

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

SUB COMMITTEE ON PLANNING, DISPOSITIONS AND
CONCESSIONS

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September 16, 2008
Start: 1:00pm
Recess: N/A

HELD AT: Council Chambers
City Hall

B E F O R E: DANIEL R. GARODNICK
Chairperson

COUNCIL MEMBERS:
Inez E. Dickens
Sara M. Gonzalez
Vincent Ignizio

A P P E A R A N C E S

COUNCIL MEMBERS:
Melissa Mark-Viverito

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

Carol Clark
Assistant Commissioner, Intergovernmental Affairs
HPD

Gabriela Amobile
Director of Land Use Policy
HPD

Carol Lee Fink
Senior Project Manager
Economic Development Corporation

Susan Goldfinger
Senior Vice President of Transaction Services
Economic Development Corporation

Lee Chong
Resident
Community Board 11

2 ISRAEL MARTINEZ: How are you?

3 MALE VOICE: I'm fine.

4 ISRAEL MARTINEZ: This is a sound
5 check, September 16th, 2008 for the Subcommittee on
6 Planning, Dispositions, Concessions, etcetera,
7 etcetera, taking place on the 14th Floor of 250
8 Broadway. This hearing is being recorded by
9 Israel Martinez [phonetic].

10 MALE VOICE: And, question, where
11 do you want - - the laptop - - ?

12 ISRAEL MARTINEZ: Projectors are
13 already built in.

14 MALE VOICE: Okay. So, just the
15 laptop.

16 ISRAEL MARTINEZ: The laptop, who's
17 it for?

18 MALE VOICE: - -

19 ISRAEL MARTINEZ: That's my
20 question - - if it's for the person here, then you
21 would set it up here, if it's going to be for him,
22 you - -

23 MALE VOICE: And, - - their
24 extension number, 890--

25 ISRAEL MARTINEZ: - -

2 MALE VOICE: --8000.

3 ISRAEL MARTINEZ: If it's for one
4 of the witnesses, then it'll go over there.

5 MALE VOICE: But, I'm just going to
6 have to sign for it. Are we - - or--

7 ISRAEL MARTINEZ: Well, first you
8 have to know where you're going to put it.

9 [END TAPE NUMBER 1002]

10 [STATE TAPE NUMBER 1003]

11 MALE VOICE: - -

12 CHAIRPERSON GARODNICK: Good
13 afternoon, everybody and welcome to the
14 Subcommittee on Planning, Dispositions and
15 Concessions. This is a Subcommittee of Land Use
16 of the New York City Council. Today's date is
17 Tuesday, September 16th, 2008. I'm joined by
18 Committee members, Inez Dickens and Sara Gonzalez,
19 as well as Council Member Melissa Mark-Viverito,
20 in whose district one of the applications today
21 sits. So, we're delighted to have them all here.

22 But, we're going to start with—we
23 only have two items on today's calendar. One of
24 them is part of the New Foundations Program in
25 Council Member Barron's District and the other is

1
 2 the East 125th Street Development Project. So,
 3 we're just going to start with the Land Use number
 4 762. This is the one in Council Member Barron's
 5 district, non-ULURP Number 20085536HAK. It's a
 6 number of properties, as I mentioned before, part
 7 of the New Foundations Program in Council Member
 8 Barron's District. So, we're joined by Carol
 9 Clark [phonetic] of HPD. Miss Clark, welcome.
 10 And, if you could introduce this item, we'll get
 11 right into it.

12 CAROL CLARK: Thank you, Mr.—is
 13 this on?

14 CHAIRPERSON GARODNICK: Hit the
 15 button, yeah.

16 CAROL CLARK: Thank you,
 17 Mr. Chairman and committee members. Land Use 762
 18 consists of the proposed disposition of 11 vacant
 19 City-owned lots located at Christopher Avenue,
 20 Thatford [phonetic] Avenue, Riverdale Avenue,
 21 Bristol Street and Newport Street, as you noted,
 22 under HPD's New Foundations Program. The proposed
 23 developer is ELH Management. And, their intention
 24 is to construct 11 two-family homes for a total of
 25 22 units for sale to eligible purchasers. Council

1
2 Member Barron has reviewed the project and
3 indicated his support. Thank you.

4 CHAIRPERSON GARODNICK: Thank you.
5 Two questions here. First, ELH you said was the
6 developer. How were they selected in this
7 process?

8 CAROL CLARK: They were selected
9 through a competitive process. There was an RFP
10 that was issued in August of 2005.

11 CHAIRPERSON GARODNICK: Thank you.
12 And, the 11 two-family homes, you indicated were
13 for sale to eligible purchasers. Who is eligible
14 for purchasing these properties?

