

CITY COUNCIL
CITY OF NEW YORK

----- X

TRANSCRIPT OF THE MINUTES

Of the

SUBCOMMITTEE ON ZONING
AND FRANCHISES

----- X

March 24, 2014
Start: 10:05 a.m.
Recess: 10:42 a.m.

HELD AT: 250 Broadway - Committee Room
16th Floor

B E F O R E: MARK S. WEPRIN
Chairperson

COUNCIL MEMBERS:
Daniel R. Garodnick
Jumaane D. Williams
Donovan J. Richards
Antonio Reynoso
Ritchie J. Torres
Vincent M. Ignizio
Vincent J. Gentile
Ruben Wills

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

Eric Palatnik
Eric Palatnik, PC
Legal Counsel for CG&J Realty

Raymond Chan
Architect
Raymond Chan Architects, P.C.

Elizabeth Snow
ODA Architects

Jim Power
Legal Counsel
Kramer, Levin, Natfalis & Frankel, LLP
1818 Nadlan, LLC

Alvin Shine
Legal Counsel
Representing 1818 Nadlan, LLC

2 [sound check, pause]

3 CHAIRPERSON WEPRIN: All right, we're
4 going to get started. Good morning everyone. My
5 name is Mark Weprin. I'm Chair of the Zoning and
6 Franchises Subcommittee. We are joined by the
7 following members of the subcommittee: Vincent
8 Gentile, Dan Garodnick, Donovan Richards, Antonio
9 Reynoso, who got the gold star today, and Vincent
10 Ignizio. We are expecting to be joined by a couple
11 of members whose these items are in their district,
12 and--but we are going to get started right now. Our
13 first item on the agenda is Land Use No. 188, it is
14 13761 Northern Boulevard in Queens County. Eric
15 Palatnik is already in his seat ready to present on
16 this matter. Mr. Palatnik, you know the drill.
17 Please state your name into the mic and try to stay
18 on mic as you show your--your charts and graphs.
19 Okay. Thank you.

20 ERIC PALATNIK: Thank you very much for
21 your time--

22 [pause]

23 ERIC PALATNIK: How about now? Is the
24 mic on?

25

2 CHAIRPERSON WEPRIN: [off mic] That's
3 better. See that?

4 ERIC PALATNIK: Okay. That's good. What
5 did Raymond disappear to? Right there. Good. I
6 can't see you behind the pole. That's my pointer,
7 Raymond. Joined with me today is Mr. Raymond Chan.
8 He's the project architect. He's quite busy in
9 Flushing. He's done a lot of the designs you see in
10 front of me, and the project itself is over on the
11 easel. And just for the sake of the orientation so
12 you can see and stare at things while I'm talking as
13 I get more and more boring, these are all different
14 projects that have come up within the past 18 months
15 in Flushing. And what we're trying to portray to you
16 is the growing dynamic nature of Flushing, and the
17 international business hub that it has evolved into
18 particularly within the past decade, and with a very
19 strong emphasis within the past 24 months. It
20 literally changes day by day.

21 The project that we're here for today is
22 a proposed rezoning. For those of you who are
23 keeping count on how long it takes to go through the
24 rezoning process in New York City, is now five years.
25 It started in 2010, and thankfully with--at the tail

2 end we got some great help from the Queens office
3 with their planner who is fantastic, and she's really
4 done well. But it does take a lot of time, and not
5 all of the time just the ULURP, the ULURP Pre-
6 Certification process. We did spend a lot of time
7 meeting with the community well before we got out
8 public with the project. That includes speaking with
9 Flushing Town Hall, which is part of the New York
10 City Cultural Arts Programs. It's to the left of the
11 property. We spent extensive time with Mr. George
12 Xu, who's a Principal in CG&J Realty who owns the
13 property. I spent a lot of time talking to him
14 trying to find a way to work within the city system
15 to purchase development rights from that site.

