

CITY COUNCIL  
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

SUBCOMMITTEE ON PLANNING,  
DISPOSITIONS & CONCESSIONS

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May 1, 2018  
Start: 2:08 p.m.  
Recess: 3:33 p.m.

HELD AT: 250 Broadway  
Committee Rm, 16th Fl.

B E F O R E: BEN KALLOS  
Chairperson

COUNCIL MEMBERS:  
Chaim M. Deutsch  
Ruben Diaz, Sr.  
Vanessa L. Gibson  
Andy L. King  
Carlina Rivera  
Rafael Salamanca, Jr.

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

Lacey Talbert  
Jeremy Hoffman  
James Flaba  
Nancy Solomon  
Seth Bynum  
Devon Nearing  
HPD

Nicki Despinachis [phonetic],  
Goldstein Hall

Fanalia Arcelli [phonetic]  
Coopers Square Community Land Trust

Stephen Robinson  
Bethany Baptist Church

Marguerita Pajaro  
CB-Emmanuel Realty

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2 SERGEANT-AT-ARMS: Test, test, today's  
3 date is May 1, 2018. This is the Subcommittee  
4 hearing on Planning, Dispositions & Concessions being  
5 recorded by Sergeant-at-arms Emril Lupus [phonetic].

6 CHAIRPERSON KALLOS: [gavel] Good  
7 afternoon and welcome to the Subcommittee on  
8 Planning, Dispositions & Concessions. I'm Council  
9 Member Ben Kallos, Chair of the Subcommittee. We are  
10 joined today by Council Member Ruben Diaz, Sr., Chaim  
11 Deutsch, Land Use Chair Salamanca and Carlina Rivera  
12 who has an item on the agenda. Today we'll be  
13 holding three public hearings and we'll be voting on  
14 four projects. The application we'll be voting on  
15 were subject to prior hearings, Land Use 66 which we  
16 heard previously will be laid over. We will vote to  
17 approve, we'll be voting on and may approve Land Use  
18 item 65, the 1490 Southern Boulevard application for  
19 property located in Chair Salamanca's district in the  
20 Bronx. HPD seeks approval for the designation of the  
21 Urban Development Action Area and approval of the  
22 Urban Development Action Area project UDAP, the  
23 project area is zoned R7-1 with a C-2-4 overlay. The  
24 approvals would facilitate the redevelopments of the  
25 site into a ten story mixed use building containing

3 approximately 114 affordable and dependable  
4 residences for seniors with a percentage set aside  
5 for formerly homeless and superintendent's unit. A  
6 non-profit would provide support services for seniors  
7 as well as onsite property management services.  
8 There would also be a ground floor community  
9 facilities space and a rear yard terrace for  
10 residents. Do we have a statement from Land Use  
11 Chair Salamanca?

12 LAND USE CHAIR SALAMANCA: Yes, thank you  
13 Chair Kallos, good afternoon. Thank you, Chair  
14 Kallos. We're voting on an exciting project with  
15 incredible potential in my district today 1490  
16 Southern Boulevard. The city is facing an affordable  
17 housing crisis in our race to build and preserve  
18 300,000 units. Each and every one of us Council  
19 Members should be doing our part in getting the city  
20 to this goal. To date I have approved more than  
21 4,000 brand new affordable units in my district.  
22 Today we'll be voting on another 114 affordable units  
23 paid with new services that help some of our most  
24 vulnerable populations, formerly homeless seniors.  
25 The 1490 Southern Boulevard project will bring 114  
100% affordable residence for seniors including a 30%

3 set aside for formerly homeless seniors, 20% more  
4 than the mandatory minimum. The remaining of the  
5 units will be available for up to 50% AMI. I would  
6 like to thank Type A Developers for their partnership  
7 on this project and bringing in key groups to offer  
8 much needed programs in my community. I'm excited  
9 that the Jewish Association Serving the Aging would  
10 provide onsite supporter services for my seniors and  
11 thrilled that the LGBT network will be opening a  
12 ground floor community center partnering with LGBTQ  
13 leaders and groups to ensure that the LGBTQ community  
14 in the Bronx can seek high quality services in their  
15 own borough and a big thank you to the Land Use team  
16 for all of their time and efforts on these projects  
17 and I urge my colleagues on this committee to please  
18 vote yes on this exciting project. Thank you.

18 CHAIRPERSON KALLOS: We'll also be voting  
19 on Land Use item 67, the Paul Robeson houses in  
20 Council Member Perkins' district in Manhattan. HPD  
21 seeks approval of partial Article XI tax exemption  
22 for a period of 40 years pursuant to Section 577 of  
23 the Private Housing Finance Law. Subject property  
24 includes two buildings totaling 81 units that are  
25 fully occupied in HDFC robbers [?][phonetic].

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3 Robeson apartments HDFC will acquire fee interest in  
4 the exemption area and a 1990 ACP junior, Adam  
5 Clayton Powell Jr. Boulevard, LLC will acquire the  
6 beneficial interest and will operate the exemption  
7 area. The HDFC will provide necessary repairs to  
8 building upon acquisition. This is supported with a  
9 letter by Council Member Perkins. We will be voting  
10 on Land Use item 69, the Archer Green tax exemption  
11 application for property located in Council Member  
12 Miller's district in Queens. HPD seeks approval of  
13 an Article XI tax exemption for a term of 40 years.  
14 Archer Green Apartments Housing Development Fund  
15 Corporation, HDFC would require the property in  
16 Archer Green Apartments, L.P. a limited liability  
17 partnership would be the owner and operator of the  
18 property. Collectively, these two organizations will  
19 acquire and construct the property with loans from  
20 HDC and HPD and with low income housing tax credits.  
21 The owner would enter into a regulatory agreement  
22 with HPD to establish controls on the operation of  
23 the property. Approval would facilitate a mixed use  
24 building with a residential tower above a base with a  
25 commercial and community facility use as the  
residential tower is expected to include 387

3 affordable units. The property is currently occupied  
4 by an existing two story parking garage utilized by  
5 the NYPD. A parking facility for the NYPD will be  
6 included in the proposed development. This item is  
7 supported by Council Member Miller. Last we'll be  
8 voting on Land Use item 64, the 1618 Fulton Street  
9 tax exemption application for property located in  
10 Council Member Cornegy's district in Brooklyn. HPD  
11 seeks an amendment to a previously approved Urban  
12 Development Action Area project and approval of an  
13 Article XI tax exemption for property located at  
14 1612, 1624 Fulton Street. The original 1618 Fulton  
15 Street application included designation, disposition  
16 and project approval of an Urban Development Action  
17 project in order to dispose of three small city owned  
18 lots to be merged with five privately lots to  
19 assemble a site for development of a 100% affordable  
20 housing project financed by HPD's M2 Term Sheet.  
21 This application was approved by the City Council in  
22 August 2017. This application seeks Council approval  
23 for a forty year Article XI tax exemption and  
24 amendment of the previously approved project to  
25 adjust the distribution of affordable units. The  
amended project will include rents affordable to

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3 families and the reduction is to 120% of AMI instead  
4 of a previously approved 130% of AMI. I will now  
5 call vote in accordance with the recommendation of  
6 the local Council Members to approve Land Use items  
7 64, 65, 67 and 69. Counsel, please call the roll.

8 COUNSEL: Kallos

9 CHAIRPERSON KALLOS: I on all.

10 COUNSEL: Deutsch

11 COUNCIL MEMBER DEUTSCH: So, can I  
12 explain my vote? Okay, so I will vote aye on all on  
13 all these votes and I just want to mention for the  
14 record that as Chair of the Veterans Committee and  
15 the New York City Council that I'm determined to  
16 continue fighting for our homeless veterans and any  
17 time that there is an HPD project or a senior housing  
18 project that there must be a set aside for homeless  
19 veterans and I will not give up until all 450+  
20 homeless veterans are in support of housing and I had  
21 conversations with the chair of Land Use. I will be  
22 working together with him on making sure that there  
23 are set asides for homeless veterans and if not for  
24 our veterans we probably wouldn't be here today and  
25 we owe everything to the veterans who protect us each  
and every day. Thank you.



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3 COUNSEL: Diaz

4 COUNCIL MEMBER DIAZ: Can I explain my  
5 vote?

6 CHAIRPERSON KALLOS: Of course.

7 COUNCIL MEMBER DIAZ: Thank you,  
8 Mr. Chair. I just want to submit that on myself I  
9 would like to congratulate my colleague for his  
10 effort in getting homeless veterans taken care of and  
11 at the same time I would like to congratulate my  
12 Chairman of the Land Use Committee, Rafael Salamanca  
13 because he's been doing a tremendous job. As the  
14 Chair of this Committee, he's been able to push for  
15 many projects throughout the city, especially in his  
16 district so I'm so proud of you, Rafael Salamanca.  
17 You are making us all proud and congratulations.  
18 Mr. Chair, I vote yes on all.

19 COUNSEL: The Land Use items are approved  
20 by a vote of 3 in the affirmative, 0 negative and no  
21 abstentions and referred to the full Land Use  
22 Committee for considerations.

