-funded or operated homeless shelter. Can you  
8 talk to us about that in terms of the lottery  
9 process?

10 JORDAN PRESS: Good morning. My name is  
11 Jordan Press; I'm Executive Director for Planning and  
12 Development in HPD's Government Affairs unit.

13 Currently we need to be very careful  
14 about making any changes at all to the way that we  
15 handle our community preference set-aside; we have a  
16 standard set-aside, which is 50% of the units are set  
17 aside to members of the Community Board where the  
18 project is located and at this time we do not deviate  
19 from that in nearly any circumstance.

20 COUNCIL MEMBER CUMBO: It's certainly  
21 something to look into moving forward to make sure  
22 that we do that as well as an issue that we brought  
23 up in regards to the rent-burdened status into  
24 account into affordable housing eligibility, because  
25 the rent-burdened status, it knocks a lot of

1  
2 individuals out of the process; we want to see moving  
3 forward that those individuals that are most  
4 challenged are given an opportunity to qualify for  
5 affordable housing.

6 JORDAN PRESS: Yeah, we really appreciate  
7 your thinking on that; the rent-burdened families and  
8 families living in the shelter.

9 COUNCIL MEMBER CUMBO: Well we hope your  
10 appreciation turns into action and would like to see  
11 that moving forward. I don't have any further  
12 questions; I'll turn it back over to the Chair.  
13 Thank you.

14 CHAIRPERSON RICHARDS: Thank you. Any  
15 questions... [background comment] Council Member  
16 Greenfield.

17 COUNCIL MEMBER GREENFIELD: Actually, I  
18 have a question for my friends at HPD, 'cause they  
19 voluntarily decided to jump up there. Jordan, here's  
20 my question for you: the 50% preference, are you  
21 always able to hit that preference or do you have  
22 times when you're unable to hit that 50% threshold  
23 and therefore you're taking folks from outside of the  
24 community?

1  
2 JORDAN PRESS: Prior to the launch of New  
3 York City Housing Connect our online lottery system,  
4 which came online in 2013, I believe, we did have  
5 instances every now and then of families that didn't,  
6 from the Community Board that didn't make it; ever  
7 since we went online we have not had that problem at  
8 all.

9 COUNCIL MEMBER GREENFIELD: So you're  
10 hitting the 50%?

11 JORDAN PRESS: Easily.

12 COUNCIL MEMBER GREENFIELD: Okay. And  
13 what programs do you have in place or could you offer  
14 the Council Member in terms of helping folks be  
15 prepared for that? We've heard from many folks who  
16 have had challenges; they get selected by the  
17 lottery; then for whatever reason they're not able to  
18 actually get the unit, either due to credit issues or  
19 proof of income issues or other issues; what can you  
20 offer in terms of, either yourself or a nonprofit  
21 operator, or even the developer to try to be helpful  
22 with that for those folks who do go through the  
23 system?

24 JORDAN PRESS: The Council Member, to her  
25 credit, has done quite a bit of partnering in

2   preparation for the lottery, whether it's credit  
3   counseling, I think she's been a leader in helping  
4   the community understand what some of those factors  
5   are; HPD would be happy to come out again and do, you  
6   know, if we need to do a resource fair or something  
7   like that to help members of the Community Board  
8   understand what needs to be done.

9                   COUNCIL MEMBER GREENFIELD:   Great.  
10   Thanks very much.

11                  CHAIRPERSON RICHARDS:   Thank you.  
12   Alright, thank you for your testimony today.   And  
13   just reiterating what Council Member Cumbo said --  
14   important for the MWBE; local hiring and also  
15   reporting mechanism, so I would urge you to work with  
16   her on reporting with perhaps a local organization of  
17   her choosing.   Back to the affordability question on  
18   Option 1; seeing if we can get some more units down  
19   at the 37% and the 57% AMI, and that will be it, so..

20                  STUART BECKERMAN:   Thanks very much.

21                  CHAIRPERSON RICHARDS:   we look forward to  
22   seeing these things in writing.

23                  STUART BECKERMAN:   Thank you; we  
24   appreciate it.

1  
2 CHAIRPERSON RICHARDS: Alright. Are  
3 there any other members of the public who wish to  
4 testify on this issue? Alright, seeing none, I will  
5 now close the public hearing on Land Use Item Nos.  
6 651 and 652. We are laying this application over to  
7 our next meeting.

8 And we will now move on to the last  
9 hearing in land use today; we have on... [background  
10 comment] Land Use Item No. 653, the 55-57 Spring  
11 Street Text Amendment. The text amendment would  
12 decrease the lot coverage limitations on two sites in  
13 the Special Little Italy District (SLID); this would  
14 allow the two existing buildings to be enlarged to  
15 100% lot coverage on the first floor, allowing for an  
16 expansion of existing commercial use.

