

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

SUBCOMMITTEE ON PLANNING,
DISPOSITIONS AND CONCESSIONS

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DECEMBER 10, 2015
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HELD AT: COMMITTEE ROOM - CITY HALL

B E F O R E: ANDREW COHEN
CHAIRPERSON

COUNCIL MEMBERS:

YDANIS RODRIGUEZ
MARK TREYGER

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

Steven Levin
Council Member

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2 CONCESSIONS

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2 CHAIR COHEN: Good afternoon, I'm Andy
3 Cohen, acting Chair of the Subcommittee on Planning,
4 Dispositions and Concessions filling in for Chair
5 Inez Dickens. We are joined today by Council
6 Members, Reynoso, Reynoso, Garodnick, Rodriguez,
7 Levin, Treyger and our Chair Council Member
8 Greenfield. We will be voting today on two related
9 items. Land Use Item 301, the disposition of City
10 property and Land Use Item 302, the acquisition of
11 the library space, a new library space and a new
12 building on the site of the old library. I believe
13 Council Member Levin would like to make a few
14 remarks.

15 COUNCIL MEMBER LEVIN: Thank you very
16 much Chair Cohen I want to thank you very much for
17 your assistance during this lengthy process. Chair
18 Greenfield I want to thank you very much for all of
19 your assistance throughout this lengthy process and
20 to Subcommittee members as well. So I want to start
21 off by thanking the members of the public that are
22 here today and have been here for meeting after
23 meeting during this last several years really on this
24 as the neighborhood and community has debated this
25 issue time and again. I want to thank you all very

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2 much for your patience today. I know this a were
3 running about 2 ½ hours behind schedule here more 3
4 hours behind schedule and that's because this has
5 been such a complicated and deliberative process. I
6 want to acknowledge the Brooklyn Public Library and
7 it's present CEO, Linda Johnson for being here and
8 for their significate effort in working with us over
9 the last couple of weeks to address all of our
10 concerns and were collaboratively in a way that
11 ultimately I believe will benefit the public. I want
12 to acknowledge David Krammer of Hudson Companies for
13 his significate effort as well as and that, that's
14 been over the last couple of weeks, significate
15 effort in terms of... of meeting with us and going
16 through a lot of these very complicated issues. In
17 addition I'd like to thank the administration
18 particularly John Paul Lupo (sp) and Peter Wartime
19 (sp) and staff from... from EDC and from Department of
20 City Planning and Intergovernmental Affairs. So
21 ladies and gentlemen throughout this process the
22 overwriting principal that I have been looking at
23 this issue through and with the lens that I've been
24 looking at this issue through has been whether this
25 ultimately is a good deal for the public that is,

2 that's the basic principal here as you all know, this
3 is the disposition selling of City owned property and
4 that's a very serious thing and that carries with the
5 significate implication because once you sell a piece
6 of property you can't get it back and it is clear and
7 it has been clear that the Brooklyn Public Library
8 system just like the rest of the library system
9 throughout New York City is facing significate
10 capital challenges, truly significate capital
11 challenges and... and that needs to be addressed one
12 way or another and the fact of the matter is that
13 this public asset does in fact have value that is not
14 anyway being utilized. Significate public value when
15 you talk about development rights that we are that we
16 are disposing of. That is, that is a value that
17 can't be realized any other way. We can't, we can't
18 sell they have rights to the adjacent property they
19 are using those air rights, there's no other
20 mechanism that we have to... to turn those under,
21 unused development right that exist now into funding
22 to help the library meet it's needs. The City can
23 provide capital funding but only to a certain extent
24 and we can't it's... it's... it's a unlikely to think
25 that the City could do, can do it all on it's own.