15 CAROL CLARK: Four of the homes our
16 purchasers will be an up to 70% of the AMI, which
17 is \$53,750 per year for a family of four. And,
18 seven of the homes are at up to 80% of the Area
19 Median Income, which is \$61,450 for a family of
20 four annually.

21 CHAIRPERSON GARODNICK: Thank you.
22 And, you indicated that Council Member Barron has
23 indicated his support for this project?

24 CAROL CLARK: Yes, sir.

25 CHAIRPERSON GARODNICK: Thank you.

Council Member Dickens?

INEZ E. DICKENS: Thank you, Commissioner. Tell me again the affordability components, the breakdown?

CAROL CLARK: There are 11 buildings, Council Member Dickens. And, they're split into two groups; one is four homes, which is up to 70% of the Area Median Income for the first-time buyer. And the other is seven homes at 80% of the Area Median Income for the first-time buyer.

INEZ E. DICKENS: All right. Now, will the first-time home buyers be eligible for other assistance programs that HPD has available?

CAROL CLARK: Like down payment assistance, for example?

INEZ E. DICKENS: Um, hm.

CAROL CLARK: Yes, ma'am, they will be. They can apply and determine if they qualify.

INEZ E. DICKENS: Um, hm. Okay. Thank you.

CAROL CLARK: You're welcome.

CHAIRPERSON GARODNICK: Thank you, Council Member Dickens. And, with that, seeing no

1
 2 members of the public wishing to testify on Land
 3 Use Number 762, non-ULURP Number 20085536HAK, we
 4 will close the hearing on that item. And, we will
 5 open the hearing on pre-considered Land Use and
 6 Land Use Numbers 870, 871 and 873. They are
 7 related items referred to as the East 125th Street
 8 Development. It's Manhattan Community Board 11
 9 C080333ZMM, as I mentioned before, in the District
 10 of Council Member Melissa Mark-Viverito, who is
 11 here with us today.

12 And, we have representatives from
 13 various agencies of the Bloomberg Administration.
 14 And, Miss Clark, what I'd like to ask you to do is
 15 to introduce anybody who will be joining you at
 16 the witness stand and letting us know exactly how
 17 you're going to make this presentation. And then,
 18 we'll let you give it. And then, we'll see if
 19 there are questions over here or members of the
 20 public wishing to add their voices to this
 21 consideration. So, Miss Clark, soon as you're
 22 ready.

23 CAROL CLARK: Okay. Good
 24 afternoon, Chairman Garodnick and members of the
 25 Subcommittee on Planning, Dispositions and

1
 2 Concessions. As you know, I'm Carol Clark,
 3 Assistant Commissioner for HPD, Intergovernmental
 4 Affairs. And, I'm joined to my left by Gabriela
 5 Amobile [phonetic], who's HPD's Director of Land
 6 Use Policy. To her left, by Carol Lee Fink
 7 [phonetic], the Senior Project Manager at EDC for
 8 this project. And, to her left, the Senior Vice
 9 President of Transaction Services at the Economic
 10 Development Corporation, Susan Goldfinger
 11 [phonetic].

12 As you know, EDC and HPD are co-
 13 applicants in the ULURP application, which is to
 14 facilitate the development of a mixed-use project
 15 with residential and retail uses and publicly
 16 accessible open space. Carol Lee Fink will give
 17 our testimony. And, afterward, as a group, we're
 18 prepared to answer any questions that the
 19 Committee members may pose. Carol Lee?

20 CAROL LEE FINK: Thank you. Is
 21 this--

22 CHAIRPERSON GARODNICK: Might want
 23 to hit the button on that.

24 CAROL LEE FINK: Okay. Hit the
 25 button. This one? Oh. Is it on? Okay.

2 CHAIRPERSON GARODNICK: No, it's--

3 CAROL LEE FINK: Is it?

4 CHAIRPERSON GARODNICK: It's not
5 on. Try one more time.

6 CAROL CLARK: This one.

7 CAROL LEE FINK: Is it on now?

8 CHAIRPERSON GARODNICK: That sounds
9 right.

10 CAROL LEE FINK: Okay, great.

11 CHAIRPERSON GARODNICK: That sounds
12 like we've got it.

13 CAROL LEE FINK: Okay.

14 CHAIRPERSON GARODNICK: Welcome and
15 thank you.

16 CAROL LEE FINK: Thank you. This
17 project is reflective of a more than two and a
18 half year community-based planning process. In
19 January 2006, the leadership of Community Board 11
20 created a community Taskforce composed of local
21 organizations and elected officials, including
22 Council Member Melissa Mark-Viverito, Borough
23 President Scott Stringer and the CB 11 Chairman,
24 to address the community's concerns regarding the
25 development of this site.