17 I will now open the public hearing on  
18 Land Use Item No. 653 and go to Council Member Chin  
19 for a statement, if she so wishes, and then we will  
20 call the applicant -- if the applicant could make his  
21 way, Dan Egers from JBAM TRG Spring LLC. Council  
22 Member Chin.

23 COUNCIL MEMBER CHIN: Thank you, Chair.  
24 Good morning. I would like to thank Chair Richards  
25

1  
2 and members of the Subcommittee for allowing me to  
3 speak at the start of this hearing.

4           The application before you today concerns  
5 a text amendment to modify the map of the Special  
6 Little Italy District to allow for rear yard  
7 enlargement at 55-57 Spring Street. I have strong  
8 objections to this application and wish to share them  
9 with you today.

10           Over the course of the last several  
11 months I have heard from building residents and  
12 members of the larger community who have attended  
13 Community Board meetings or reach out to my office  
14 about this project. These buildings once housed many  
15 rent-protected apartments, affordable units that make  
16 up the life blood of this neighborhood. In recent  
17 times and under multiple owners, many of these units  
18 have been taken out of regulation. Today these  
19 buildings house more market rate tenants, new  
20 neighbors who are less familiar with the fight to  
21 protect the things that make Little Italy unique.  
22 The remaining rent-protected apartments still house  
23 people who help make Little Italy the desirable  
24 neighborhood it is today. In seeking to build  
25 support for this application, the owner cites that a

1 majority of the market rate tenants are in favor,  
2 while ignoring or denigrating the opposition of rent-  
3 protected tenants. These longtime residents now fear  
4 retaliation for having voiced their concerns about  
5 the unfair impact these proposed changes will have on  
6 their quality of life.

8 In regard to this application, I am not  
9 convinced that this proposal is in the best interest  
10 of the tenants of 55-57 Spring Street and strikes the  
11 right balance between public and private benefits. I  
12 do not share the view of the City Planning Commission  
13 that this text amendment is appropriate; therefore,  
14 the proposal does not have my support and I urge this  
15 Subcommittee to deny this application.

16 Community Board 2 overwhelmingly rejected  
17 this proposal. I believe our Borough President has  
18 her own serious concerns. The last time the  
19 provisions of this special district were altered, New  
20 York City and Little Italy were very different  
21 places. I cannot support a piecemeal approach to  
22 addressing these provisions which were put in place  
23 to protect our community and the character of this  
24 neighborhood.



1  
2 To the tenants of 55 and 57 Spring Street  
3 fearing retaliation from their landlord, I am here to  
4 give my unwavering support and urge you to contact my  
5 office about any attempts to intimate or harass you  
6 into silence. In solidarity with these tenants who  
7 have voiced their legitimate objection about the  
8 proposed changes, I ask that my colleagues heed their  
9 concerns by voting no on this application. Thank  
10 you, Chair.

11 CHAIRPERSON RICHARDS: Thank you, Council  
12 Member Chin.

13 DAN EGGERS: Good morning. Dan Egers,  
14 land use attorney from Greenberg Traurig representing  
15 the applicant. And thank you, Council Member Chin  
16 for your comments.

17 If I could respond first off regarding  
18 the deregulation of rent-controlled and rent-  
19 stabilized units, there have been three in the almost  
20 two years that our client has owned the building;  
21 these were pursuant to high-rent vacancy  
22 deregulation, they were properly deregulated and we  
23 provided the rent histories and other information to  
24 the Community Board when they raised these concerns.

2                   As for the harassment or intimidation of  
3 tenants, I am not aware of any such instances under  
4 the current ownership and I have not been made aware  
5 of any with respect to tenants being pressured into  
6 supporting this application. My client reached out  
7 to all occupants of these buildings; there are 27  
8 occupied units, 24 of the 27 units support the  
9 application, including all three rent-controlled  
10 units.

11                   Should I proceed with a background  
12 introduction of the application?

13                   CHAIRPERSON RICHARDS: Sure.

14                   DAN EGERS: Okay. So as Council Member  
15 Chin outlined before, this is an application for 55-  
16 57 Spring Street, these buildings are on the north  
17 side of Spring Street, between Mulberry and Lafayette  
18 Street; they are in Area A of the Special Little  
19 Italy District.

20                   Area A allows a maximum of 60% lot  
21 coverage on interior lots. Area A1, which is  
22 immediately adjacent to the property on the east,  
23 allows full ground floor lot coverage for commercial  
24 uses.