3 So that's... that's the premise. So over the last
4 couple of weeks I have outlined the issues that I've
5 had with this proposal and I always said that I would
6 not vote in favor of a project that did not meet my
7 standards and did not meet the public benefit that I
8 think is... is necessary in a project like this. So
9 what are we looking at in this deal? We are, we have
10 come to an agreement between Brooklyn Public Library
11 System, The City of New York and Hudson Companies and
12 myself that the there will be a new Brooklyn Public
13 Library Branch at the Brooklyn Heights Library site
14 that will be 26,620 square feet. That is expanded
15 from the... the proposal before of 21,500 square feet.
16 Included in that 21, I'm sorry 26,620 square feet
17 will be 3,000 square feet of business services that
18 will be, that will be commiserate with the time that
19 we are living in and the needs that people have for
20 business services today and on into the 21 century
21 and the Brooklyn Public Library has committed to a
22 series of things that we can share with the public of
23 what that would look like and the services that will
24 be available there and they're significate and
25 compelling and certainly a lot more than what exist
today. The fact of the matter is that the current

2 business branch while big, bigger certainly than
3 3,000 square feet reflects a different time, it
4 reflects a the 1980s the 1990s when it was built and
5 outfitted and does not, does not necessarily reflect
6 the needs that people have of a 21st century
7 workforce, so I think that is a, ok Marsha ok. That
8 is a, that is a significate that will be a
9 significate asset and resource. In addition the
10 Brooklyn Public Library System has.

11 CHAIR COHEN: Council Member Levin people
12 should know that if they call out that they are going
13 to be removed from the Chamber, thank you.

14 COUNCIL MEMBER LEVIN: In addition I
15 think though that it's... it's worth sticking around
16 to... to hear what... what is part of this. In addition,
17 there is going to be for the first time in... in 25
18 years or 30 years a new brank of the Brooklyn Public
19 Library located in the Dumbo of Vinegar Hill and
20 Farragut Communities. That is going to be roughly
21 5,000 square feet, it's going to be a new branch that
22 is going to serve those communities and between that
23 addition and the 26,620 square feet we are looking at
24 a net increase from what is publicly accessible today
25 at the Brooklyn Heights Branch. In addition we have

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3 a commitment from the department of education for
4 9,000 square feet for a, for STEM labs, for STEM
5 educational labs that will be serving the entire
6 community in district 13 in Brooklyn and likely will
7 serve students K-12 beyond district 13 in Brooklyn.
8 That is a significantate that is a significantate resource
9 that doesn't exist anywhere in New York City today.
10 That is something that will benefit students, young
11 students for a very long time to come and so were
12 very excited about that, that's the commitment from
13 the Department of Education to acquire the space from
14 Hudson Companies as well as outfit the space with a
15 full modern and advanced STEM lab. In addition, the
16 Brooklyn Public Library will commit to maintain 7 day
17 a week service at the New Brooklyn Height Branch. So
18 long as there is that is a committed to so long as
19 there is 7 day a week service at the Kings Highway
20 Branch and that is the that is generally been the
21 case for... for some time. So as long as there 7 day a
22 week service, 7 days a week service at Kings Highway,
23 there will be, there will be 7 days a week service at
24 Brooklyn Heights. The Brooklyn Public Library is
25 committing to maintaining robust programming at... at
the Brooklyn Public Library, Brooklyn Heights Public

2 Library that is as robust as any branch in the
3 system. So as robust if not more robust than any
4 branch in the entire system, this will be that
5 robust. And they are entering a, they agree to enter
6 into a public process to gather community feedback on
7 the programming needs. In addition, one of the
8 issues that the community has raised and... and this is
9 something that I've taken very seriously is the idea
10 of whether or not the City is getting fair value on
11 this property. The developer entered into a
12 agreement with EDC and they negotiated the terms of
13 this sale after a lengthy process that was a RFP
14 process, there were other bidder, there were you know
15 over a dozen other bidders, so that... that did account
16 for some market conditions if you will within the RFP
17 process but I was not satisfied with that alone
18 establishing the value because the fact of the matter
19 is real estate, particularly in this community the
20 market is hot and may continue to get hotter and in 5
21 years times you want to make sure that the deal that
22 we made for \$52 million is accurately reflecting the
23 market at that time and so what we did working with
24 Hudson Companies and I want to thank Mr. Krammer for
25 working on this with us is that we, we established