16 Unfortunately, it wasn't able to be done. Not much
17 to the intense trying of both Flushing Town Hall and
18 Mr. Xu. The site is next Flushing Town Hall. It's
19 on Northern Boulevard. It's a couple of doors down
20 from the movie theater, the Lord's [sic] Theater,
21 which I know has gotten--garnered a lot of press

22 CHAIRPERSON WEPRIN: [off mic] It's RKO
23 Keith's.

24 ERIC PALATNIK: RKO Keith's. Excuse me.
25 I apologize. I was not there with my girlfriend and

2 I didn't remember. Although my father has told me
3 quite a few stories. The project is on the corner of
4 Leavitt Street and Northern Boulevard. It's improved
5 upon right now with a--I think it's a Korean grocery
6 store, and it was formerly known as the Sear's site.
7 Which if you talk to anybody in Flushing, along with
8 my father who was at the RKO Keith's, right now with--
9 --right now my mom, they will also tell you oh the
10 Sears site, which is where they did their mail order
11 catalogs from. There is Councilman who--

12 COUNCIL MEMBER KOO: [off mic]

13 [interposing] Thank you, I--

14 ERIC PALATNIK: --who is the councilman
15 for the district. And luckily, he's vastly familiar
16 with every bit of information that I just related to
17 every other councilman--council member who might not
18 be familiar with the district. The property is
19 located in R6 and C2-2 District. It carries with it
20 a tremendous amount of development rights for
21 residential, as-of-right development. Residential
22 development that could be the exact same size of the
23 building that's before you. What we're asking your
24 permission to do is to allow for a mixed-use
25 development, which will include ground floor

2 commercial, which you are allowed to have in the
3 district as it stands right now with the C2-2
4 override. And for 43 apartments at the 9th--excuse
5 me. At the 9th, 10th and 11th floors, which are as-
6 of-right in the R6 District. What we're asking for
7 the re-zoning for would be to a C4-3, which would
8 facilitate floors 2 through 8 to be put to hotel use.
9 Which include 97,401 square feet of hotel use, and
10 191 hotel units. So it would be 191 rooms, and it
11 will occupy 97,401 square feet. The total proposed
12 flooring in FAR is consistent with what is allowable
13 in an R6 Zoning District. Again, I can't be more
14 clear about that. We're not asking for an up-zoning
15 to allow any more residential development. You're
16 allowed to have R6. R6 is very generous zoning in
17 New York City, as I'm sure you're aware of. And a
18 C4-3 allows for the exact same floor area, just to
19 rehash the point. And C4-3 will facilitate floors 2
20 through 8 to be utilized as a hotel.

21 When we first came up with this idea, in
22 addition going to meet with Flushing Town Hall, we
23 also sat down with the prolific [sic] members of
24 Community Board 7. Which for those of you are--do a
25 lot of work, and you're out in Flushing, Queens, you

2 probably know Community Board 7, Staten Island has
3 their own versions as does other parts of Brooklyn.
4 You all have your own versions of Community Board 7.
5 Very involved, very intense on land use, and very
6 knowledgeable. They scrutinized the project for a
7 number of years, and they supported the project as
8 did Flushing Town Hall. As it did when we moved
9 through the process, the full Board of Community
10 Board 7, that is it kept going through the process
11 through Borough President Melinda Katz's Office it
12 secured support. And we met with Councilman Peter
13 Koo from time to time throughout the process updating
14 him on who we were meeting with as we were meeting
15 with them, and also meeting with him. And he
16 indicated his support for the project. So it got a
17 lot of support.