2 This application would move the boundary  
3 of Area A1 50 ft to the west to cover 55 and 57  
4 Spring Street, which would allow the ground floor  
5 commercial uses to be extended to fully cover the  
6 property; this would be an enlargement of 1750 sq ft;  
7 the dimensions would be approximately 35 x 50 ft.

8 CHAIRPERSON RICHARDS: And is this for  
9 existing commercial or this would be brand new  
10 commercial?

11 DAN EGGERS: Our client is in the process  
12 of renegotiating leases with the existing tenants;  
13 it's unclear at this time whether the expansion would  
14 be used by the existing tenants or by new retail  
15 uses, but we expect that the retail uses would be --  
16 if they're new -- would be consistent with the type  
17 that's there now. And you see the rear yard.

18 The land use rationale is as follows:  
19 These are the only buildings on the block front that  
20 do not extend to their rear lot line, so the  
21 enlargement would be in context with surrounding  
22 building form and secondly, the uses in the buildings  
23 have been historically more in line with those of  
24 Area A1 than Area A. Area A has no requirement for  
25 ground floor commercial uses, while Area A1 requires

1 specific retail or restaurant uses listed in the  
2 Zoning Resolution on the ground floor. These  
3 buildings have traditionally had those uses; most  
4 recently a French bakery, a creperery, and a French  
5 cosmetics store, and now a Korean BBQ; these are  
6 specialty food stores, and when the Special Little  
7 Italy District was created in 1976, City Planning  
8 issued a study saying that the distinction between  
9 Area A and Area A1; that Area A1 had more "specialty"  
10 shops, and these have been specialty shops.

12 As I said, the buildings were purchased  
13 by our client just under two years ago; the Borough  
14 President and the City Planning Commission support  
15 the application; we tried to garner the support of  
16 the application from a local community group, the  
17 Bowery Alliance of Neighbors, and the Community  
18 Board. We met with the Bowery Alliance of Neighbors  
19 and had three hearings before the Community Board and  
20 the Land Use Committee and met twice with a  
21 Subcommittee of the Land Use Committee. We offered  
22 -- which would be memorialized in a restrictive  
23 declaration -- the following four community benefits:

24 1. The ground floor retail uses would not  
25 be combined into a single store.

1  
2           2. There would be no bar, including a  
3 wine bar and no application would be made for a hard  
4 liquor license.

5           3. The roof of the enlargement would be  
6 landscaped; the enlargement would be soundproof, and  
7 there would be a prohibition on nighttime and weekend  
8 construction of the enlargement.

9           4. The mechanical equipment that is now  
10 in the back yard would be relocated to the roof of  
11 the building, so it would be quieter.

12           Approving this application would prohibit  
13 the owner and all future owners from having a café in  
14 the rear yard because the rear yard would be  
15 enclosed; it would also, while allowing an additional  
16 1750 sq ft of retail use, would prohibit a single  
17 large retail establishment, such as a 6900 sq ft  
18 establishment that the buildings could currently have  
19 -- there's about 3100 sq ft on the ground floor and  
20 the cellar, which is now not used for retail space,  
21 is about 3800 sq ft -- but if the application is  
22 approved, there would be two or three smaller  
23 establishments as opposed to one large establishment.

24           As I mentioned, we've reached out to the  
25 tenants in the building and have their overwhelming

1 support; we also produced a Building Management Plan  
2 identifying specific measures to assure the health  
3 and safety of tenants in the course of construction.  
4 But the Community Board opposes and I believe there  
5 are three main reasons for their opposition.  
6

7 First, that this would be a benefit  
8 primarily to the developer and not the surrounding  
9 community. While my client would of course benefit -  
10 - they'll be able to charge more rent for the space -  
11 - I've outlined benefits that we have been offering  
12 to the community.

13 Second of all, a concern about the  
14 intensity of retail use in the area and that concern  
15 is well-founded, but as I mentioned before, there  
16 would be a prohibition of having a single large  
17 retail establishment; there would be smaller  
18 establishments, and the community also expressed  
19 concern regarding increasing pedestrian congestion,  
20 and our client has promised that in their leases they  
21 would impose a provision whereby the retail tenants  
22 would not be able to have a storm enclosure or other  
23 such impediment on the street that would obstruct the  
24 sidewalks.  
25

1                   And thirdly, there was a concern  
2  
3 expressed about setting precedent and that this would  
4 open the door to all sorts of myriad and sundry  
5 changes to the Special Little Italy District. And we  
6 performed a study of every single lot in Area A that  
7 borders Area A1, such as our site, and we tried to  
8 determine whether any other applicants could  
9 potentially make the same arguments that we're  
10 making; that all the other lots on the block front  
11 have their rear yards enclosed, for the most part,  
12 and that the uses in the buildings have been  
13 typically those found in Area A1 as opposed to Area A  
14 and we found no such buildings that could likely make  
15 that argument.