2 The community raised their primary
3 concerns as affordable housing, economic
4 development, local participation in development,
5 employment and retail sustainability and promoting
6 arts and culture. For nearly a year, the
7 Taskforce met frequently, hosted Town Hall
8 meetings to solicit input and feedback and met on
9 a regular basis with the City to establish
10 development goals for the project.

11 In October 2006, EDC released the
12 RFP, which reflects the needs, goals and
13 aspirations of both the local community and the
14 City. In addition to the Land Use program, which
15 includes 700 to 1,000 units of housing, 470,000
16 square feet of retail, up to 300,000 square feet
17 of Class-A office, a 30,000 square foot cultural
18 facility, a 12,500 square foot public open space
19 and the option of including a hotel, the RFP
20 requires that the development team include a local
21 development partner with an ownership interest,
22 50,000 square feet of retail space be set aside
23 for local businesses, with a leasing preference
24 for CB 11 businesses and a secondary leasing
25 preference for CBs 10, 12, 9 and Bronx 1; that the

2 entire development achieve, at minimum, a LEED
3 Silver Certification, a targeted hiring and MWBE
4 utilization plan, a retail tenant mix that
5 reflects East Harlem's diversity and enhances the
6 current mix of retail in the neighborhood; and
7 that parking be minimized. In addition,
8 preference will be given to proposals that
9 maximize income-targeted housing and extend
10 affordability in perpetuity.

11 In January 2007, RFP responses were
12 received and developers responded favorably. EDC,
13 along with the Mayor's office, Department of City
14 Planning and HPD, met regularly with the community
15 Taskforce to review the proposals. The
16 Taskforce's questions and concerns raised at the
17 review meetings were then included in the City's
18 clarification letters and responses to those
19 questions and concerns were reported back at
20 subsequent meetings. This collaboration produced
21 great results and real community participation in
22 the developer selection process, including the
23 selection of three finalists.

24 In September 2007, as the real
25 estate market began to turn, it was determined

1
2 that in order to maintain the competition between
3 the development teams, the City would sponsor the
4 project through ULURP. As part of this process,
5 we committed to continue our work with the
6 Taskforce and designate a developer before a City
7 Council vote. And, we continue to honor this
8 commitment. The Taskforce drafted a final
9 recommendation document that we passed directly to
10 the development teams and most recently, we met
11 with the Taskforce last week to discuss their
12 analysis to date.

13 This project offers a unique
14 opportunity to transform a nearly six-acre
15 predominately vacant and underutilized site into a
16 unique project, which will promote local economic
17 growth, encourage private investment, create
18 approximately 4,000 construction and 1,500
19 permanent jobs and improve the quality of life for
20 East Harlem residents.

21 To achieve these overall
22 development objectives, we are seeking the
23 approval of the following actions: a zoning map
24 amendment, 15th amendment to the Harlem, East
25 Harlem Urban Renewal Plan, an urban development

2 action area designation and project and
3 disposition of City-owned property. The project
4 requires a zoning map amended to rezone the
5 project area from R7 to C4-4 and M1-2 to C6-3.
6 And, I think they've got current--

7 CHAIRPERSON GARODNICK: While
8 you're doing that, I'm just going to recognize
9 we've been joined by Council Member Ignizio of
10 Staten Island. And, whenever you're set.

11 VINCENT IGNIZIO: Great.

12 CAROL LEE FINK: Thank you. So,
13 the existing zoning is up on the top here. And,
14 again, it's M1, R7-2 and C4-4. And, we're
15 proposing to change the project site to C6-3.
16 This rezoning would allow residential, commercial
17 and community facility density to facilitate the
18 project that we've contemplated.

19 The proposed changes to the Urban
20 Renewal Plan involve Land Use changes, new
21 acquisition parcels, a new expiration date and
22 supplementary controls. Four properties, Block
23 1790, lots 8 and 46 and Block 1791, Lots 25 and 34
24 that were not previously designed for acquisition
25 in the Plan would be added to the Urban Renewal

2 area. The designated Land Use of sites 8, 8a, 9,
3 12 and 13a would be changed to residential,
4 commercial and institutional. And, the
5 effectuation date of the plan would be extended to
6 December 19th, 2020. Collectively, these changes
7 to the Urban Renewal Plan will facilitate the
8 development.

9 We are also seeking approval of an
10 Urban Development Action Area designation and
11 project and disposition of City-owned property.
12 All properties are subject to the proposed UDAAP
13 and disposition action including properties that
14 will be acquired pursuant to the Urban Renewal
15 Plan. There are other actions that were included,
16 but, they're not ULURP actions. And, those were
17 the modification of large-scale residential
18 development plan and special TA Land Use District
19 certification that we were seeking as well.