18 Throughout the support process, an
19 arrangement was made with Flushing Town Hall to
20 provide overflow space for them should they need it.
21 If they have any activities or events, there's
22 approximately in this building it's proposed to have
23 approximately 7,000 square feet of community facility
24 space. And we have made arrangements publicly
25 through Flushing Town Hall to utilize that space as

2 they need on a no-charge basis. We've made that
3 arrangement with them. We've also made the
4 arrangements with Flushing Town Hall to redesign the
5 building. So the design that you see right now,
6 which eliminates any potential for people to overlook
7 into Flushing Town Halls Garden. The access point to
8 any second floor-- Raymond, if you could point that
9 out on the renderings now maybe--

10 [pause]

11 ERIC PALATNIK: I don't know if that one
12 shows you.

13 RAYMOND CHAN: [off mic] It's at the
14 marker. Right here.

15 ERIC PALATNIK: Where--where he's
16 pointing to right there it was a request--it was a
17 design request that was made at Flushing Town Hall.
18 It was also requested by Flushing Town Hall that they
19 do need parking. Because as many of you may know,
20 Flushing has a bit of a parking problem sometimes
21 from time to time. Consequently, the facility--the
22 proposed development is greatly over-parked. 155
23 spaces are proposed. There's--if you counted up all
24 the zoning requirements for the community facility,
25 the retail and the hotel and the residential, you're

1 only required under the zoning to have 109. So there
2 is a surplus of 46 spaces. Plus, we believe the
3 hotel will be greatly under-parked most of the time.
4 But we anticipate the purpose of the hotel and the
5 program for the building is to accommodate the
6 business culture that is evolving and growing
7 tremendously in Flushing. And the people that will
8 be residing in the hotel we believe that--who's
9 staying in the hotel--won't necessarily be tourists
10 coming to New York to go see the Empire State
11 Building, but will be people coming here from other
12 countries looking to do business in New York City
13 particularly in Flushing and who will not be
14 traveling with a vehicle. So believe there will be a
15 surplus of spaces for that. Similarly, the 43
16 apartments that are proposed upstairs, they've been
17 designed right now as-- If you look on the floor
18 plans, basically studios, but they can be enlarged
19 and added to and combined as needed. But again,
20 we're anticipating that the clientele, and the people
21 that will be residing the dwelling units will, for
22 the most part, be business people that are doing
23 business in Flushing. And that are traveling to and
24 from Flushing on often enough times that it's
25

2 worthwhile for them to have residence within
3 Flushing, and have a place for their business and for
4 their people and for their business associates and
5 for them to stay. It will, of course, also be
6 available to everybody in the community that wants to
7 live there, and they'll have all the services that
8 are available with the hotel. The good news that
9 came up in the discussions at the Community Board was
10 it won't be a tax on any of the local services for
11 the most part, which we're not looking to add that.
12 We don't have to speak to any of the young children
13 who will be living within the building. It's pretty
14 much an adult oriented facility for the most part.

15 Downstairs on the ground floor Mr.
16 Raymond Chan has spent a lot of time designing these
17 street scapes so as to activate it. And if you could
18 pull out the Plaza Plan, Raymond. I think it's right
19 here.

20 [pause]

21 ERIC PALATNIK: Please point to the
22 corner, Raymond on Leavitt where you have the big
23 opening.

24 RAYMOND CHAN: [off mic] Leavitt Street?
25

2 ERIC PALATNIK: Right, where you have the
3 opening and where you have--you have the found there.

4 RAYMOND CHAN: [off mic] Right.

5 ERIC PALATNIK: As you drive down to
6 Flushing the view that you have in the bottom right
7 in the rendering is looking at the building as you
8 are driving into Flushing in a westward direction on
9 Northern Boulevard. For those of you who make the
10 drive often, probably more the Queens Council people,
11 heading west, you do drop down a hill as you come
12 down into the Flushing area, in that area and there
13 is a bit of an open expanse. The building has been
14 designed to sort of capture the person's eye as
15 you're coming down with--almost like a Time Warner
16 Center type of sculpture there in the middle on the
17 corner. And the building sort of has a curve to it,
18 it sort of slightly follows the bend in the roadway.
19 It opens up a plaza at the street level. And the
20 plaza at the street level is going to be accessible
21 for all of the different commercial uses down on the
22 ground floor to access it. And we're expecting to
23 get cafes and restaurants, and create a street light
24 on this side of Northern Boulevard. Again, when
25 you're in Flushing, this side of Northern Boulevard,

2 the north side tends to be dormant and not as
3 activated as the south side. Northern Boulevard is
4 sort of a natural barrier that evolves, and there's
5 no good reason for people to cross Northern Boulevard
6 really other than Flushing Town Hall. This will give
7 people a reason to cross Flushing--cross Northern
8 Boulevard and bring more people into that side of
9 the--of the street. The building itself-- Raymond, I
10 think under one of those is the elevation, the Code
11 elevations is under one of those on the easel.