16                   So in summary, this application would  
17 provide benefits to residents of the buildings and  
18 the community; has a sound land use rationale, so I  
19 respectfully ask for your favorable consideration and  
20 I welcome any questions.

21                   CHAIRPERSON RICHARDS: Alrighty, I will  
22 go to Council Member Chin again. And can you just go  
23 through those benefits again, so you said this would  
24 provide benefits to the local community.. [crosstalk]

25                   DAN EGGERS: Yes.

2 CHAIRPERSON RICHARDS: So can you speak  
3 to those?

4 DAN EGGERS: So what we've offered to do,  
5 if this application is approved, would be to enter  
6 into a restrictive declaration that would prohibit  
7 the combination of the ground floor retail spaces  
8 into a single space, so there would either be two  
9 establishments or three but not one, so there would  
10 not be a large retail establishment. Second of all,  
11 there would not be a bar or a wine bar and there  
12 would be no application made for a hard liquor  
13 license. Third, the roof of the enlargement would be  
14 landscaped so it would provide an aesthetic benefit;  
15 it would be soundproofed and there'd be a prohibition  
16 on nighttime and weekend construction. And fourth,  
17 the mechanical equipment that is presently in the  
18 rear yard would be relocated to the roof of the  
19 buildings; not the roof of the enlargement, so that  
20 it would be quieter for the residents.

21 CHAIRPERSON RICHARDS: Council Member  
22 Chin.

23 COUNCIL MEMBER CHIN: Thank you, Chair.  
24 I think it's really important to hear from the  
25 tenants and residents in the neighborhood; this



2 building has a very long history of tenants, you  
3 know, getting harassed through construction, so I  
4 think it's important to hear directly from the  
5 residents. Thank you.

6                   CHAIRPERSON RICHARDS: Thank you.

7 Alrighty. Council Member Greenfield.

8                   COUNCIL MEMBER GREENFIELD: Thank you,  
9 sir. I'm just curious; you said before that there  
10 would be benefits to the residents of the building  
11 and the community; what you've stated so far seemed  
12 like concessions that would mitigate the impact of  
13 the additional square footage, but don't quite sound  
14 like benefits, so what exactly are those benefits  
15 that the community would benefit by having an  
16 additional 1,747 sq ft of retail space there?

17                  DAN EGGERS: Well I believe it's a benefit  
18 in that not that our client is proposing this, but  
19 that any future owner of the building would not be  
20 able to have an outdoor café, for instance, in the  
21 rear yard that could potentially cause a nuisance and  
22 enclosing the rear yard would make sure that  
23 something like that doesn't happen... [crosstalk]

24                  COUNCIL MEMBER GREENFIELD: But you've  
25 got... You've got that mechanical equipment over there;

2 doesn't seem like an ideal space for an outdoor café  
3 right now... [crosstalk]

4                   DAN EGGERS: Well no, but it could be  
5 moved to the roof. So what you're saying is a  
6 concession as opposed to a benefit, I would view that  
7 as a benefit; of course, the community is free to  
8 disagree and I believe that they do.

9                   COUNCIL MEMBER GREENFIELD: So just to be  
10 clear -- it's okay, I just want to understand what  
11 your testimony is -- the benefit is that... the only  
12 benefit is that the mechanics could be moved from the  
13 rear yard to the roof; that's the benefit.

14                  DAN EGGERS: Well there's another benefit.  
15 Right now there could be a restaurant on the ground  
16 floor, there could be a bar that does seek a hard  
17 liquor license, and my client... [crosstalk]

18                  COUNCIL MEMBER GREENFIELD: Well I'm sure  
19 the Council Member would oppose that as well; not to  
20 worry.

21                  DAN EGGERS: Well my client has offered  
22 that no application would be made.

23                  COUNCIL MEMBER GREENFIELD: Okay, so it's  
24 a -- just to be clear -- Counselor; yes?

25                  DAN EGGERS: Yes.

2 COUNCIL MEMBER GREENFIELD: Okay, just to  
3 be clear, Counselor, the benefit that you're offering  
4 is that things could get worse but they won't get  
5 worse if we do it; that's the benefit. I mean it's  
6 okay, I understand the way you're characterizing it,  
7 'cause generally, when one considers a benefit,  
8 that's generally not what we consider, right? I mean  
9 it sounds, honestly, more like a threat rather than a  
10 benefit.