20 So, with that, we'll take your
21 questions.

22 CHAIRPERSON GARODNICK: Thank you
23 very much. And, let me just recognize the
24 significance of this project, obviously, to the
25 area. And, I want to congratulate Council Member

2 Melissa Mark-Viverito and thank her for all of her
3 hard work in trying to improve the plan throughout
4 this whole process, which has now been a
5 considerable time. And, it has made real
6 improvements.

7 I just had a few questions to start
8 off with. The first was you're seeking a zoning
9 map change from R7 to C4-4 and M1-2 to C6-3, as
10 you mentioned before. That's right?

11 CAROL LEE FINK: That's right.

12 CHAIRPERSON GARODNICK: There are
13 certain development rights that exist under a C6-3
14 zone--

15 CAROL LEE FINK: Um, hm.

16 CHAIRPERSON GARODNICK: --that, as
17 I understand it, the future developer of this site
18 would not be entitled to use under the Urban
19 Renewal Plan. Is that correct?

20 CAROL LEE FINK: That is correct.

21 So, what we did was we put the development plan in
22 the Urban Renewal Plan so that the site would be
23 subject to the supplementary controls. We agreed
24 with the community, a long time ago, that there
25 would be 1.7 million square feet of development at

1
2 this site. A C6-3, with a community facility, has
3 a FAR up to ten. So, what we're looking into is
4 reserving those access development rights so that
5 they would not be disposed to the developer.

6 CHAIRPERSON GARODNICK: So, the
7 City would retain the unused development rights.

8 CAROL LEE FINK: Right.

9 CHAIRPERSON GARODNICK: What is the
10 legal mechanism for the City doing that?

11 CAROL LEE FINK: It would be in the
12 contract. We would just dispose of fee to, you
13 know, 7.52 FAR and any excess development rights
14 the City would basically corner off the site. If
15 you were, you know, just pretend that it's a box
16 of air. We would take the top box and we would
17 retain those development rights so they couldn't
18 be used by the developer.

19 CHAIRPERSON GARODNICK: Okay. So,
20 and that is the--

21 CAROL LEE FINK: We've done that on
22 other projects before.

23 CHAIRPERSON GARODNICK: And, that's
24 what you're going to do here?

25 CAROL LEE FINK: Right. We're

1
2 looking into the best mechanism for that.

3 CHAIRPERSON GARODNICK: Okay. The
4 other questions that I had, one of them related to
5 the Second Avenue subway line.

6 CAROL LEE FINK: Um, hm.

7 CHAIRPERSON GARODNICK: Obviously,
8 we are in phase one of the Second Avenue subway
9 going from 96th Street down to 63rd Street. But,
10 phase two goes from 96th up to 125--

11 CAROL LEE FINK: Um, hm.

12 CHAIRPERSON GARODNICK: --which
13 brings you pretty close to the area that we're
14 talking about here.

15 CAROL LEE FINK: Um, hm.

16 CHAIRPERSON GARODNICK: And, my
17 understanding is the MTA has certain rights to
18 some of the area in the neighborhood. Have you
19 consulted with the MTA to straighten out whether
20 there is particular need by the MTA of any of this
21 site for the purposes of the Second Avenue subway
22 line?

23 CAROL LEE FINK: Yes, we have
24 consulted with the MTA. And, for the Block B,
25 there's a special TA easement here and they've

2 said that they will not need that easement here.
3 But, on this site, right here, they've asked for
4 an easement for emergency egress and ventilation.
5 And, that's been built into all of the developer's
6 plans. So, we are accommodating the Second Avenue
7 subway needs.

8 CHAIRPERSON GARODNICK: Okay, good.
9 Thank you, 'cause we are all hopeful and
10 optimistic that we will get there in the next
11 phase before too long. And, we want to make sure
12 that we don't do anything that compromises their
13 ability to do that. The next question is related
14 to the affordable housing piece--

15 CAROL LEE FINK: Um, hm.

16 CHAIRPERSON GARODNICK: --here.
17 Can you tell us a little bit about the income
18 bands for the affordability of the residential
19 units that you anticipate?

20 CAROL LEE FINK: Sure. Actually,
21 I'll turn that over to my colleagues at HPD.

22 GABRIELA AMOBILE: Thank you, Carol
23 Lee. We have requirements, or recommendations in
24 the RFP for income tiers for the project. And,
25 approximately one-third will be low, one-third

2 will be middle and one-third will be moderate.

3 And, the low income tier is to be no more than 60%
4 of Area Median Income, which is approximately
5 \$46,000 for a family of four.