23 CHAIRPERSON KALLOS: We'll now open a  
24 public hearing on Land Use item 71 the Two Buildings  
25 Tenants United HDFC application for a UDAP approvals  
and an Article XI tax exemption for property located

3 280 E. 3<sup>rd</sup> and 230 E. 4<sup>th</sup> Street in Council Member  
4 Carlina Rivera's district in Manhattan. The  
5 properties are 2 six-story multiple dwellings with 36  
6 rental units. All units are fully occupied and  
7 targeted to households at 60 to 80% of AMI.  
8 Currently, there is no exemption provided from real  
9 property taxation and significant tax arrears. To  
10 preserve the rental affordability and prevent tenant  
11 displacement while also addressing the retroactive  
12 tax burden, the current owners will transfer the deed  
13 to the city who will then free and clear of taxes  
14 convey the property to Two Buildings Tenants United  
15 Housing Development Fund Company and HDFC. Under the  
16 new regulatory agreement, the HDFC will preserve and  
17 rehabilitate such buildings and continue to provide  
18 affordable rent stabilized units. I'll now turn it  
19 to Council Member Carlina Rivera to make a statement.

20 COUNCIL MEMBER RIVERA: Thank you, thank  
21 you Chair Kallos and the Committee so thank you for  
22 the opportunity to speak in support of the  
23 application for UDAP approvals and the Article XI tax  
24 exemption for 280 E. 3<sup>rd</sup> Street and 230 E. 4<sup>th</sup> Street  
25 located in Council District 2. Since their  
renovation in the late 1980's through an HPD program,

3 these buildings have remained affordable housing  
4 options for 36 families. Unfortunately, due to  
5 construction over runs and certificate of occupancy  
6 issues, J51 tax exemption deadlines were missed early  
7 in the process resulting in a higher than expected  
8 tax burden accumulating over time. This financial  
9 burden is now at a level that modern income tenants  
10 could never afford to cover given ongoing maintenance  
11 and operating costs. Today we have an opportunity to  
12 allow these buildings to avoid a tax lien sale and  
13 remain affordable. Ownership would be transferred  
14 via the city as mentioned by Chairman Kallos from the  
15 current deed holder to Two Building Tenants United  
16 Housing Development Company, Inc., an entity  
17 established by the Coopers Square HDFC Community Land  
18 Trust. Coopers Square is one of the oldest community  
19 land trusts in the country with a strong reputation  
20 in my district and the City at large and it's become  
21 a model for type of ownership structure that is  
22 gaining steam in our city. Together with the  
23 ownership transfer under the Land Trust, the UDAP  
24 approvals, and the Article XI exemption before you  
25 will eliminate the extreme tax burden making the  
buildings operationally affordable for the tenants

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3 who were never at fault for the current state of  
4 affairs. With the guidance and expertise of Coopers  
5 Square, tenants on the board will be empowered to  
6 manage their building after hitting important  
7 benchmarks. Therefore, to preserve affordability and  
8 to put the destiny of 280 E. 3<sup>rd</sup> Street and 230 E. 4<sup>th</sup>  
9 Street in the hands of tenants and a trusted  
10 community partner, please approve this conveyance and  
11 tax exemption. I also want to thank HPD for their  
12 assistance and, of course, Coopers Square for your  
13 innovation, your pioneering history on the CLT  
14 movement and for everything you do for affordable  
15 housing tenants. Thank you. Thank you, Chair  
16 Kallos.

17 CHAIRPERSON KALLOS: We'll now reopen the  
18 roll on the items for vote.

19 COUNSEL: Gibson

20 COUNCIL MEMBER GIBSON: I vote aye.

21 COUNSEL: The Land Use items are approved  
22 by a vote of 4 in the affirmative, 0 negative and 0  
23 abstentions and are referred to the full Land Use  
24 Committee.

25 CHAIRPERSON KALLOS: I'd like to now call  
up Devon from HPD, James from HPD, Nancy and Lacey.

2 COUNSEL TO CHAIRPERSON KALLOS: They may  
3 not all come up because they didn't indicate which  
4 items which is their problem. They should know  
5 better than to leave it blank.

6 CHAIRPERSON KALLOS: Do we know who is  
7 testifying on Two Bridges from HPD specifically?

8 SOMEONE FROM HPD: Yeah, Devon's on the  
9 other project

10 CHAIRPERSON KALLOS: So whoever is  
11 testifying if you could sit down, state your name and  
12 we'll take your affirmations. We'll also call up  
13 Nicky as well as Valerio. Perfect.

14 COUNSEL: Could everyone on the panel  
15 please state your name and raise your right hand?  
16 Please state your names.

17 CHAIRPERSON KALLOS: Make sure your  
18 microphone is on please.

19 COUNSEL: Turn the mike on, speak into  
20 the mike. Do you swear or affirm that the testimony  
21 you are about to give will be the truth, the whole  
22 truth and nothing but the truth and that you will  
23 answer all questions truthfully?

24 PANEL: I affirm, yes, yes, yes.

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3 CHAIRPERSON KALLOS: If each person could  
4 just state your name for the stenographer.

5 PANEL: James Flaba, HPD; Lacey Talbert,  
6 HPD; Nancy Solomon, HPD; Nicki Despinachis  
7 [phonetic], Goldstein Hall; Fanalia Arcelli  
8 [phonetic], Coopers Square Community Land Trust.

9 CHAIRPERSON KALLOS: I'm going to turn  
10 the hearing over briefly to Council Member Rivera for  
11 the public testimony and then I will be right back.

12 COUNCIL MEMBER RIVERA: Begin whenever  
13 you are ready.

14 LACEY TALBERT: Okay, sorry about that.

15 COUNCIL MEMBER RIVERA: No, it's okay.  
16 You set? All right.

17 LACEY TALBERT: We're all ready now. All  
18 right, okay, Land Use item #71 consists of two fully  
19 occupied multiple dwellings located at 280 E. 3rd  
20 Street and 230 E. 4th Street known as Two Buildings  
21 Tenants United in Manhattan Council District 2.  
22 Thank you for being here Council Member Rivera. The  
23 city conveyed the disposition area in 1991 together  
24 with seven other properties to the People's Mutual  
25 Housing Association of the Lower East Side, Inc.  
which changed its corporate name in 1995 to the Lower

3 East Side People's Mutual Housing Association, the  
4 current owner for an affordable housing project  
5 developed under the Lower East Side cross subsidy  
6 program. The program was the product of an agreement  
7 between HPD and Manhattan Community Board 3 and was  
8 designed to maintain affordable housing which used a  
9 revolving fund that would subsidize the development  
10 of permanently affordable housing for low and middle  
11 income residents of the neighborhood rehabilitating  
12 vacant multifamily buildings owned by the city as  
13 well as constructing new multifamily buildings on the  
14 Lower East side. The buildings comprised 36 units  
15 with a mixture of unit types including four studios,  
16 7 one-bedrooms, 9 two-bedrooms, 12 three-bedrooms and  
17 3 four-bedroom apartments as well as a  
18 superintendent's unit. Household incomes are below  
19 80% of AMI. HPD provided mortgage financing for the  
20 rehabilitation of the two multiple dwellings in 1991  
21 and the current owner entered into a regulatory  
22 agreement with HPD to provide housing for persons of  
23 low income and the homeless for 99 years. The  
24 disposition area was expected to receive J51 tax  
25 exemptions but the exemptions never took effect due  
to delays in obtaining permanent certificates of

3 occupancy. As a result significant tax arrears have  
4 occurred on the two properties thus endangering the  
5 viability of the project. In order to eliminate the  
6 arrears, the current owner will deliver deeds in lieu  
7 of foreclosure for the properties to the city. In  
8 turn, the city will convey the properties to Two  
9 Buildings Tenants United Housing Development Fund  
10 Company, Inc. free and clear of taxes. The Two  
11 Buildings Tenants United HDFC will convey the  
12 exemption area but not the improvements, the  
13 buildings, to Coopers Square Housing Development Fund  
14 Company Community Land Trust, CLT. Two Buildings  
15 Tenants United will assume a portion of the city's  
16 1991 mortgage and together with the Coopers Square  
17 Housing Development Fund Company Community Land  
18 Trust, Inc. will enter into a new regulatory  
19 agreement establishing certain controls upon the  
20 operation of the disposition area. The buildings are  
21 in fair to good shape and will only need general  
22 maintenance upon transfer of ownership. In order to  
23 help preserve long term affordability of the low  
24 income rental units, HPD has before the Planning  
25 Subcommittee seeking approval of Article XI tax



3 benefits for a period of forty years that will  
4 coincide with the term of the regulatory agreement.

5 COUNCIL MEMBER RIVERA: Thank you. Is  
6 anyone else going to testify from your team?

7 LACEY TALBERT: Everybody is just here to  
8 answer questions.

9 COUNCIL MEMBER RIVERA: Okay, so I have a  
10 few questions. So what is the term of the regulatory  
11 agreement associated with the transaction?

12 LACEY TALBERT: It's 40 years. Can we  
13 get Nancy like a little closer to the mike.

14 COUNCIL MEMBER RIVERA: You answered the  
15 question, it's 40 years. Great, so and the net  
16 present value of the tax exemption for the project?

17 LACEY TALBERT: It's approximately 3.7.

18 COUNCIL MEMBER RIVERA: So will current  
19 tenants be able to stay, well you alluded to this in  
20 your testimony that it's the exemption and not the  
21 actual buildings themselves, but will the tenants be  
22 able to stay in their homes and will rents for the  
23 current tenants change?

24 LACEY TALBERT: Tenants will be able to  
25 stay in their homes and they'll be paying the same  
rent after the transfer of ownership. That's

3 required per the terms of the regulatory agreement  
4 which we'll finalize in the fall.

5 COUNCIL MEMBER RIVERA: And I know you  
6 alluded also to the AMI but what are the  
7 affordability restrictions of the vacant units and  
8 how were they determined

9 LACEY TALBERT: So the maximum rents  
10 would be affordable to households earning up to 80%  
11 AMI.

12 COUNCIL MEMBER RIVERA: And I mentioned  
13 this in my testimony but if you could talk a little  
14 bit about, give a very I guess brief history of the  
15 tax arrears and why they're so high.