11 DAN EGGERS: To be clear, there's no  
12 threat, but I do believe having a landscaped,  
13 soundproofed enlargement would be an improvement over  
14 this current rear yard.

15 COUNCIL MEMBER GREENFIELD: Right; I  
16 mean, I don't know that the neighbors would agree  
17 with you, but we're gonna hear from them in a moment.  
18 Thank you... [crosstalk]

19 DAN EGGERS: Understood. Thank you, sir.

20 CHAIRPERSON RICHARDS: Alright, thank you  
21 for your testimony. We're gonna now go to our first  
22 public panel -- Tobi Bergo... Berguan [sic], I believe,  
23 [background comment] Terri Cude, Erica Baptiste --  
24 Did I butcher your name? Sorry. Penny Jones as  
25 well. And Sergeant, we're gonna ask you to put two

2 minutes on the clock. [background comments] So I'm  
3 gonna go back -- Tobi, Community Board 2; Penny  
4 Jones, tenant; Erica Baptiste, Manhattan Borough  
5 President's Office; and Terri Cude, Community Board  
6 2. One is not here? Okay. We'll go to Peter  
7 Davies. Is Peter here? Peter? Alrighty, come on  
8 up. No, no, no, you're gonna go... they're gonna take  
9 it. Okay. You may start, to my left or to my right.  
10 [background comments] You may start.

11                   TERRI CUDE: Thank you. Good morning,  
12 Chair and Council Members. Thank you for the  
13 opportunity to speak. I'm Terri Cude, Chair of  
14 Community Board 2 Manhattan.

15                   We place high importance on this  
16 application to change the boundaries of Area A1 in  
17 SLID for 55-57 Spring Street. CB2 strongly opposes  
18 this application and had a unanimous vote to deny it;  
19 there is no land use justification for the requested  
20 change. Over multiple discussions and hearings, the  
21 applicant could not justify the addition of a  
22 structure over a required rear yard other than that  
23 it's allowed nearby but not in the section of the  
24 SLID in which they chose to purchase their building.

2                   Instead of any land use justification,  
3 the applicants offered to drop an eviction proceeding  
4 against a current rent-stabilized tenant family who  
5 the applicant claim live upstate, however, the  
6 children go to local public school. Dropping an  
7 aggressive eviction proceeding as a give-back to  
8 obtain a discretionary action seems highly improper.

9                   Similarly, CB2 members were upset to hear  
10 that many units have been taken out of rent  
11 regulation by questionable means; that the building  
12 does not have a Certificate of Occupancy; that rent-  
13 regulated units were destroyed or kept vacant to  
14 become part of the retail space; and that the current  
15 owners were making life difficult for current rent-  
16 regulated residents by construction effects.

17                   This cannot be rewarded with an enormous  
18 gift of 1,750 sq ft of additional retail space.  
19 Additional retail space is a highly profitable  
20 amenity. Granting this application would reward  
21 owners that purchased a building with a highly  
22 questionable record of taking units out of rent-  
23 regulated status and showing callous disregard for  
24 residential tenants. It would intensify retail units  
25 for enormous gain with no benefit at all to the

2 residents or the community. Granting this  
3 application would serve as a precedent to other  
4 applications, including one already in process now  
5 seeking [bell] a text change to change the  
6 subdistrict to the SLID at 2325 Cleveland Place. We  
7 do respectfully ask that you deny this application.  
8 Thank you.

9                   CHAIRPERSON RICHARDS: Thank you. Sir,  
10 you may begin.

11                   PETE DAVIES: Good afternoon. My name is  
12 Pete Davies; I am a longtime resident of Manhattan  
13 Council District 1 and a neighbor of Little Italy and  
14 I want to thank you for this opportunity to speak  
15 today so I can register my opposition to the proposed  
16 zoning text amendment. I support positions taken by  
17 Council Member Chin and Community Board 2; I have  
18 submitted written testimony with more details, but  
19 rather than read that, I'll simply outline my reasons  
20 that this should not be approved.

21                   Why should the Council deny this  
22 application?

23                   1. Setting a bad precedent for the SLID.  
24 As was noted, there is another application in the  
25

1  
2 block just to the south for another text amendment  
3 that would build in and cover up the rear yard.

4           2. Loss of affordable housing. To  
5 approve this application would disrupt the stability  
6 of tenants within this building and in the  
7 surrounding Little Italy neighborhood. As stated in  
8 the applicant's submission, the developer's plan is  
9 to demolish an existing ground floor dwelling unit  
10 and replace that apartment with retail space.