6 CHAIRPERSON GARODNICK: Okay. So,
7 I'm sorry, you said it was a third, a third, a
8 third.

9 GABRIELA AMOBILE: Yeah.

10 CHAIRPERSON GARODNICK: And,
11 there's how many total units?

12 GABRIELA AMOBILE: Approximately
13 between 800 and 1,000.

14 CHAIRPERSON GARODNICK: Okay. And,
15 all of those units would fall into one of those
16 income bands?

17 GABRIELA AMOBILE: Up to at least
18 80% of the units will fall into those income
19 bands.

20 CHAIRPERSON GARODNICK: Okay. So,
21 between 80 and 100%--

22 GABRIELA AMOBILE: Correct.

23 CHAIRPERSON GARODNICK: --will be
24 affordable up to, and what was the highest level
25 AMI that you gave me?

2 GABRIELA AMOBILE: One hundred and
3 fifty percent.

4 CHAIRPERSON GARODNICK: Okay.
5 There are some sites within this Urban Renewal
6 Plan, or some of them which are not in the Urban
7 Renewal Plan, which would be after action by the
8 Council. Some of them that are not owned by the
9 City that the City is seeking to acquire, is that
10 right?

11 CAROL LEE FINK: That's correct.
12 The City currently controls about 80% of the
13 project site.

14 CHAIRPERSON GARODNICK: Okay. Can
15 you just address the issue of where you stand in
16 your efforts to secure control over the whole area
17 and whether eminent domain is a live question
18 here?

19 CAROL LEE FINK: We are negotiating
20 with all the property owners. We're using eminent
21 domain only as a last resort. Our progress to
22 date has been I've met and spoken to every
23 property owner. I have offers out on six parcels
24 right now. And, we're in contract recently with
25 one property owner. There are 11 parcels total.

2 So, we're a little bit over the halfway point in
3 terms of trying to get deals done.

4 CHAIRPERSON GARODNICK: Okay. So,
5 you said there were 11 parcels total. You have
6 offers out on six.

7 CAROL LEE FINK: Six.

8 CHAIRPERSON GARODNICK: And, one of
9 them is nearing finality, right?

10 CAROL LEE FINK: We have offers out
11 on six. And, we're in contract on an additional
12 parcel.

13 CHAIRPERSON GARODNICK: Oh, an
14 additional that's not included in the six.

15 CAROL LEE FINK: Right.

16 CHAIRPERSON GARODNICK: Okay. And,
17 the last question here is you've asked for the
18 zoning change and for all of the other actions
19 that are included here. The developer today is
20 not known, has not been selected. Is that right?

21 CAROL LEE FINK: That's correct.

22 CHAIRPERSON GARODNICK: And, will
23 the developer be selected before the Council has
24 an opportunity to vote on this item as a whole?

25 CAROL LEE FINK: Yes, that's the

2 commitment that we've made.

3 CHAIRPERSON GARODNICK: Okay.

4 Thank you. And, Council Member Melissa Mark-
5 Viverito. Thank you for your answers.

6 CAROL LEE FINK: Yes.

7 MELISSA MARK-VIVERITO: Thank you,
8 Mr. Chair. You know, it's an extremely
9 complicated project. And, the community really
10 came together about almost, you know, three years
11 ago when this parcel, these parcels or this
12 project, had originally been designated once
13 before. And, the community really felt at the
14 time, myself and the Community Board, the Borough
15 President, that the designated developer and the
16 project that's planned was one that really was not
17 in tune with the needs of the community. So, that
18 banding together had the City really do something
19 historic, I guess, and first time in terms of
20 designating a developer and beginning the whole
21 process.

22 Once again, our understanding, and
23 it has been that case for the past two and a half
24 years, is that the new process would be in
25 consultation with the community. So, a Taskforce

2 was created, of which I am a part, the Community
3 Board, the Borough President, as well as
4 representatives from different sectors throughout
5 East Harlem. And, we've been meeting on an
6 ongoing basis. So, this really has been a
7 collaborative process.

8 And, the project is in a much
9 different place than what it had originally been
10 envisioned. It hasn't been without its
11 controversy. Again, it is a complicated project
12 in the sense that the MTA does have a parking lot
13 on one of the parcels. There are private owners
14 involved. There's been a lot of discussions of
15 ensuring that the RFP codify some of the
16 agreements that we, as a community, have arrived
17 at. So, the agreements on some of the affordable
18 housing, the community space, the local retail
19 space that's going to be made available to
20 Community Board 11, businesses, all of that was
21 done in consultation with the community. And,
22 we're, obviously, not done. We're in the process.

23 And, where we are at now is that
24 prior to the vote on this project that I will have
25 and the City Council has, we will be getting terms

2 of agreement that delineate all the agreements.

3 There is a commitment from the City that those
4 points of agreement will be put into the contract
5 between the City of New York and the designated
6 developer as a way of ensuring that it is legally
7 binding. And, I've consulted with CBA lawyers.