16 LACEY TALBERT: So there were some  
17 construction delays that prevented the buildings from  
18 receiving their certificates of occupancy which then  
19 in turn prevented them from accessing the J51 tax  
20 abatements as I mentioned in the testimony so they  
21 got the CFO's in 2012. I think the folks in the back  
22 can speak a little more to that if you would like to.

23 COUNCIL MEMBER RIVERA: Oh yeah, and  
24 Mr. Arcelli if you don't mind going into a little bit  
25 about Coopers Square and your history managing some  
of the tenants and then the CLT project and how these

3 buildings will add to the model that you've created  
4 city wide.

5 FANALIA ARCELLI: Yeah, I'm gonna try to  
6 condense a long history in a few words.

7 COUNCIL MEMBER RIVERA: I know, that's  
8 why I'm telling you concise because I know the  
9 history's long and complex and beautiful.

10 FANALIA ARCELLI: Sure, Coopers Square  
11 Mutual Land Trust was formed about the same time that  
12 the Coopers Square Mutual Housing Association by a  
13 parent organization, the Coopers Square Committee,  
14 which is the oldest anti-displacement organization in  
15 New York City. This was after our alternate plan for  
16 Coopers Square was only partially adopted. There was  
17 lack of a federal funding. At our insistence we had  
18 requested that housing remain standing and occupied  
19 by low income people in the 70's and by homeless  
20 families in the 80's and now we were stuck with 21  
21 buildings that needed really to be torn down and  
22 built anew. There was no money for that so we had to  
23 put together a revised plan for Coopers Square that  
24 spoke about a renovation of the buildings and I'm not  
25 gonna go into what was offered as a quid pro quo so  
the city and new construction mixed income but

3 essentially the city agreed to our plan after a few  
4 years in negotiations and they asked us to decide  
5 what city plan should we adopt to renovate these  
6 buildings. In those days you had homesteading, you  
7 had community management, you had tilt program. We  
8 looked at them all and we found them all to be  
9 inadequate because the end result were gonna be what  
10 are paid in the full by the city or partly single  
11 building co-ops of 15 to 20 tenants of very low  
12 income that push come to shove, when a new roof is  
13 gonna be needed at the end of the useful life for a  
14 new boiler, the tenants could not have afforded so we  
15 basically developed two or three major concepts.  
16 One, we sought to create an economy to scale by  
17 bringing buildings together. In the case of Coopers  
18 Square MHA, 21 buildings. In the case of the two  
19 buildings, the two buildings together, smaller scale  
20 but we're hoping to increase at some future time.  
21 That helped to address the issue about keeping costs  
22 down by creating an economy to scale, the purchase of  
23 fuel, insurance, services at a discounted price. The  
24 other problem had to do with something very common in  
25 HDOC co-ops and that is the lack of real  
accountability. The call up board does not like to

3 raise the maintenance fees so they can't afford to  
4 pay for major repairs and they don't pay the taxes  
5 sometimes, not just real estate but water and sewer  
6 taxes. The building is not properly maintained so we  
7 created a new entity which is the Coopers Square  
8 Community Land Trust to serve as a steward over the  
9 affordable housing and that means that unlike other  
10 city programs which has sometimes very strict  
11 regulatory agreements, enforcement mortgages, deeds,  
12 which are pieces of paper okay. They have a certain  
13 value but there's no enforcement mechanism. A piece  
14 of paper does not enforce itself so we felt that we  
15 needed to do an innovative thing which is to separate  
16 ownership of the buildings from ownership of the  
17 land. Give the ownership of the buildings as we're  
18 doing today to the HDFC but retain ownership of the  
19 land and by virtue of owning the land, executing a  
20 ground lease between the HDFC and the Coopers Square  
21 Community Land Trust which gives the HDFC the power  
22 to monitor conditions in the buildings, to have not  
23 merely a piece of paper between the two buildings but  
24 actual representation of the Boards of the HDFC to  
25 help to govern and also help to direct them in the  
right directions putting together a renovation plan

3 when the time comes for that, trying to get better  
4 deals with insurance, whatever, and if they really  
5 fall afoul of the different agreements, the COT has  
6 the power to intervene and remove the Board, appoint  
7 new members on a temporary basis to bring them back  
8 into compliance that addresses the issues about  
9 governance. It addresses the issue of the  
10 responsibility of the Board and it serves as a  
11 failsafe. It also serves as a deterrent to  
12 speculation because if anyone tries to sell an  
13 apartment, they're not going to be able to provide  
14 the buyer with a clear title. By doing so some 24  
15 years after we were created, our buildings remain  
16 very affordable, in very good condition, managed by  
17 the Cooper Square MHA, owned by a co-op the Cooper  
18 Square Mutual Housing Association and we have  
19 exceeded our goals of our legal requirements that has  
20 to be affordable to families at 80% of AMI or below.  
21 Our internal goal in case some [Inaudible] like  
22 Donald Trump becomes the President and there's no  
23 more Section 8, our housing would remain affordable  
24 to families of 50% of AMI. Current affordability is  
25 between 26 and 36% of AMI so we believe we have a  
model which is now being copied around the city and

3 we hope to see it expanding and we have group  
4 information in all the five boroughs at the present  
5 time.

6 COUNCIL MEMBER RIVERA: Okay, thank you.  
7 Thank you so I this is an incredibly formed program.  
8 I want to thank HPD again. I want to thank Hugh  
9 Valen and Coopers Square for being here. I have no  
10 further questions at this time. I don't see any  
11 other Council Members here to ask questions so if you  
12 have any other further statements, we can move on to  
13 the next panel. Yeah, thank you so much. Thank you  
14 for all that you do.

15 COUNCIL MEMBER RIVERA: Are there any  
16 other members of the public that wish to speak on  
17 this land use item? Seeing none, I will now close  
18 the public hearing on this item. Thank you. So the  
19 next hearing will be on Land Use item 68, the Bethany  
20 Place application for a 40 year tax exemption  
21 pursuant to Article XI of the Private Housing Finance  
22 Law for property located at 301 W. 153<sup>rd</sup> Street, 2091  
23 Frederick Douglas Boulevard in Council Member  
24 Perkins' district in Manhattan. The subject property  
25 is an existing 23 unit building. The building which  
already receives a full tax exemption is fully

3 occupied and current tenant's income range from 70 to  
4 80% AMI. Vacant units will be income restricted  
5 including five units at 100% AMI and 18 units at 130%  
6 AMI. Extension of the term of the Article XI tax  
7 exemption is necessary in order to match the life of  
8 the first position loan from HDC. I now open up the  
9 public hearing on this item.

10 COUNSEL: Please state your names for the  
11 record.

12 PANEL: Lacey Talbert, HPD; Jeremy  
13 Hoffman, HPD.

14 COUNSEL: Do you swear or affirm that the  
15 testimony you are about to give will be the truth,  
16 the whole truth and nothing but the truth and that  
17 you will answer all questions truthfully?

18 PANEL: Yes, yes

19 LACEY TALBERT: Okay, Land Use item #68  
20 consists of a exemption area containing one multiple  
21 dwelling located at 301 West 143<sup>rd</sup> Street and one  
22 vacant lot located at 2091 Frederick Douglas  
23 Boulevard and is known as Bethany Place. Bethany Two  
24 Housing Development Fund Corporation is the owner and  
25 operates the exemption area which provides rental  
housing for low income families. On April 14, 2003,



3 Resolution 821, Want me to pause, I can, want me to  
4 hold. No problem.

5 [crosstalk]

6 LACEY TALBERT: Okay, on April 14, 2003,  
7 Resolution 821, the City Council approved the  
8 disposition of three contiguous vacant and gutted  
9 city owned tenements to the sponsor, Bethany Two  
10 Housing Development Fund Corporation. In 1996, the  
11 sponsor purchased the adjacent lot through a lien  
12 sale and together both lots make up the project area.  
13 The project was redeveloped under HGC's mixed income  
14 program which restricts incomes up to 130% AMI.  
15 There are 10 two-bedrooms and 13 three-bedroom  
16 apartments for a total of 23 units. In accordance  
17 with program guidelines and the HCC regulatory  
18 agreement, of the 23 units, five units are income  
19 restricted of 100% AMI and 18 units are income  
20 restricted at 130% AMI. Work on the building began  
21 in 2004 but delays in construction led to the  
22 eventual replacement of the general contractor as  
23 well as increased costs. In 2010, the City Council  
24 approved a 32 year Article XI tax exemption that took  
25 effect in 2012 with the closing on additional  
construction financing. Because of the construction

3 delays, the final certificate of occupancy was not  
4 issued until 2016. The project is now fully rented.  
5 Currently the sponsor is preparing for the  
6 construction load conversion to permanent financing.  
7 HDC has agreed to provide additional financing and to  
8 extend its first position loan terms to 35 years and  
9 its subordinate loans to 43 years, excuse me. Given  
10 HDC requires extension of the Article XI tax  
11 exemption for the life of its first position loan,  
12 the Article XI tax exemption provided in 2010 needs  
13 to be terminated and replaced by a new 40 year  
14 Article XI tax exemption coinciding with new  
15 regulatory agreements. Additionally the sponsor and  
16 HDC have agreed to extend the affordability  
17 restrictions for 43 years from 2018. For this reason  
18 the existing HDC regulatory agreement will be amended  
19 and restated to extend to 2061 which is beyond the  
20 extended term of the first position loan and the new  
21 Article XI exemption. The owner has financed the  
22 acquisition and rehabilitation of the exemption area  
23 with loans from the New York City Housing Development  
24 Corporation, the Department of Housing Preservation  
25 and Development and the Community Preservation  
Corporation and grants from the State of New York.