2 excuse me, we established a framework under which if..
3 if Hudson Companies reaches internal rate of return
4 of 19% which is not in any way an outlandish
5 internal, outlandish internal rate of return but is
6 actually well within range and is actually lower than
7 many condo projects have today particularly in that
8 neighborhood or any hot neighborhood that the City
9 will be recapturing 25% of profits exceeding that
10 internal rate of return. So if Hudson Companies is
11 receiving an internal rate of return or making an
12 internal rate return of 25%, anything between 19% and
13 25% the City will participate in 25%, one quarter for
14 every dollar of that profit and I we worked on this
15 long and hard but I'm satisfied that... that would if..
16 if... if... the developer does very well than the public
17 does very well and that is the principle on top of,
18 of course the negotiated price that the developer
19 reached with EDC of \$52 million. In addition, the
20 originally proposed AMI breakdowns for the affordable
21 units which originally went as high as 165% of AMI
22 has now been lowered to reflect what I believe are
23 community needs and those AMIs will now be at 23
24 units at 60% of AMI, 60 units at 80% of AMI and 31
25 units at 125% of AMI and no affordable units

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3 exceeding 125% of AMI so no affordable units at 165,
4 so 125 while higher than 100% of AMI which is the
5 average, the area median income is a significant in
6 terms of what that means for everyday New Yorkers.
7 People that are... are making you know write about
8 what... what... what in what around the average of the
9 New Yorkers make. And lastly were very happy that
10 there has been an agreement between the building and
11 construction trades council of Greater New York and
12 SCIU 32BJ with a Hudson Companies with an agreement
13 on Labor Standards which will ensure that there are
14 good jobs, good paying jobs as part of this project
15 which is even more important considering that there's
16 a public asset at stake here so ultimately ladies and
17 gentlemen I feel that and I think that... that this
18 project includes enough benefit here that it is, that
19 it is worth the disposition of this asset in terms of
20 what the public benefit is. It is one thing that we
21 just didn't mention is that of the \$52 million
22 dollars and this is something that has been said a
23 lot of time, \$40 million of that is going to go to
24 capital improvement for branches outside of Brooklyn
25 Heights, throughout the Brooklyn Public Library
System and... and so you know that is that going to

2 help be is that going to meet all of BPLs capital
3 needs? No, but does it help get them some... some...
4 some distance on their way towards that? Certainly
5 and in addition to what is ultimately public benefit
6 to the community here I believe that... that this is in
7 fact a good deal. So I want to thank and encourage
8 my colleagues to vote yes, I again want to thank all
9 the members of the public, especially those that have
10 expressed their concerns time and time again and
11 those of you that I've been talking to about this now
12 for two years, your input has had a significate
13 impact here, it's true and... and has... has... has... has
14 changed the nature of this discourse in a significate
15 way and in a positive way and I believe ultimately
16 that... that this will be a an improvement and
17 something that we can, we can be proud of so, thank
18 you very much for your time and thank you Mr. Chairs
19 for... for your time and for your help on all this and
20 I encourage my colleagues to vote I.

21 CHAIR COHEN: Thank you Council Member
22 Levin. We will now move on to vote to approve with
23 modification Land Use Items 301 and 302. We are
24 modifying the acquisition to require that the new
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2 library have at least \$26,620 square feet of space.

3 I will now ask Council to please call the roll.

4 COMMITTEE CLERK: Chair Cohen.

5 CHAIR COHEN: I vote I.

6 COMMITTEE CLERK: Council Member

7 Rodriguez.

8 COUNCIL MEMBER RODRIGUEZ: I and I would
9 like to congratulate Council Member Levin and he say
10 even to those of you that has been with strong
11 position going (inaudible) all Council Members to the
12 City of New York. You show how hard you work. We
13 know that not everything is perfect. Probably you
14 sitting here say this is nowhere where we want it,
15 but your energy and support play an important role in
16 order for the Council to go out and get what he could
17 deliver today. Congratulations.

18 COUNCIL MEMBER TREYGER: I.

19 COMMITTEE CLERK: Land Use Items 301 and
20 302 are approved with modifications and refer to the
21 full Land Use Committee by a vote of 3 in the
22 affirmative, 0 in the negative and 0 abstentions.

23 CHAIR COHEN: Congratulations Council
24 Member Levin, this concludes the hearing. Thank you.

25 [gavel]

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 December 16, 2015