8 And, I've consulted with others that have done CBA
9 work. And, they say that that, in fact, is a
10 really binding and very strong place to be if, in
11 fact, we do get those points of agreement within
12 the contract. So, it's something that is really,
13 I think, hopeful. And, I think it'll put us in a
14 really good position.

15 The discussions on affordability,
16 the discussions on access to the community space,
17 etcetera, are things that we are still working on.
18 We're meeting, you know, consistently with the
19 Administration at this point. I know that there
20 are still the concerns of the private owners.
21 There's still a lot of work that needs to be done
22 in the next three weeks. So, I'm hoping that we
23 will get to a much better place. And, right now,
24 I have expressed my support of the project because
25 of what we've gotten to date. But, there's still

1
2 work to be done. And, everything is not a done
3 deal, so to speak. So, that's important. So,
4 I'll just leave it there. And, I know that the
5 other colleagues have questions.

6 But, the way it's been defined, at
7 the moment, the community benefits are projected
8 to this point. And, we can talk about that a
9 little bit in terms of the housing, in terms of
10 all of the space, you know, at close to \$100
11 million. So, we're very excited. So far, what
12 we've done and the Taskforce has really been an
13 integral part of this discussion. I know that the
14 Community Board and the Borough President have
15 disapproved the project because of the different
16 way that this project has moved forward without a
17 designated developer. I think they were more
18 against that decision as opposed to what we've
19 been able to accomplish to date. And so, I think
20 everybody will agree that there's been a lot of
21 progress made. And, the Taskforce still convenes
22 and it still has Community Board 11 representation
23 and it still has the Borough President represented
24 on it. So, I think it continues to be a testament
25 of the ownership that the community has taken of

1
2 this process.

3 So, having said that, I'll leave it
4 there. Any questions, you know, obviously, for
5 the people represented here today, or even for
6 myself, I'm more than willing to take. Thanks.

7 CHAIRPERSON GARODNICK: Thank you,
8 Council Member. And, Council Member Dickens?

9 INEZ E. DICKENS: Thank you, Chair.
10 I do have some concerns. But, I want to discuss
11 them with my colleague possibly after this
12 hearing. One of which is eminent domain, the use
13 of eminent domain. I'd like to know on those 11
14 parcels, how many units are residential? How much
15 in square foot does that equal in commercial?
16 Where will those families be relocated to? What
17 kind of assistance will be available to them?
18 Will they, also, those families that will be
19 displaced, will they be able to participate in the
20 home ownership affordability program? And then,
21 on to the commercial, will the commercial tenants—
22 what is being done to relocate them within what
23 catchment area? And, I ask these questions, and
24 maybe you're not ready to, you know, maybe you
25 don't have all the information that I'm asking,

2 because my colleague, Council Member Melissa Mark-
3 Viverito, has worked very hard on this. But, as
4 you know, we also had discussion on this several
5 months ago.

6 CAROL LEE FINK: Yes.

7 INEZ E. DICKENS: So, I really am
8 very interested in what happens in this
9 development.

10 CAROL LEE FINK: Council Member
11 Dickens, I do have a lot of the answers to your
12 questions. So, I'll take them as I heard them.
13 You'll be happy to learn that there are zero
14 residents. There will be zero residential
15 displacement for this project. So, I think that
16 answers half of your questions. There will be no
17 displacement. So, therefore, there's no
18 relocation.

19 INEZ E. DICKENS: That's on the
20 residential part.

21 CAROL LEE FINK: It's on the
22 residential part. There are commercial businesses
23 at this site. There are approximately ten
24 commercial businesses, and I can confirm that. I
25 don't have that right in front of me. And, some

2 of the businesses, because of the zoning, would
3 not be able to go back into the project. So,
4 currently, it's an M1-2 zoning. Those businesses
5 are manufacturing uses. We're changing the zoning
6 to C6-3. So, we would have to find alternative
7 locations for them.

8 Right now, our efforts have been
9 concentrated on the private property owners
10 because we are cognizant of tortious interference.
11 And, we need to be in a place where we have an
12 agreement with the private property owners before
13 we start talking to the businesses and moving them
14 out of their leases because we could interfere
15 with the landlord/tenant relationship. So, I can
16 say that, you know, the City is committed to
17 assisting the tenants in finding relocation, a
18 suitable relocation for their businesses. And, we
19 will start those discussions when it's
20 appropriate.

21 INEZ E. DICKENS: Now, let me ask
22 you. So then, in all 11, there are no residential
23 occupants.

24 CAROL LEE FINK: That's right.

25 INEZ E. DICKENS: All right. And,

2 the ten businesses that would be impacted are
3 mostly manufacturing. Is that what I heard you
4 say?

5 CAROL LEE FINK: There are I would
6 say maybe half of them are manufacturing. There's
7 a dry cleaner. There's a Midas Muffler Repair
8 shop. There's a gas station.