3 The owner and HPD will enter into a regulatory  
4 agreement establishing certain controls upon the  
5 operation of the exemption area. In order to ensure  
6 the continued affordability of the exemption area,  
7 HPD is before the Subcommittee seeking approval of a  
8 new Article XI tax exemption.

9 CHAIRPERSON KALLOS: Thank you. I want  
10 to thank my colleague, Council Member Rivera for  
11 taking over briefly during the Two Buildings meeting.  
12 What is the value of the Article XI tax exemption?

13 LACEY TALBERT: I'm sorry, I'm being  
14 corrected. I think I gave the address wrong. It's  
15 143<sup>rd</sup>, 153<sup>rd</sup>. I said 143<sup>rd</sup>. It's 153<sup>rd</sup>, I'm sorry,  
16 misspoke.

17 CHAIRPERSON KALLOS: That's okay. Thank  
18 you. What is the value of the tax exemption over the  
19 life of the exemption as well as however you may  
20 value it for this year?

21 LACEY TALBERT: I have the net present  
22 value of the tax exemption. Okay, the net present  
23 value is approximately \$2.1 million.

24 CHAIRPERSON KALLOS: Do you have the full  
25 cost over the life of the abatement?

3 JEREMY HOFFMAN: We'll have to get back  
4 to you, Council Member.

5 CHAIRPERSON KALLOS: Perfect, is it  
6 possible that it might be \$7.4 million?

7 JEREMY HOFFMAN: That is entirely  
8 possible. Was that provided to you previously?

9 CHAIRPERSON KALLOS: I believe so. Is  
10 this project receiving any additional subsidies?

11 JEREMY HOFFMAN: It's receiving a  
12 subsidized loan from HPD.

13 CHAIRPERSON KALLOS: Okay and what is the  
14 value of the subsidized loan?

15 JEREMY HOFFMAN: It's I believe a total  
16 of approximately \$2.4 million.

17 CHAIRPERSON KALLOS: And is that a no  
18 interest loan until the, a balloon date or what is  
19 the

20 JEREMY HOFFMAN: That is correct. It's  
21 a, well there's a interest rate on it but it will be  
22 payable, accrue to a balloon payment.

23 CHAIRPERSON KALLOS: And is there also  
24 HDC financing?

25 JEREMY HOFFMAN: Yes, HDC is providing  
the first mortgage financing and they're also

2 providing a subordinate subsidy loan that will have a  
3 balloon payment at maturity as well after 43 years.

4 CHAIRPERSON KALLOS: All right, how much  
5 is that?

6 JEREMY HOFFMAN: The balloon payment?

7 CHAIRPERSON KALLOS: The HDC first  
8 mortgage.

9 JEREMY HOFFMAN: The HDC first mortgage  
10 is approximately \$4 million.

11 CHAIRPERSON KALLOS: Is there any other  
12 HPD or HDC funding?

13 JEREMY HOFFMAN: The total funding is the  
14 HPD subsidy I already mentioned, the HDC first  
15 mortgage loan and the HDC subordinate loan of about,  
16 approximately \$500,000.

17 CHAIRPERSON KALLOS: How much?

18 JEREMY HOFFMAN: \$500,000 which is mainly  
19 accrued interest that's being turned into a note.

20 CHAIRPERSON KALLOS: So that's existing  
21 debt that's just being floated as a new, it's  
22 existing interest that is owed on the property.

23 JEREMY HOFFMAN: Construction interest,  
24 exactly.

3 CHAIRPERSON KALLOS: Sorry, give me one  
4 moment.

5 JEREMY HOFFMAN: And additionally there  
6 is a New York State grant of around, approximately  
7 \$1.4 million as well that went in at the beginning of  
8 the financing in 2004.

9 CHAIRPERSON KALLOS: Okay, give me one  
10 moment. That is a new one. And the grant was how  
11 much again, sorry?

12 JEREMY HOFFMAN: Approximately \$1.4  
13 million.

14 CHAIRPERSON KALLOS: Is there LIHTC on  
15 this?

16 JEREMY HOFFMAN: No there's not.

17 CHAIRPERSON KALLOS: Okay, so I guess the  
18 first piece as I'm getting to see more and more  
19 projects, I'm a systems person so different projects  
20 are in different situations but so based on your  
21 testimony, so construction starts in 2004 and then it  
22 isn't completed until 2016. Can you explain what  
23 caused the lengthy delay in this project, whether or  
24 not there are similar projects with existing delays  
25 and how HPD is avoiding this in the future?

3 JEREMY HOFFMAN: Sure, after construction  
4 commenced there were structural and façade components  
5 of the existing building that were found to be  
6 structurally unsound. There were also additional, as  
7 a result of that, materials that were needed, the  
8 general contractor filed for change orders but the  
9 cost increases became excessive and the contractor  
10 ultimately was removed. That contractor filed a  
11 mechanics lien that led to litigation which  
12 significantly delayed construction truly starting in  
13 earnest. The litigation lasted for some time after  
14 which when that was settled, a new GC was brought in  
15 and the plans were refiled with DOB. At that point,  
16 DOB founds that the plans were not [Inaudible] so  
17 there had to be additional changes to it. At that  
18 point, the project was redesigned, resubmitted to the  
19 Department of Buildings and construction began in  
20 2012 and construction completed in 2014. They got  
21 their TCL in that moment and they got final TCL in  
22 2016 so there were significant issues that were  
23 unexpected as part of the initial project that had to  
24 be resolved and there was litigation until ultimately  
25 the construction could truly commence and then it was  
about a two year process.

2 CHAIRPERSON KALLOS: Is there any current  
3 HPD site where the funding has been lined up and for  
4 whatever reason, construction has not started within  
5 365 days.

6 JEREMY HOFFMAN: Meaning anything that's  
7 been financed recently? I'm, like

8 CHAIRPERSON KALLOS: At all.

9 JEREMY HOFFMAN: There's another similar  
10 project on Emkley [phonetic] and Belt Boulevard that  
11 closed in 2006 and that also just completed  
12 construction. In terms of the preservation and  
13 projects that I'm aware of, those are the two that  
14 are in this position.

15 CHAIRPERSON KALLOS: There was a project  
16 that we heard about I'd say a couple of weeks ago  
17 where there were vacant, empty lots and in that case,  
18 it appeared that they were just empty lots but they  
19 were owned by somebody who was in the private sector.  
20 Are there any adjacent vacant lots through this  
21 development? What outreach have you taken if there  
22 are and why is it not part of this development and  
23 what is the story with any vacant lots?

24 JEREMY HOFFMAN: Yes, Council Member,  
25 there, as a part of this project there is a vacant



3 lot owned by the HGFC adjacent to these buildings  
4 that's about 25' wide so a little bit difficult to  
5 develop in and of itself. However, there's a  
6 additional adjacent lot that is owned by another  
7 party other than the church that they're in  
8 conversations with about joining, creating a joint  
9 partnership and to redevelop as affordable housing  
10 together. It is HPD's strong desire to support them  
11 in that effort and conversations are ongoing.

12 CHAIRPERSON KALLOS: The width of the lot  
13 is 25'. What is the depth of the lot?

14 JEREMY HOFFMAN: 100'

15 CHAIRPERSON KALLOS: 25 x 100 would be  
16 one of the larger lots in the city. I used to do a  
17 lot of work in Harlem in terms of brownstones and  
18 you've got buildings that are 12' wide so 25 is a  
19 double wide.

20 LACEY TALBERT: It's a standard New York  
21 City lot size but I mean, I think, you know, if we're  
22 able to access the lot next door as well, you know,  
23 we could do something even bigger and better so, you  
24 know, I think that would be ideal for us.

25 CHAIRPERSON KALLOS: So that is the  
reason it is not currently moving forward?

3 JEREMY HOFFMAN: I would have to get back  
4 to you on the specific reason that construction is  
5 not under way but my understanding from the gentleman  
6 from Bethany Church is that they're very interested  
7 in developing this site and in active conversations.

8 CHAIRPERSON KALLOS: Has HPD explored  
9 using eminent domain to take that site for affordable  
10 housing?

11 JEREMY HOFFMAN: We have not.

12 CHAIRPERSON KALLOS: Has HPD used eminent  
13 domain in the past four and a half years to build any  
14 affordable housing?

15 JEREMY HOFFMAN: I'm not aware.

16 LACEY TALBERT: I'm not aware but we can  
17 get back to you. I think, I mean

18 CHAIRPERSON KALLOS: I would love to sit  
19 down with the Commissioner and/or the Mayor to just

20 LACEY TALBERT: We've discussed this  
21 before. Yeah, maybe this is something that we can  
22 have a separate conversation about. I think for this  
23 project, you know, the project before you today is a  
24 preservation project. Having a conversation about  
25 new construction is something we also want to do but

3 we want to, you know, that would be a whole separate  
4 and completely different project than this one.

5 CHAIRPERSON KALLOS: Fair enough, it's  
6 just we're using, we're disposing of city land for a  
7 dollar to folks but it would be nice to acquire land  
8 for the city for whatever we're legally allowed to  
9 under eminent domain so we can build affordable  
10 housing. The income restrictions on this project are  
11 100% of AMI to 130% of AMI which are much higher than  
12 the current tenants at 70 to 80% of AMI. Can you  
13 explain the rationale behind these higher income  
14 restrictions?