12 RAYMOND CHAN: [off mic] Where are they?

13 ERIC PALATNIK: On the easel up top.

14 RAYMOND CHAN: [off mic] Right here?

15 ERIC PALATNIK: No, no, that section on
16 it. I apologize.

17 RAYMOND CHAN: [off mic] The section?

18 ERIC PALATNIK: The section--it should be
19 next to it. There you go. So I'm always better with
20 pictures. When I waited tables, my boss always had
21 to draw a map of the dining room. He said you're
22 much better with pictures. Because when he told me
23 what tables I had to do, I always had to go over to
24 the long tables. So these helped me out. This gives
25 you an elevation, a section of the building. There's

2 parking located in the pin, which you--Raymond just
3 pointed to right there. The blue is the ground floor
4 level, which is sort of termed the basement in the
5 plans. It's a little confusing. So, hopefully that
6 you can--you're clear now on that. And that will
7 have the area where vehicles that drive in, and drop
8 off patrons for the hotel. People will also be able
9 to into that level, and drive up to the ramp, which
10 will take them up to the second pink level. Which is
11 where the parking garage is also located. And that's
12 where people who will be living in the building if
13 they wanted to drive in, they would drive right up to
14 that level. There will be a service elevator that
15 will bring the cars, maneuver the cars between the
16 two pink levels. That won't be done by humans. It
17 will be done by--it will be done by humans, but it
18 won't be done by residents. You'll have to have a
19 specified--a valet will be taking it back and forth.

20 The red that you see on floors 2 through
21 8 that's the hotel, 191 units, which we mentioned a
22 moment ago. And the top three floors are the 43
23 apartments. That's essentially the whole thing in a
24 nutshell. I can keep talking, but if you would like
25 to hear--

2 CHAIRPERSON WEPRIN: [interposing]

3 That's okay. We would like to see you stop talking.

4 ERIC PALATNIK: Yeah, I figured you
5 would. I figured you would.

6 CHAIRPERSON WEPRIN: I don't want to
7 learn too much about your father and his dates.

8 ERIC PALATNIK: Well, you know.

9 CHAIRPERSON WEPRIN: Well, thank you.
10 Let me--I know we've been joined by Peter Koo, whose
11 district it's in. I want him to speak, but we've
12 also been joined by Ritchie Torres, who is a member
13 of the subcommittee. Peter, do you want to--do you
14 have a statement you want to give for--? Okay.
15 Council Member Koo.

16 COUNCIL MEMBER KOO: Thank you, Chair
17 Weprin, and good morning my colleagues on the
18 committee and everybody as well. The proposed
19 development that the committee is considering this
20 morning the Sears hotel and residences will be
21 located 13761 Northern Boulevard within my Council
22 District. The proposed development is an 11-story
23 123-foot high, 152,000 square foot mixed-use building
24 that will contain 43 residential units, 193 hotel
25 rooms, retail spaces and a community facility, and

155 parking spaces on the first floor and below grade. The residential section of the building will have a separate entrance in the hotel section. Mr. Chan and his associates have worked with the community and my office to address concerns that were raised during reveal process. Sensitive to the fact that they were building next to the historic Flushing Town Hall, developers agreed to reduce the height of the building where he broached the Town Hall Garden. Setting back the second floor and higher floors for privacy eliminating any public use of the first and second floor terraces overlooking the garden. And curving the building's architecture to allowing greater visibility of Flushing Town Hall from Northern Boulevard. The developers will allow community groups and organizations access to the new community facility, which is also very important to me. But the serious commitment to working with and addressing the concerns of the Community Board and other stakeholders, respecting his laborers, and proposing a project that will provide space for the community has earned my support. When this proposal comes to a vote, I will be voting aye, and I hope my

2 colleagues look favorably on this proposal as well.