9 FEMALE VOICE: Motorcycle.

10 CAROL CLARK: There's motorcycle
11 dealership. So, those uses need a different
12 zoning. The other--

13 INEZ E. DICKENS: They're not
14 really manufacturing?

15 CAROL LEE FINK: No, but they need
16 an M1 or a C8 zoning. And then, the other
17 businesses, some of them are owner occupied. So,
18 you know, while we're talking to the owners, we're
19 also talking to them about their businesses. So,
20 really the conversations that we held off on just
21 because of, you know, where we want to be careful
22 are the businesses that are not owner occupied.

23 INEZ E. DICKENS: All right. And,
24 those businesses, since many of them do not fall
25 within the zoning, or what would become the new

2 zoning, then, it means that they would be either
3 out of business or displaced somewhere other than
4 the community from which they have derived their
5 business.

6 CAROL LEE FINK: Well, we don't
7 know that yet. You know, this is, you know, this
8 is a part of the job that we all take very
9 seriously. And, it's an unfortunate consequence
10 of this project. With that being said, we will
11 work as hard as we can to make sure that these
12 businesses find suitable relocation.

13 INEZ E. DICKENS: All right. And
14 then, the last question I have is on the
15 affordability component, both for the rentals and
16 for the home ownership. And, I heard you say one
17 third, one third, one third. I'd like you to be a
18 little more detailed. One third I'm reading was
19 here. But, I'd like to know one third low meaning
20 what?

21 GABRIEL AMOBILE: As I stated
22 before, Council Member Dickens, the one third low
23 is up to 60% of Area Median.

24 INEZ E. DICKENS: And, the one
25 third mid?

2 GABRIELA AMOBILE: To approximately
3 130, 125%.

4 INEZ E. DICKENS: And, then 150?

5 GABRIELA AMOBILE: Up to, exactly.

6 INEZ E. DICKENS: I just wanted to-

7 -

8 GABRIELA AMOBILE: Sure.

9 INEZ E. DICKENS: --make sure I
10 have my notes correct. All right. I do have some
11 other questions, but I'll reserve them for my
12 colleague and with you at a later time. Thank
13 you.

14 CAROL LEE FINK: Thank you.

15 CHAIRPERSON GARODNICK: Thank you,
16 Council Member Dickens. Council Member Gonzalez?

17 SARA M. GONZALEZ: Good afternoon.
18 I just have a question in reference to what
19 Council Member Dickens just stated about the
20 displacement. And, I know this is something that
21 always comes up in our district when we're working
22 on different things with EDC. Suitable doesn't
23 mean even moving out of the state, right, Jersey
24 or something?

25 CAROL LEE FINK: No.

2 SARA M. GONZALEZ: I just have a
3 concern. I mean, I know that the zoning changes
4 and I heard what you said how diligently you guys
5 are working in respect to addressing this.

6 CAROL LEE FINK: Um, hm.

7 SARA M. GONZALEZ: But, because of
8 the job situation here in the City, I think that's
9 a real concern for us, as well as you. So, I just
10 wanted to state that, 'cause a lot of times these
11 folks find that they can rent elsewhere. So, they
12 leave, you know, New York.

13 CAROL LEE FINK: Yes, right. Thank
14 you. I appreciate that concern.

15 SARA M. GONZALEZ: Thank you.

16 CHAIRPERSON GARODNICK: Thank you,
17 Council Member Gonzalez. And, we do have one
18 member of the public wishing to testify on this
19 item. So, with that, we're going to thank you for
20 your presence and for your testimony to the
21 members of the Administration who are here. And,
22 I am going to invite Miss Lee Chong [phonetic], a
23 resident of Community Board 11. Okay.
24 Miss Chong, welcome to the witness table. And, as
25 soon as you're settled, you can go right ahead.

2 LEE CHONG: Good afternoon. I'm
3 wearing different hat today. My name is Lee
4 Chong. I'm a resident of Community Board 11.
5 And, I don't have a prepared statement. This is
6 something I just want to let you know. I'm a
7 public member of Community Board 11.

8 And, last night, the City
9 Properties Land Use Committee met and one of the
10 topics of discussion was the East Harlem—East 125th
11 Street Development. One of the issues that came
12 up that I think the Council members should be
13 aware of is the concern that a CBA will not be
14 codified and that some other language is being
15 used. And, the concern that came out of this
16 meeting was that the Community Board is not
17 involved as a signator in it, as in the Community
18 Board 9 and the CBA with Columbia University
19 expansion. So, that's a concern that I bring as a
20 private citizen. And, I was not asked to speak by
21 the Community Board. I just wanted to let you
22 know.