15 JEREMY HOFFMAN: Yeah, the current rents  
16 are between 70 and 80% of AMI. I'm not personally  
17 aware of the exact incomes of the households that are  
18 living there today. The income restriction is at 100  
19 and 130% of AMI are consistent with the HDC program  
20 under which this was financed and as a part of this  
21 project, those restrictions are being extended out.  
22 I will note that the representatives from the church  
23 said that the units are being rented to people within  
24 the community that really need affordable housing and  
25 I believe that.

3 CHAIRPERSON KALLOS: And moving forward,  
4 if somebody is interested in these units do they go  
5 through HPD or do they go through the church?

6 JEREMY HOFFMAN: They go through the  
7 church.

8 LACEY TALBERT: They go, actually, these  
9 are, they go through HDC, right?

10 JEREMY HOFFMAN: It's not HDC that is  
11 renting the units. They are rented by the church.  
12 Right, they follow the HDC and HPD marketing  
13 guidelines for marketing of the units and filling  
14 them with tenants.

15 CHAIRPERSON KALLOS: Okay, we passed a  
16 local law that was originally Introduction 1015  
17 moving forward anything that's financed by the city  
18 or HPD is supposed to go through the city's housing  
19 portal so that we have it all in one place so I guess  
20 the question is whether or not it will be on Housing  
21 Connect or whether it will be on HDC's version or  
22 whether folks will have to call the church?

23 LACEY TALBERT: No, they don't call the  
24 church, yeah. It would be on HDC's. Right, the  
25 management company does the advertising for HGC.

3 CHAIRPERSON KALLOS: Okay, so if before  
4 the next hearing if HPD can get back in compliance  
5 with Introduction 1015.

6 LACEY TALBERT: Right, I mean I know  
7 we're working on that. I know we're working on that  
8 right now.

9 CHAIRPERSON KALLOS: Fair enough, in  
10 terms of this site, will there be any work done on  
11 this site?

12 JEREMY HOFFMAN: All the construction is  
13 already completed.

14 CHAIRPERSON KALLOS: Are there any open  
15 violations?

16 JEREMY HOFFMAN: No.

17 CHAIRPERSON KALLOS: The construction  
18 work that occurred, was it done by people who  
19 received health disability or pension benefits?

20 JEREMY HOFFMAN: I would have to get back  
21 to you on that, Council Member.

22 CHAIRPERSON KALLOS: The site as it's  
23 being currently operated, do the people operating  
24 this site have health disability or pension benefits?

25 JEREMY HOFFMAN: I would similarly have  
to get back to you on that, Council Member.

3 CHAIRPERSON KALLOS: Was there any  
4 participation by minority and women owned businesses  
5 in the construction of this project?

6 LACEY TALBERT: That was a contractor?  
7 The church says that the contractor is MWB.

8 CHAIRPERSON KALLOS: Was there a local  
9 hire requirement target and was that met?

10 JEREMY HOFFMAN: I believe that this  
11 project was constructed prior or we would have to get  
12 back to you on that, as well.

13 CHAIRPERSON KALLOS: Okay, let me call up  
14 Stephen Robinson, who is also signed up to testify  
15 from, sure, so if I can call up Stephen Robinson who  
16 signed up to testify who does not necessarily need to  
17 testify.

18 [Laughter]

19 CHAIRPERSON KALLOS: But some of the  
20 questions that HPD was not able to answer so I think  
21 just if you can state your name for the record.

22 STEPHEN ROBINSON: I'm Stephen Robinson  
23 from Bethany Baptist Church.

24 CHAIRPERSON KALLOS: Sure, so I guess if  
25 you can shed some light on, I think there is a lot of  
interest from the City Council and likely from your

3 Council Member, Bill Perkins to get this additional  
4 empty lot developed as part of this project or as  
5 part of a subsequent project. What can we do at the  
6 City Council, what can HPD do better, what can HDC do  
7 better to get you the financing to build with the  
8 25 x 100 that you have or support the negotiations  
9 with the private party.

10           STEPHEN ROBINSON: What's happening now,  
11 there are two lots side by side. Both of them are  
12 25 x 100. When we were looking at building with this  
13 project, it became non-feasible because of the fact  
14 that we would have to, in order to build at the same  
15 height of these buildings it would have required, the  
16 difficulty was that it wouldn't have been able to  
17 make the same height and the set back. It would  
18 require a set back and the 100', 30 of that in the  
19 back would have been 30' of that would have been  
20 taken away so it just made it impossible to work with  
21 it for this particular project. The fact that we  
22 have a second lot next to it that's 25 x 100 also  
23 would enable us to build a much taller structure to  
24 provide more housing for additional people so we're  
25 looking at that and we've been in negotiations with  
the owner. The owner was originally a gentleman

3 named Shock who had inherited the property from his  
4 father who, this took a long time to negotiate or  
5 figure with him so that it bypassed, we bypassed some  
6 to go ahead and get this project done with the hopes  
7 that we would be able to follow through with this  
8 project. We're quite interested in doing this  
9 building next to it, the present building and we'll  
10 certainly be speaking with the people at HPD to give  
11 us assistance in terms of making sure that we are  
12 able to go forth with that as well.

13 CHAIRPERSON KALLOS: Does HPD provide  
14 assistance with the acquisition for non-profits?

15 JEREMY HOFFMAN: As a part of the  
16 financing, we are, we would include acquisition in  
17 the relative element budget. Is that the question?

18 CHAIRPERSON KALLOS: So, we've got a  
19 existing partner on a existing project with an empty  
20 lot that was I believe originally part of the project  
21 that is now an out lot from the project and an empty  
22 lot nearby so I just want to make sure that, I  
23 haven't seen the books for this faith based  
24 institution or non-profit but generally folks having  
25 the closing costs necessary and what have you to, the  
closing costs and down payment and to purchase the



3 land can be difficult so is HPD committed to  
4 supporting them and working with them to get this  
5 piece of land acquired.

6 JEREMY HOFFMAN: Yes, absolutely. There,  
7 There's two things I'll answer in response to that.  
8 One is that we, a year and a half ago, came out with  
9 an owner's rep RFQ specifically for faith based  
10 organizations to get consulting and second provide  
11 assistance in terms of the process aspect of it and  
12 there also is the New York City Acquisition Loan Fund  
13 that a non-profit can get very, very favorable  
14 financing for that includes costs for acquisition and  
15 predevelopment and that would all be folded into the  
16 ultimate HPD financing for a new construction  
17 project.

18 CHAIRPERSON KALLOS: What additional  
19 funding might be available if the faith based  
20 institutions was interested in doing supportive  
21 housing onsite?

22 JEREMY HOFFMAN: I apologize, I don't  
23 work in supportive housing so I can't opine on that.  
24 I work

25 LACEY TALBERT: I think we would be able  
to access financing options that were specific to

3 supportive housing, to supportive housing loan  
4 program, etc. so we there, we would look at all  
5 different kinds of opportunities for a new site.

6 CHAIRPERSON KALLOS: And does your  
7 institution feel supportive by HPD and HDC to move  
8 forward on this additional site?

9 STEPHEN ROBINSON: Yes, we do and in fact  
10 not only that have the supportive ear of the  
11 assemblyman from the State that's in place now,  
12 Assemblyman Al Taylor who's taken the place of  
13 Assemblyman Farrell who I have always had a close  
14 relationship. In fact, that's grants were initiated  
15 that we received early on in the project from  
16 Councilman Farrell and we have that same relationship  
17 hopefully with Al Taylor.

18 CHAIRPERSON KALLOS: Denny is a good  
19 friend so I guess how long can I expect to have  
20 Bethany back with HPD on this, these two lots?

21 LACEY TALBERT: I don't think we can  
22 answer that right now but we'll keep you in the loop,  
23 of course.

24 CHAIRPERSON KALLOS: Weeks, months,  
25 years, terms, decades, generations?

2 LACEY TALBERT: I mean it really depends  
3 on the outcome of the negotiations with the owner of  
4 the adjacent property but, you know, we're gonna be  
5 engaged actively in these conversations and I know  
6 you'll continue to ask us and we'll continue to  
7 report back.

8 CHAIRPERSON KALLOS: And you'll call me  
9 if HPD or HDC is not

10 STEPHEN ROBINSON: Absolutely, I  
11 appreciate your support.

12 [Laughter]

13 CHAIRPERSON KALLOS: No worries, okay,  
14 and then I asked a couple of questions about how the  
15 project was developed and whether or not the workers  
16 who did the work building it or the workers who are  
17 now maintaining it, have health insurance, disability  
18 insurance and the ability to retire?

19 STEPHEN ROBINSON: Certainly, all of the  
20 people that now work for the project do have those  
21 benefits.

22 CHAIRPERSON KALLOS: Great.

23 STEPHEN ROBINSON: And they are very, we  
24 try to keep them because we are also a church in the  
25 community. We're religious based. We also try to

3 keep them happy. We're not trying to make money in  
4 the sense of walking away with, you know, a lot of  
5 money. We just want to make sure that we have  
6 affordable housing for our people that live in that  
7 community.

8 CHAIRPERSON KALLOS: And do you, can you  
9 share how many of the people who built the building  
10 or currently work in the new development or now at  
11 this point slightly older development but as it goes,  
12 were hired from the neighborhood and local community  
13 versus from other places?