11 Preserving housing is more important than expanding  
12 retail.

13           3. Work without DOB permits. A review of  
14 the DOB job overview records for both 55 and 57  
15 Spring shows that a very limited number of building  
16 permits for work within the residential units have  
17 been obtained over the past many years. However,  
18 during that same period, numerous gut renovations  
19 have taken place throughout the buildings. How could  
20 that happen?

21           4. Insufficient DOB inspections of the  
22 properties. The timeframe when gut renovations work  
23 took place when protected dwelling units were de-  
24 regulated coincides with the period when Donald  
25 O'Connor served as the DOB Chief of Manhattan

2   Construction -- a position O'Connor lost in February  
3   2015 when he was arrested, along with many other DOB  
4   employees, all charged with fraud and bribery related  
5   to crooked [bell] inspections.

6                   CHAIRPERSON RICHARDS:   Thank you.   We'll  
7   go to the next.

8                   PENNY JONES:   My name is Penny Jones;  
9   I've been a rent-stabilized tenant in 55 Spring for  
10   37 years, since 1980.   I oppose this change in zoning  
11   because I oppose the construction plans of the  
12   owners.   The building is very fragile as it is; I've  
13   been there for many years and over the years, when  
14   gut rehabs were done, cracks have opened up in the  
15   hallways -- usually in my apartment -- continually  
16   we've had ceilings fall.   I feel if there is  
17   vibration in the back it will cause further damage to  
18   the building; any time there has been pile driving  
19   anywhere in the neighborhood, cracks open up as a  
20   constant.   Recently there was the giant asphalt-  
21   eating tractor working on Spring and the building  
22   shook the entire night while that was going up and  
23   down Spring Street.

24                   The two buildings are right next to the  
25   subway tunnel and both buildings are at about a 3-



1 degree slope; this is being covered cosmetically, but  
2 you can still see distortion in all the woodwork in  
3 the remaining unrehabbed apartments. If you go up on  
4 the roof and look straight down the back, you can see  
5 bowing in the back that suggests that the attachment  
6 of the back wall to the structure is not strong.  
7

8 I feel if they're allowed to do work in  
9 the back it could cause loss of the back wall; I  
10 think if they're allowed to move the stairway, which  
11 they want to in my building, they want to move the  
12 first floor stair; it could cause a collapse of the  
13 core.

14 If this job were done by property,  
15 careful union labor, it would not be done because it  
16 would be seen as an impossible project; all the work  
17 they've done has been with illegal crews and there  
18 have been considerable injuries to the day laborers  
19 and they have just been sent home to come back the  
20 next day. The work they have done is [bell] careless  
21 beyond belief, dirty, never cleaned, and sloppy to  
22 the point that I think if this were to go forward  
23 it's a danger to the community; it's not just a  
24 question of inconvenience or quality of life; I think  
25

2       this is dangerous to the point of causing a building  
3       collapse. Thank you.

4                   CHAIRPERSON RICHARDS: Thank you.

5                   ERICA BAPTISTE: Hi, I'm Erica Baptiste,  
6       Urban Planner for the Manhattan Borough President's  
7       Office to express our concerns with the application  
8       before you.

9                   This office originally submitted a  
10       recommendation for approval, dated February 21st, to  
11       the City Planning Commission as part of the ULURP  
12       process and testified in favor, citing a narrow land  
13       use lens and research into past violations by prior  
14       ownership. The approval was conditioned on an  
15       understanding that many of the concerns raised by the  
16       Community Board during their review period were based  
17       on actions of the previous buildings' owner.  
18       However, following the CPC hearing, our office  
19       received numerous calls and letters from the  
20       community stating existing unsafe construction  
21       activity on top of violations that remained  
22       uncorrected.

23                   In response to this, on March 16, 2017 we  
24       submitted a letter to the Department of Buildings  
25       regarding inaccurate filings with DOB and the impacts

1 on the safety and health of the residential tenants  
2 of the buildings including: a lead dust report  
3 indicating a concentration of lead exceeding  
4 acceptable standards on all floors of the building,  
5 no record of the demolition of the ground floor units  
6 to combine into the retail spaces, and no change in  
7 occupancy captured on permits issued by DOB when  
8 residential units were combined. DOB did send  
9 inspectors out and issued one violation due to a two-  
10 piece bathroom contrary to the most recent approved  
11 plans. Other underlying issues remain unresolved.  
12 Additionally, when the office met with the applicant  
13 team, we were told they would seek similar uses in  
14 their retail space. However, at the CPC hearing on  
15 February 22, 2017, the owner stated the intent to  
16 seek credit tenants.  
17

18 The intention of the SLID text change was  
19 to allow an existing tenant to grow and we believe we  
20 were misled as to land use intent and would not have  
21 signed off in favor of a text amendment that would  
22 facilitate additional construction impacts and  
23 potential for additional errors to long-suffering  
24 stabilized tenants. Therefore, we respectfully  
25

2   request the City Council Land Use Committee to  
3   consider disapproval of this application.