3 Thank you, Mr. Chair.

4 CHAIRPERSON WEPRIN: [off mic] Thank you
5 Mr.--[on mic] Mr. Koo. Does anyone else have a
6 question for Mr. Palatnik on this item? Since it's
7 supported by the Community Board and Mr. Koo, I don't
8 see any other questions. Okay. Well, thank you very
9 much.

10 ERIC PALATNIK: Thank you.

11 CHAIRPERSON WEPRIN: Is there anyone else
12 here who wishes to testify on this matter? I didn't
13 see anybody else. So we're actually going to move to
14 a vote on this particular item. We've been joined by
15 Council Member Jumaane Williams. At least almost.
16 He's standing outside the line for some reason. Now
17 he's in. Okay. We're going to vote on this item and
18 then we're going to hear one item after that. Do you
19 have question, or that just an attendance finger or
20 is that--you want to say something.

21 COUNCIL MEMBER WILLIAMS: [off mic]
22 Yes, I do. [sic]

23 CHAIRPERSON WEPRIN: Oh, Council Member
24 Williams, can we get you to a place to sit? Okay.

25

2 COUNCIL MEMBER WILLIAMS: Thank you very
3 much--

4 CHAIRPERSON WEPRIN: [interposing]
5 You're welcome.

6 COUNCIL MEMBER WILLIAMS: --Mr. Chair. I
7 just have a question about the residential use.

8 ERIC PALATNIK: Yes.

9 COUNCIL MEMBER WILLIAMS: Do we have a
10 breakdown on any income bands that will be allowed
11 there, and how much the rent will be?

12 ERIC PALATNIK: Well, we don't have a
13 breakdown on what the rents will be yet, and I
14 apologize because you weren't here for the earlier
15 part of the discussion. That's all repeated and I
16 apologize to the other--to the other council members.
17 The rezoning that we're requesting is a rezoning
18 basically from residential to commercial. We're not
19 asking for any residential up-zoning. Where the
20 program of the building is geared toward the business
21 world, focusing up a hotel for international business
22 travelers to utilize Flushing. The 43 apartments
23 upstairs are geared towards the business travelers
24 that will not want to stay in the hotel, but they
25 stay here often enough so they could actually own

2 their apartments. That's the focus in the program of
3 the hotel. Not geared so much necessarily towards
4 families, although they're welcome to be there. I'm
5 not really going to attract we don't believe too many
6 locals other than maybe some empty nesters who are
7 looking to reside there. As far as the rents go, we
8 have not yet determined the rent rolls for what that
9 will be yet. But that's the program idea of the
10 building.

11 COUNCIL MEMBER WILLIAMS: [off mic]

12 Thank you.

13 ERIC PALATNIK: Thank you, Councilman.

14 CHAIRPERSON WEPRIN: That was a note.

15 [sic] Okay, so what I'll do is I'd like to call on
16 Council. I'm going to call this roll separately on
17 Land Use No. 188. So please call the roll.

18 CLERK: Chair Weprin.

19 CHAIRPERSON WEPRIN: I vote aye.

20 CLERK: Council Member Gentile.

21 COUNCIL MEMBER GENTILE: I vote aye.

22 CLERK: Council Member Garodnick.

23 COUNCIL MEMBER GARODNICK: Aye.

24 CLERK: Council Member Williams.

25

2 COUNCIL MEMBER WILLIAMS: I'm going to
3 abstain.

4 [pause]

5 CLERK: Council Member Richards.

6 COUNCIL MEMBER RICHARDS: Aye.

7 CLERK: Council Member Reynoso.

8 COUNCIL MEMBER REYNOSO: Aye.

9 CLERK: Council Member Torres.

10 COUNCIL MEMBER TORRES: I vote aye.

11 CLERK: And Council Member Ignizio.

12 COUNCIL MEMBER IGNIZIO: With
13 congratulations to my friend Peter Koo. It looks
14 like a beautiful project, and I proudly vote aye.