14 STEPHEN ROBINSON: I don't have an exact  
15 number but I can tell you that during the  
16 construction and presently now there's a good  
17 percentage of people that have either lived in the  
18 community, a few of them actually that even from our  
19 congregation, that are able to secure positions  
20 there. We also have a 202 Senior Housing that is at  
21 an adjacent property to the two lots that are in  
22 between this and this 202 housing we very happy that  
23 we provided senior housing both to our church and to  
24 the neighborhood and it's, it's been really a beacon  
25 in our community that we are able to provide  
affordable housing. As you know, the community is

3 constantly changing and our only, my only grief about  
4 all this is that we weren't able to purchase and/or  
5 participate in more affordable housing early on.

6 CHAIRPERSON KALLOS: Great, and can you  
7 just reflect in terms of the people who are doing the  
8 work, the people who are currently doing the work,  
9 how many of the companies were owned and operated by  
10 minorities and women business enterprises and of the  
11 folks, how many folks actually ended up getting those  
12 jobs and just, were those jobs just minimum wage jobs  
13 or were they paid at a higher rate that was like  
14 other built projects in the neighborhood?

15 STEPHEN ROBINSON: I can tell you that, I  
16 don't have any good numbers today. I probably could  
17 give you those in a short time.

18 CHAIRPERSON KALLOS: Thank you.

19 STEPHEN ROBINSON: In terms of the  
20 numbers, but I can tell you that from knowing the  
21 people, the fact that they're small enough projects  
22 that I can tell you that, for example, the for our  
23 security often we use Lineal [phonetic] Center there  
24 in the community and those are kinda of what we call  
25 start-up jobs that they are able to work and go to  
school and, you know, further their education while

3 they're also providing a service for the community to  
4 provide them a springboard to get better jobs and  
5 continue their education. In terms of the seniors,  
6 we have a senior program that we use. Seniors also  
7 from, I'm trying to think of the name of the group,  
8 Easter Seals that come in and work during the day at  
9 the housing project and help to do the filing and get  
10 a little paperwork together for people that are  
11 applying for the position and then we have people  
12 that have been there a long time, other people that  
13 have worked on other projects of ours that have moved  
14 onto this project in which they have been let's just  
15 say very happy with what we've been able to do.

16 CHAIRPERSON KALLOS: Thank you very much.  
17 Please rest assured that a lot of the questions that  
18 I asked you today are things that I ask of everyone  
19 who comes before this Committee and for consistency  
20 sake, I thought it was important that I also ask you  
21 so I appreciate the great work that you are doing and  
22 I am eager to see more affordable housing built. If  
23 you're interested in supportive housing, I'm trying  
24 to build as much of it in my district as possible.  
25 Happy to work with you there too and thank you. Is  
there anyone else who wishes to testify on this item?

3 Seeing none, I will excuse this panel and close the  
4 hearing on this item.

5 JEREMY HOFFMAN: Thank you, Council  
6 Member.

7 CHAIRPERSON KALLOS: I will now open the  
8 public hearing on Land Use item 72 the CSH  
9 application for a 40 year tax exemption pursuant to  
10 Article XI for property located at 752 McDonough  
11 Street and 1638 Broadway in Council Member Ampry-  
12 Samuel's district in Brooklyn. These two buildings  
13 are part of a 32 building corporation for supportive  
14 housing portfolio that entered into a new regulatory  
15 agreement with HPD in 2015. The Article XI tax  
16 exemption for those two buildings will replace  
17 different type of tax exemption, a 420c that was  
18 erroneously applied. The exemption will last 35  
19 years from 2015 and be coterminous with a new  
20 regulatory agreement. I'd like to now ask the panel  
21 to turn on the microphones and state your names for  
22 the record and then I will ask the Committee counsel  
23 to give you the affirmation

24 PANEL: Lacey Talbert, HPD; Seth Bynum,  
25 HPD; Devon Nearing, HPD; Marguerita Pajaro  
[phonetic], CB-Emmanuel Realty.

3 COUNSEL: Do you each swear or affirm  
4 that the testimony you are about to give will be the  
5 truth, the whole truth and nothing but the truth and  
6 that you will answer all questions truthfully?

7 PANEL: Yes, yes, yes, yes.

8 LACEY TALBERT: You can scoot over?

9 Okay, sure. Land Use number 72 consists of an  
10 exemption area containing two fully-occupied  
11 buildings located at 752 McDonough Street and 1638  
12 Broadway in Brooklyn Council District 41 and is known  
13 as CSH Community Services Housing Development  
14 Corporation. The two buildings were originally  
15 conveyed to the owner in 1996 upon approval by the  
16 City Council to Mamie Wiggins, LP, under HPD's  
17 neighborhood redevelopment program. As part of a  
18 year 15 refinancing repositioning, Mamie Wiggins  
19 Limited Partnership buildings were consolidated and a  
20 portfolio of 33 buildings and four vacant lots and  
21 the closing occurred on December 30, 2015. At that  
22 time, the buildings in the portfolio were owned by  
23 five separate partnership entities, all of which were  
24 affiliates of CSH and are now under one ownership  
25 structure. A full 420c residential tax benefit was  
expected to run coterminous with the new financing



3 but it was discovered during the tax credit  
4 application process that two subject buildings did  
5 not receive tax credits as part of their prior  
6 financing and were not eligible to receive the 420c  
7 exemption. In order to ensure the continued  
8 financial sustainability and extended affordability  
9 of this project, HPD is seeking a full Article XI tax  
10 exemption for LU number 72 retroactive from 2015.  
11 The owner will enter into a regulatory agreement that  
12 will be coterminous with the 35 year Article XI tax  
13 exemption. That's it.

14 CHAIRPERSON KALLOS: Thank you, give me  
15 one moment. Windows is amazing and it resets on you  
16 and updates without permission so I'm just trying to  
17 pull up my items. Can you explain the ownership and  
18 management structure of the 32 building portfolio  
19 that these two buildings are a part of and how does  
20 CSH relate to CB-Emmanuel relative to the Livonia  
21 Avenue HDFC. Following the chain of sponsors,  
22 owners, partners and subsidiaries can be difficult  
23 for portfolios like this.

24 SETH BYNUM: I'll do this and you can hop  
25 in if you ever want so currently, currently the  
beneficial owner is CB CHS 2015 LLC. They are a

3 subsidiary of CB-Emmanuel Realty, the sponsor as well  
4 as Shinda Management Corporation. The LLC in  
5 question is currently entered with a nominee  
6 agreement with Livonia HDFC, Inc.

7 CHAIRPERSON KALLOS: This application  
8 requests an Article XI tax exemption for two  
9 properties of a 32 property portfolio the rest of  
10 which are receiving, sorry, is it 32 or 33 buildings?

11 SETH BYNUM: It's 33 buildings.

12 LACEY TALBERT: We clarified that and  
13 updated the project summary.

14 CHAIRPERSON KALLOS: Okay, great so this  
15 application requests an Article XI tax exemption for  
16 two properties of a 33 property portfolio the rest of  
17 which are receiving 420c tax exemption. Article XI  
18 and 420c are both full residential tax exemptions.  
19 Explain the difference between the two and when they  
20 are used and why the 420c could not apply here.

21 SETH BYNUM: So 420c tax exemptions, the  
22 rules are I think, there's three basic rules for why,  
23 how a 420c tax exemption can be given. One of them  
24 in this case which the two properties did not meet  
25 was that the building, the two buildings in question  
either formerly received tax credits or are are

3 trying to receive tax credits. The other 31  
4 buildings in the portfolio all received tax credits  
5 and initially in 1996 when, as what was said by my  
6 colleague here, the tax credits were awarded to the  
7 entire portfolio but in terms of at completion they  
8 realized that not all the tax credits were actually  
9 used on the building because it just wasn't any,  
10 costs for construction were a little bit lower than  
11 we thought so as it turns out, those two buildings  
12 currently in question we're trying to get an Article  
13 XI for, no tax credit funds were used on those  
14 buildings. Therefore, those buildings technically  
15 did not receive tax credit funds and therefore are  
16 not eligible for a 420c tax exemption.

17 CHAIRPERSON KALLOS: So in the testimony  
18 I noticed there are four vacant lots. Can you tell  
19 me a little bit about the four vacant lots?

20 SETH BYNUM: I'm gonna let my colleague  
21 here from CB-Emmanuel speak to that.

22 MARGUERITA PAJARO: Sure

23 CHAIRPERSON KALLOS: And so this is, so  
24 we have 37 lots in total?

25 SETH BYNUM: Yes.

3 MARGUERITA PAJARO: Hi, the vacant lots  
4 are behind a series of buildings on Eastern Parkway,  
5 I believe, and they're awkwardly shaped. They're not  
6 very amenable to new construction unless we purchase  
7 contiguous lots that are currently privately owned so  
8 because these lots were originally part of the  
9 original HPD mortgage, they were just rolled into the  
10 deal to not bifurcate them and it was just an issue  
11 of simplicity. We, they, we can build upon them if  
12 we do acquire private lots. We're not in a position  
13 right now to plan for that because we still haven't  
14 converted this deal and so that's a phase two down  
15 the road if, you know, if feasible.

16 CHAIRPERSON KALLOS: Back to HPD, the  
17 question being the second project you're coming to me  
18 with today with vacant lots on it. This is a project  
19 going back to 2015 so it's been three years under  
20 this very administration. Can we talk about the  
21 vacant lots and how we can get those built into  
22 affordable, supportive or housing that New Yorkers  
23 need?

24 LACEY TALBERT: And then again, I think,  
25 for us this is, getting this piece done is the

2 priority and we are happy to circle back with the  
3 team and talk about looking at that as a next step.

4 CHAIRPERSON KALLOS: So, how many  
5 separate blocks does this project relate to? So this  
6 is Block 1502 and Block 1499?