4                   CHAIRPERSON RICHARDS: Thank you.  
5   Council Member Chin. [background comment] You're  
6   fine? [bell] Okay. Alright, thank you so much for  
7   your testimony.

8                   We'll move on to the next panel -- Rachel  
9   Gristein, 237 Lafayette; David Mulkins... believe  
10   that's the Bowery Alliance of Neighbors; Jebah Baum,  
11   and David Mulkins. Alright, I'll say this again --  
12   David Mulkins, Lebah Baum, David Mul... oh... David; did  
13   you fill out twice? [laugh] Okay. [background  
14   comment] Alright, another two. [pause] Michele  
15   Campo; Laura Hoffman. Michele Campo; Laura Hoffman.  
16   Okay, we'll take another one. [pause] Elizabeth  
17   Hughes. Elizabeth Hughes. No. No. [pause]  
18   Douglas Davis. No. K. Webster. Alright, come on  
19   down. And just introduce yourselves once again.  
20   Once you light up your mic, introduce yourself and  
21   who you're representing today. You may begin, sir.  
22   And we have two minutes on the clock, Sergeant.

23                   DAVID MULKINS: Okay. Thank you. My  
24   name is David Mulkins; I'm the President of the  
25   Bowery Alliance of Neighbors.

2                   I urge City Council to vote against the  
3 variance sought by 55-57 Spring Street, a text  
4 amendment application that would alter the wording of  
5 the Special Little Italy District and overturn the  
6 zoning protections that preserve the character of  
7 this treasure, iconic New York City neighborhood,  
8 which includes large portions of Chinatown and the  
9 Bowery, as well as Little Italy. If approved, this  
10 text change would set a terrible precedent for two of  
11 the city's handful of internationally famous  
12 neighborhoods, areas whose warm, low-rise sense of  
13 historic place attracts visitors from around the  
14 world. Such changes would also escalate the  
15 displacement of small businesses and the harassment  
16 and displacement of local residents.

17                   The zoning protections of the Special  
18 Little Italy District were created to preserve its  
19 character and historic sense of place. Because this  
20 district brings tremendous revenue and throngs of  
21 tourists, keeping its character as a neighborhood is  
22 in the long-term best economic interests of the City.  
23 Little Italy is not just another neighborhood, it is  
24 unique and special. It is included in the National  
25 Register of Historic Places for a purpose. The

1 Special Little Italy District's zoning protections  
2 should be respected and kept intact for the health of  
3 its neighborhood residents, small businesses and the  
4 unique historical/cultural character it represents  
5 for the future of this great city.

7 Thank you.

8 CHAIRPERSON RICHARDS: Thank you. You  
9 may begin, sir.

10 JEBAH BAUM: My name is Jebah Baum; I'm a  
11 tenant at 57 Spring Street; I've been there since  
12 1989, rent-stabilized, and I can speak to the  
13 truthfulness of the comments of JBAM here. Within  
14 one month after them buying the building, they sent  
15 me an eviction notice; they had no way of... nothing to  
16 base that on whatsoever; both of my children were  
17 attending public schools at the time, my wife works  
18 here in the city, as do I part-time, and they have  
19 since then harassed me in many different ways, my  
20 whole family, by their construction practices in the  
21 building; we were forced to call the Health  
22 Department, which shut them down on multiple  
23 occasions for dust and fumes coming up from below;  
24 they vented the fans in the apartment below us into  
25 the rafters so that all of the fumes from the

1 bathroom; the kitchen come right directly into our  
2 apartment, and when I spoke to them about this, they  
3 asked me not to call 311 because it would affect  
4 their application. I was amazed at the public  
5 hearing at the Community Board when they offered  
6 verbally, publicly a quid pro quo, that if the Board  
7 would approve this that they would drop their case  
8 against me to their spurious lawsuit.  
9

10 I can also speak to the conditions in the  
11 buildings, having done maintenance there for a  
12 previous landlord 25 years ago, they're very old  
13 buildings, they've settled over time, and they would  
14 be extremely sensitive to the kind of construction  
15 that is being suggested.