23 And also, there was a concern about
24 the enforceability of this agreement that's going
25 to be signed by the City and the developer if the

2 issues that were brought up in the Taskforce do
3 not come to fruition. What are going to be the
4 sanctions? We were told at the committee meeting
5 that none of this has been made public to the
6 Community Board. How true that is, I don't know.
7 We're having a full Board meeting and I think this
8 is going to be issue. I've already talked to the
9 Council member about it. So, I just wanted to
10 apprise everyone.

11 MELISSA MARK-VIVERITO: If I may
12 respond--

13 CHAIRPERSON GARODNICK: I'm sorry,
14 I just to have to make one comment--

15 MELISSA MARK-VIVERITO: Sure.

16 CHAIRPERSON GARODNICK: --though,
17 Counsel Member Mark-Viverito. I just want to make
18 it very clear for the record that the issues
19 involved in any community benefits agreement,
20 anything that's floating around out there is not a
21 specific item that is being considered for the
22 purpose of voting under the Land-Use [crosstalk].

23 LEE CHONG: I understand.

24 CHAIRPERSON GARODNICK: I just
25 wanted to make that clear.

2 LEE CHONG: I understand.

3 CHAIRPERSON GARODNICK: I know you
4 understand that. I want to make that clear for
5 the record so that it's understood that, and even
6 though we are not voting today, that that is not
7 part of the actions that we are specifically
8 considering here in the Council. So, I just
9 wanted to note that for the record. And, I know
10 Council Member Mark-Viverito has some comments on
11 that, too.

12 MELISSA MARK-VIVERITO: Yeah, and I
13 appreciate, Lee, you coming down. And, I know
14 that you and I will be talking after this hearing.
15 But, two things. One is that there was, with
16 regards to the Columbia University discussion,
17 there was absolutely no participation of the CB in
18 the CBA. It was an agreement between the LDC and
19 Columbia University as an independent institution.
20 Has nothing to do with the City. Had nothing to
21 do with the State. It was independent agreements.

22 And, secondly, it would have been I
23 think beneficial if the Community Board would have
24 asked my participation in the discussion last
25 night with regards to your concerns because I was

1
2 not invited to that committee hearing. I was not
3 asked to participate. And, I believe that what
4 you're indicating, there was a misrepresentation
5 of the discussions that the Taskforce has been
6 having. We had a conversation last week where I
7 shared with the Taskforce the conversation. So,
8 we will talk about that. But, you know, that's
9 not for here. I just wanted to let you know and
10 put that on the record that those are points of
11 disagreement, obviously.

12 LEE CHONG: Thank you.

13 MELISSA MARK-VIVERITO: Thanks.

14 CHAIRPERSON GARODNICK: Thank you
15 very much. And, with that, and seeing no other
16 members of the public wishing to testify on
17 preconsidered Land Use and Land Use Numbers 870,
18 871 and 873, the related East 125th Street
19 Development, Manhattan Community Board 11,
20 C080333ZMM, we will close the hearing on that
21 item. And, we're going to lay that one over for
22 the purposes of voting until our next Planning
23 Subcommittee meeting, which is October 2nd.

24 And, we're going to vote today only
25 on Land Use Number 762. So, with that, it's Land

2 Use 762, Chair recommending an aye vote. And, I
3 will ask the Council to call the roll. Oh, let me
4 just note one other thing, which is that we have
5 other items that are on the calendar today that we
6 didn't have hearings on. And, those are all laid
7 over at the request of the Council members in
8 whose districts those properties sit. So, again,
9 we're just voting on Land Use 762. Thank you.
10 I'm sorry.

11 FEMALE VOICE: Chair Garodnick?

12 CHAIRPERSON GARODNICK: I vote aye.

13 FEMALE VOICE: Council Member

14 Gonzalez?

15 SARA M. GONZALEZ: Aye.

16 FEMALE VOICE: Council Member

17 Dickens?

18 INEZ E. DICKENS: Aye.

19 FEMALE VOICE: Council Member

20 Ignizio?

21 VINCENT IGNIZIO: Aye.

22 FEMALE VOICE: By a vote of four in
23 the affirmative, none in the negative and no
24 abstentions, the aforementioned item's approved
25 and referred to the full Committee.

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CHAIRPERSON GARODNICK: Thank you.
The aforementioned item; and we thank you for
that. And, with that, we are adjourned.

CAROL LEE FINK: Can I just ask you
a question?

MELISSA MARK-VIVERITO: Sure.

CAROL LEE FINK: That - -

[END AUDIO]

C E R T I F I C A T E

I, DeeDee E. Tataseo certify that the foregoing transcript is a true and accurate record of the proceedings. I further certify that I am not related to any of the parties to this action by blood or marriage, and that I am in no way interested in the outcome of this matter.

Signature DeeDee E. Tataseo

Date September 25, 2008