7 SETH BYNUM: That is correct.

8 LACEY TALBERT: Do we know the total  
9 number of blocks? I'm not sure we have that.

10 DEVON NEARING: We can get back to him.

11 LACEY TALBERT: Yeah.

12 CHAIRPERSON KALLOS: And so we, where are  
13 the vacant lots? Are they on Block 1499 or Block  
14 1502?

15 SETH BYNUM: I'm sorry, Council Member, I  
16 guess I misunderstood you. You're asking about the  
17 blocks for the vacant lots only right now?

18 LACEY TALBERT: The vacant lots are  
19 within the full portfolio, not necessarily on these  
20 two lots that are in question today.

21 CHAIRPERSON KALLOS: Are the four lots  
22 contiguous?

23 MARGUERITA PAJARO: Yes.

24 CHAIRPERSON KALLOS: You have to speak  
25 into the mike.

3 MARGUERITA PAJARO: I'm sorry, I have to  
4 confirm this. I believe three are and one is not.

5 CHAIRPERSON KALLOS: Okay, so the three  
6 contiguous lots, do you know what the addresses would  
7 be or where they are? I'm looking at the blocks in  
8 question on Google maps and they all seem to be  
9 fairly developed and I'm not seeing regular lots.

10 MARGUERITA PAJARO: If you look at 1484  
11 Eastern Parkway, they're the lots behind that and one  
12 of them is awkwardly shaped almost like a triangle  
13 and then the rest are narrow rectangular lots.

14 CHAIRPERSON KALLOS: Give me one moment.  
15 Thank you, that was helpful. I'm just, the future is  
16 amazing in the fact that you can just pull things up  
17 and get a view of what they look like so currently  
18 one, okay, so it's the lots next to, it's between  
19 Eastern Parkway, Hardway, Howard Avenue and Lincoln  
20 Place. That block?

21 MARGUERITA PAJARO: Yeah, that sounds  
22 right.

23 CHAIRPERSON KALLOS: And so you have an  
24 empty lot between two buildings?

25 MARGUERITA PAJARO: Right.

3 CHAIRPERSON KALLOS: And then you have a  
4 wraparound that appears to be used for parking.

5 MARGUERITA PAJARO: Right.

6 CHAIRPERSON KALLOS: But I imagine that  
7 you can't really build something necessarily, oh wow,  
8 somebody built something there. Okay, so you're  
9 just, it seems that the lot type that you're dealing  
10 with in this neighborhood is being used for like  
11 single family, two story buildings?

12 MARGUERITA PAJARO: Yes, but also higher.  
13 Three stories and above also is the housing typology  
14 in the area.

15 CHAIRPERSON KALLOS: Got it.

16 MARGUERITA PAJARO: It's, it's mixed but  
17 I'm not sure what you're looking at but what you  
18 describe appears to be correct and as far as what is  
19 the existing condition there, the lots and like I  
20 said, without acquisition of a lot behind those lots,  
21 it's really hard to build and it's kind of an  
22 alleyway from my recollection.

23 CHAIRPERSON KALLOS: It looks like you  
24 should be, it looks like the lot is 20 x about, it  
25 looks like a 20 x 100 lot. I don't have the zoning  
maps pulled up for me but I guess one question is

3 while we're doing the other development, while you  
4 have these vacant lots, would you be interesting in  
5 partnering with the local neighborhood association?  
6 One I know of is 465 Acres or something to actually  
7 activate the space into something the community can  
8 use for planting and gardening or just, not just  
9 leaving a vacant lot there but actually activating it  
10 as a community space while you're working to develop  
11 it even if it's with an understanding with folks that  
12 this is a four or five year term and after that,  
13 there will be affordable housing there.

14 MARGUERITA PAJARO: We're open to, we're  
15 open to having those conversations about community  
16 benefits on the vacant land to the extent that there  
17 isn't a longer term agenda to acquire other lots that  
18 can make those lots buildable so to the extent that

19 CHAIRPERSON KALLOS: So you don't own the  
20 adjacent buildings, you just,

21 MARGUERITA PAJARO: No we

22 CHAIRPERSON KALLOS: Got it. The, on one  
23 side

24 MARGUERITA PAJARO: We own 1474 so that's  
25 1474-1484, that's part of this 33 building portfolio.



3 CHAIRPERSON KALLOS: Right, but that is  
4 a, that's a six story building with a lot of units  
5 and I doubt you're gonna raise that building.

6 MARGUERITA PAJARO: No, no, no, no.

7 CHAIRPERSON KALLOS: So your goal would  
8 be to expand further, so there's basically a handful  
9 of, there's three buildings between those, your  
10 building and the corner and your goal would be to  
11 build something larger. Are those buildings being  
12 actually activated and used? Are they vacant? What  
13 are they being used for?

14 MARGUERITA PAJARO: I believe they are  
15 being used for residential housing.

16 CHAIRPERSON KALLOS: One of them is an  
17 appliance store. The other one is it looks like  
18 single family, or so you have 1 two-story building  
19 and you have a second three-story building and then  
20 on the vacant lot that you have, according to Google,  
21 there's a For Sale sign on it.

22 LACEY TALBERT: I mean, Council Member,  
23 we can, we can have a separate meeting about this if  
24 you like. I mean I think the idea today is to make  
25 sure that these two buildings in the portfolio get  
their tax exemption and, you know, I think we're all

3 open to exploring the possibility for facilitating  
4 future development but, you know, maybe not have all  
5 of the details for that conversation for

6 CHAIRPERSON KALLOS: Sure.

7 LACEY TALBERT: In the scope of this  
8 hearing today.

9 CHAIRPERSON KALLOS: I, has HPD reached  
10 out to you about developing the additional four lots?

11 MARGUERITA PAJARO: No, we have not had a  
12 conversation about that because the priority is to  
13 convert this large portfolio which we're in the  
14 process of doing now.

15 CHAIRPERSON KALLOS: Okay, between now  
16 and the next hearing would you be open to just  
17 talking with HPD on, whether you're selling your land  
18 in order to support the existing portfolio or what  
19 have you, just having an idea of what we're gonna do  
20 with the additional four lots and how quickly we can  
21 get them developed?

22 MARGUERITA PAJARO: Absolutely and just  
23 for the record, that For Sale sign is not ours. I  
24 don't know what, what you're looking at but we would  
25 need permission from HPD to carve out the lots to

3 sell them in support of debt service for this deal so  
4 that is not our for sale sign.

5 CHAIRPERSON KALLOS: Okay, that is  
6 helpful so give me one moment. I just want to get  
7 through the regular featured questions. What type,  
8 what is the value on the tax abatement over the  
9 course of the abatement as well as today?

10 SETH BYNUM: So the cumulative tax,  
11 excuse me, the cumulative tax benefit is  
12 approximately \$924,985 and the net present value of  
13 the exemption benefits is \$31,000, I'm sorry,  
14 \$301,381.

15 CHAIRPERSON KALLOS: I'm sorry, give me  
16 one moment and in terms of it, is there any  
17 additional HPD subsidy beyond the Article XI already  
18 in the project?

19 SETH BYNUM: Yes there is. There is an  
20 HPD capital loan that is about \$6,000 per dwelling  
21 unit which is well below the max, the term limit, the  
22 max term limit which is \$20,000 per du which is what  
23 we are willing to give as a maximum.

24 CHAIRPERSON KALLOS: So how many dwelling  
25 units?

1 SUBCOMMITTEE ON PLANNING, DISPOSITIONS &  
2 CONCESSIONS

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3 SETH BYNUM: 259 units total in the, I'm  
4 sorry, I'm sorry, 359 units total in the greater  
5 portfolio.

6 CHAIRPERSON KALLOS: So \$2.154 million?

7 SETH BYNUM: I think, yeah, I think it's  
8 about \$2., yes, or yeah just about

9 CHAIRPERSON KALLOS: Okay, is there any  
10 HTC subsidy on this project?

11 SETH BYNUM: No there is not.

12 CHAIRPERSON KALLOS: All right, is there  
13 any State subsidy on this project?

14 SETH BYNUM: Okay, there is some sort of  
15 State funds on the project but it's outside of the  
16 scope of the project. It's the buildings in question  
17 received some sort of funds for weatherization to  
18 further better weatherize the buildings but for this  
19 deal in particular, there are no State funds.

20 CHAIRPERSON KALLOS: We're gonna pause on  
21 questioning for one moment to open the roll.

22 COUNSEL: Continued vote on Land Use 64,  
23 65, 67 and 69, Council Member King.

24 COUNCIL MEMBER KING: I vote aye.  
25

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2 CONCESSIONS

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3 COUNSEL: The final vote is 5 in the  
4 affirmative, 0 negative and 0 abstentions and the  
5 items are referred to the full Land Use Committee.

6 CHAIRPERSON KALLOS: Any federal  
7 subsidies?

8 SETH BYNUM: No there is not.

9 CHAIRPERSON KALLOS: Any long income tax  
10 credits?

11 SETH BYNUM: No there is not.

12 CHAIRPERSON KALLOS: Great, okay. In  
13 terms of the construction, this was all finished in  
14 2015 or when did the, when did these build?

15 SETH BYNUM: The loan closing, so  
16 financing closed in 2015. The construction is  
17 actually still ongoing. It's, we hope to convert it  
18 soon.

19 CHAIRPERSON KALLOS: Okay, so you're  
20 taking, your part, you're basically focused on  
21 existing buildings and then rehabilitating them and  
22 then turning them into affordable?

23 MARGUERITA PAJARO: Extending their  
24 affordability so these were already affordable and we  
25 entered into a 32 year regulatory agreement that  
consolidated all five because this 33 building

3 portfolio originally was broken up amongst five  
4 different limited partnerships and HDFC's so we  
5 consolidated everything and we entered into a new 32  
6 year regulatory agreement with HPD. I don't know,  
7 was that the question?