16 So I'm very thankful to Margaret Chin's  
17 office and to the Community Board for not supporting  
18 this project. Thank you.

19 CHAIRPERSON RICHARDS: Thank you.

20 MICHELE CAMPO: Hello Council Members.  
21 My name is Michele Campo; I'm with the Bowery  
22 Alliance of Neighbors. I am reading a letter from  
23 Kent Barwick, who is the President Emeritus of the  
24 Municipal Arts Society.  
25

2                   I don't think there is any basis for re-  
3 writing the zoning to help a developer on Spring  
4 Street attract an out of scale tenant. As you know,  
5 Little Italy's merchants are under siege and  
6 eliminating the few protections of the zoning will  
7 exacerbate the sad situations we are seeing.  
8 Protecting the scale and texture of the neighborhood  
9 was the essential ingredient in the Special District.  
10 It should not be casually set aside. I hope you will  
11 vote to sustain the position taken by the Community  
12 Board. Thank you for your attention to this question  
13 from Kent Barwick.

14                  I would like to add to that a little bit.  
15 If this application is approved, window openings in  
16 the adjacent buildings will be covered. While these  
17 are property line windows, they have been in place  
18 for over 100 years and have been protected by the  
19 zoning that does not allow a rear yard obstruction.  
20 Residents of these buildings -- who had to leave --  
21 including the president of a co-op, attended the CB2  
22 hearings and spoke against the proposal. Thank you  
23 very much.

24                  CHAIRPERSON RICHARDS: Thank you so much.



2                   K WEBSTER: Hi, my name is K. Webster, a  
3 long-time resident of the neighborhood, since 1990.  
4 I concur with the host of reasons already expressed.  
5 I would like to actually talk about the loss of the  
6 small business, Cecil CALA, to Little Italy, the  
7 original bakery of long-time community members  
8 Laurent and Sandra Dual, who are friends and  
9 colleagues, which opened in 1992. The loss was the  
10 direct result of the refusal by the developers to  
11 renew their lease at 55 Spring Street. Clearly they  
12 have plans to make larger profits from this site.

13                   I want to speak to what happens when you  
14 remove a small business like this from a neighborhood  
15 for the profit of a real estate developer.

16                   These business owners were deeply  
17 committed to and embedded in this neighborhood as  
18 neighbors. As parents in the 90% low-income Chinese  
19 heritage and immigrant PS 130, they ensure that every  
20 school event had generous donations from their French  
21 bakery. They were founding parents of the former  
22 Thompson Street Playgroup whose parents took a  
23 derelict park building and transformed it into a  
24 local community parent co-operative nursery school  
25 paid for and run by parents -- with scholarships

2           generously given. They mentored our babysitter, a  
3           young working class Latina, from the neighborhood to  
4           learn French pastry making.

5                   For-profit development with its incessant  
6           just asking for a little bit more has consequences.  
7           It creates pressures that unravel threads of networks  
8           that were long in the making. It makes this place  
9           less the caring, connected and functional community  
10          it is. Those pressures (intended or not) threaten  
11          the pragmatic life of this neighborhood. Little  
12          Italy, not unlike was recently discovered regarding  
13          the Garment District, has a complexity in visible to  
14          the tourists.

15                   Where a profit-seeking developer sees a  
16          gold mine, we saw Owen, who would let you pay next  
17          week for copy work, a bodega where you could buy milk  
18          on credit, a boot repair that would work on that shoe  
19          [bell] in time for your big event.

20                   I'll just close by saying I really  
21          appreciate Council Member Chin; your consistent fight  
22          for affordable housing.

23                   CHAIRPERSON RICHARDS: Thank you all for  
24          your testimony today. Are there any other members of  
25          the public who wish to testify on this item? Okay,

1 seeing none... oh... Council Member Chin; you wanna close  
2 out? Okay.

3  
4 COUNCIL MEMBER CHIN: Yeah, I just wanted  
5 to thank the residents and the community members and  
6 Community Board for coming to testify today, and I  
7 think that at the City Council we have a  
8 responsibility to preserve our neighborhood and  
9 affordable housing and I really want to urge the  
10 Committee again to reject this proposal. Thank you.

11 CHAIRPERSON RICHARDS: Thank you Council  
12 Member Chin for your leadership. Alright; are there  
13 any other members of the public who wish to testify  
14 on this issue? Okay, seeing none, I will now close  
15 the public hearing on Land Use Item No. 653. And we  
16 are laying this item over until our next meeting.

17 With that being said, this meeting is  
18 adjourned; we will take a five-minute recess and then  
19 we will begin our next hearing.

20 [gavel]

21

22

23

24

25

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 28, 2017