8 CHAIRPERSON KALLOS: How many units are  
9 currently occupied and how many are vacant?

10 MARGUERITA PAJARO: Portfolio wide or the  
11 two buildings that we're talking about?

12 CHAIRPERSON KALLOS: I believe I can only  
13 ask you about the two buildings.

14 MARGUERITA PAJARO: I think they're 100%  
15 occupied. There's very little turnover in this deal.

16 CHAIRPERSON KALLOS: And what is the,  
17 what are the AMI's of the existing tenants and when  
18 they vacate, what will be the new AMI's and I have a  
19 note here about a set aside for homeless? Is that  
20 for the existing tenants or for your future tenants?

21 SETH BYNUM: So your first question is  
22 what is the existing rents. As of right now out of  
23 the eight total units in the two buildings, there's  
24 one unit at 40% or less than AMI. There's one unit  
25 between 40 and, I'm sorry, six units between 50 and  
40% AMI and there's one unit between 60 and 50% of

3 AMI. Your second question was about the  
4 affordability for the entire project oh was it the  
5 homeless set aside?

6 CHAIRPERSON KALLOS: So we now know what  
7 the current incomes are if those people vacate. What  
8 will the new incomes be?

9 SETH BYNUM: So we actually currently  
10 don't have the information for what those specific  
11 AMI's will be for those eight units. We only have  
12 what the goal is, the AMI targets are for the full  
13 359 units and the 33 buildings.

14 CHAIRPERSON KALLOS: I believe you just  
15 opened the door to the entire portfolio so, however  
16 you wish to proceed. We do need to know whether, do  
17 you know, does the developer know if they are  
18 intending to maintain the affordability at the  
19 current rates?

20 MARGUERITA PAJARO: Yes, I do. I would  
21 like to review the regulatory agreement because as  
22 Seth said we don't have the carve out for these two  
23 buildings but overall the majority of the units are  
24 going to families at 60% and below. There is a  
25 higher tier. That is not the majority of the units  
though I don't have those figures in front of me.

2 Fifty of the units go to, sorry, 50 of the units for  
3 tenants at or below 50% AMI, 259 of the units to  
4 tenants at or below 60% of AMI and 50% of the units  
5 going to tenants at or below 165 of AMI.

6 CHAIRPERSON KALLOS: So 1/6<sup>th</sup> are going to  
7 people at 165% of AMI?

8 MARGUERITA PAJARO: If that's the ratio,  
9 yeah. I don't have a calculator.

10 DEVON NEARING: Sorry, what was your  
11 question?

12 MARGUERITA PAJARO: Fifty units of the  
13 359, whatever that ratio is.

14 LACEY TALBERT: Is it the rents or is the  
15 marketing, do we know?

16 DEVON NEARING: Those are the income

17 MARGUERITA PAJARO: Those are the income  
18 bands, those are the income bands. However, these  
19 are rent stabilized units that are registered with  
20 the State so we register annually with the State and  
21 don't take. We haven't been able to take a lot of  
22 vacancies.

23 CHAIRPERSON KALLOS: So for HPD, what is  
24 the interaction between, so if any of these 50 units  
25 fell into this 8 units that we're talking about, is



3 it, is it possible that people would have to be at  
4 165% of AMI in order to qualify for these units?

5 LACEY TALBERT: As she just mentioned,  
6 these are subject to rent stabilization as well so.

7 CHAIRPERSON KALLOS: Is there an income,  
8 does the income restriction apply to any of the  
9 units? I'm not talking about the rent rate. I'm  
10 talking about the income restriction just to get into  
11 the unit.

12 MARGUERITA PAJARO: No.

13 LACEY TALBERT: Well all of the units are  
14 occupied right now and subject to rent stabilization  
15 so that's another level.

16 CHAIRPERSON KALLOS: If we can get more  
17 clarity on this and whether or not these eight units  
18 are part of this and what we are looking at in terms  
19 of 165% of AMI, I don't know if. How much income is  
20 that per single person?

21 MARGUERITA PAJARO: We don't have that  
22 number, I apologize.

23 CHAIRPERSON KALLOS: Is it somewhere  
24 around \$120,000 or higher?

25 LACEY TALBERT: I only have 2017 AMI's  
with me right now.

3 CHAIRPERSON KALLOS: The 2017 AMI's, 165  
4 isn't even on there.

5 LACEY TALBERT: That's right. 165 is not  
6 on this card. We'll, we'll get you more information  
7 about the full regulatory agreement and what it means  
8 for these buildings.

9 CHAIRPERSON KALLOS: In terms of these  
10 two buildings or the whole portfolio, what kinds of  
11 violations are we seeing in this?

12 SETH BYNUM: I do not have, we do not  
13 have the violations for the full portfolio but we do  
14 have the violations for the buildings in question.  
15 Currently they have two C violations, 0 A violations  
16 and 0 B violations.

17 CHAIRPERSON KALLOS: And what are the  
18 nature of the C violations?

19 SETH BYNUM: I do not know at this very  
20 second but we can follow up.

21 CHAIRPERSON KALLOS: Great and that's,  
22 HPD issues the number of violations. Two violations  
23 seems to be a low number. How much is it going to  
24 cost to do the rehabilitation on this with such a  
25 low, what may be a low violation count?

3           SETH BYNUM: I'm afraid that may actually  
4 depend on the actual violation in question so  
5 hopefully we'll be able to follow up after.

6           CHAIRPERSON KALLOS: So okay, what, just  
7 for the developer, what kind of rehabilitation will  
8 we be doing with these locations?

9           MARGUERITA PAJARO: The scope of work for  
10 all the buildings in the cluster was mostly envelope  
11 work so building systems, boilers, water heaters,  
12 roofs and façade work. The property manager has  
13 maintained them in very good shape and so with HPD  
14 builds walk through and HPD programs observation of  
15 the unit conditions, that's why we were able to keep  
16 the HPD subsidies so low and didn't, didn't go up to  
17 the 20%, uh \$20,000 per du per the term sheet for the  
18 program. We put in about 1.5 of our own equity and  
19 we also have a senior private loan on this deal so  
20 the scope of work was mostly envelope work, not so  
21 much unit work.

22           CHAIRPERSON KALLOS: Okay, and so some of  
23 the work is done, some of it is ongoing?

24           MARGUERITA PAJARO: Overall the project  
25 is at above 90% of completion.

3 CHAIRPERSON KALLOS: Okay, in terms of  
4 the work that was being done, in terms of  
5 rehabilitation, do the people who did the work have  
6 health, disability or pension benefits?

7 MARGUERITA PAJARO: We subcontract, the  
8 GC subcontracts that out so I can't speak to what the  
9 vendors provide for their workers.

10 CHAIRPERSON KALLOS: Are there any  
11 building service workers or other people who help  
12 maintain and operate the facilities and do those  
13 people have health, disability or pension benefits?

14 MARGUERITA PAJARO: Yes, we have supers  
15 and porters there. They are part of the 621 Union  
16 and they work for the management company and I can  
17 give you more detail on the benefits package for  
18 those.

19 CHAIRPERSON KALLOS: Yes, please, and the  
20 who are operating, are they getting paid a minimum  
21 wage or are they being paid a wage that is  
22 competitive with other buildings in the area?

23 MARGUERITA PAJARO: The site staff is  
24 paid, the maintenance staff is paid per the union  
25 schedule and the property management staff is paid  
competitive salaries.

3 CHAIRPERSON KALLOS: In terms of the  
4 existing work, the remaining work, were any minority  
5 and women business enterprises used?

6 MARGUERITA PAJARO: Well, CB-Emmanuel  
7 itself, the sponsor, we are minority certified  
8 through small business services and through the State  
9 of New York. We're seeking Port Authority right now  
10 so we're the sponsor so.

11 CHAIRPERSON KALLOS: In terms of the  
12 contractor, the GC, the subs, the architects, the  
13 consultants?

14 MARGUERITA PAJARO: The architect is a  
15 minority owned business as well. As far as the  
16 general contract, I would follow up and ask those  
17 questions. I'm not sure at this time.

18 CHAIRPERSON KALLOS: We any folks hired  
19 from the local community or is there contemplation to  
20 hire from the local community?

21 MARGUERITA PAJARO: That's a question for  
22 the general contractor. As far as who was used as  
23 far as the labor for the construction, I can't speak  
24 to that but as far as building staff and property  
25 management staff, they're all from the immediate  
neighborhood and Brooklyn in general.

3 CHAIRPERSON KALLOS: Thank you. I look  
4 forward to getting the remainder of the questions  
5 answered and it seems that we have two questions that  
6 may be right for oversight in this Committee, one  
7 about just projects with vacant lots and the second  
8 just in that same scope, vacant lots adjacent to  
9 projects and the use of eminent domain so it also  
10 seems like in a different project that we had before  
11 us, we had a vacant lot and then adjacent to it  
12 another vacant lot that we could have used eminent  
13 domain to move a little bit quicker on so I want to  
14 ask if there's anyone to testify on this project?  
15 Any other members of the public? Seeing none, I will  
16 close this hearing and excuse this panel. All the  
17 items we held hearings on today as well as Land Use  
18 item 66 will be laid over. I'd like to thank  
19 Committee Counsel, Julia Luben [phonetic] and the  
20 Land Use staff for preparing today's hearing and the  
21 members of the public and my colleagues for  
22 attending. This meeting is hereby adjourned [gavel].  
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 May 31, 2018