15 [pause]

16 CLERK: Land Use No. 188 is approved with
17 7 votes in the affirmative, 0 votes in the negative,
18 and one abstention.

19 ERIC PALATNIK: Thank you for your time.

20 CHAIRPERSON WEPRIN: Okay, great. Thank
21 you--

22 ERIC PALATNIK: [interposing] And your
23 support.

2 CHAIRPERSON WEPRIN: -- very much. Thank
3 you, Mr. Palatnik. We'll take an autograph of your
4 charts for whoever wants them. Mr. Chan.

5 [background comments]

6 CHAIRPERSON WEPRIN: All right, we are
7 going to move to the next item on our agenda, which
8 is Land Use No. 189, 190 and 191, is that right?
9 Those three? Yeah, 189, 190 and 191 it's in Council
10 Member Johnson's District. I'd like to call up James
11 Power, who is representing the applicant.

12 [background comment]

13 CHAIRPERSON WEPRIN: And also the other?

14 MALE SPEAKER: I think so, yeah.

15 CHAIRPERSON WEPRIN: And Alvin Shine
16 [sic] is with you? Okay. Alvin Shine.

17 [pause]

18 CHAIRPERSON WEPRIN: As soon as it comes
19 out, we have a Power Point. Is that above your head?
20 Okay, good. So whenever you're ready, whenever
21 you're settled in, we can start and you can make your
22 presentation. Just make sure to state your name for
23 the record when you speak. Okay. Thank you very
24 much.

2 JIM POWER: Okay. Good morning Chair
3 Weprin and members of the Subcommittee. I'm Jim
4 Power from Kramer, Levin, Natfalis & Frankel on
5 behalf of the applicant 1818 Nadlan LLC, which is an
6 affiliate of the Elad [sp?] Group. I'm joined by
7 Elizabeth Snow from ODA Architects, the architects of
8 the proposed building. This is an application for
9 special permits and a zoning text change in
10 connection with the development of the residential
11 with an affordable housing component at 505 West 43rd
12 Street. The building that was approved by the City
13 Planning Commission was a modified version of the
14 building as originally filed, and it resulted from a
15 unique compromise between the developer and Community
16 Board 4 and the Manhattan Borough President.

17 This is an image showing the project site
18 in context. The project is a three-block site
19 located between west 33rd and 34th Street and 10th
20 and 11th Avenues. As you can see from this image, it
21 is located in a transition zone between the high-rise
22 corridor along West 42nd Street and the mid-rise area
23 to the north in West Clinton. The site is a 20,000
24 square foot through lot parcel as shown on this area
25 map. It is located primarily in an R-9 zoning

2 district and in the special West Clinton District.
3 In this subarea, there is a base FAR of six, which is
4 bonusable to eight through the Inclusionary Housing
5 Program, and there's strict building envelope
6 including 135-foot height limit. The site is
7 currently vacant except for an Amtrak rail line
8 running underneath as you can see from these street
9 scape photos. This is a site plan of the proposed
10 building. The building consists of two building
11 segments front on West 43rd and West 44th Streets
12 connected at the ground floor level.

13 The requested land use actions are
14 Section 74-681 Special Permit required--which is
15 required to develop over the rail line. And in
16 addition, we are requesting zoning text amendments
17 and special permits under Section 96-32 to modify
18 certain bulk regulations to address certain site-
19 specific constraints that we have resulting from the
20 Department of Transportation and Amtrak requirements.
21 And those constraints are best shown on this section
22 through the building. The Department of
23 Transportation considers the West 43rd and West 44th
24 Street frontages of the building to be bridges over
25 Amtrak line, and they require access for maintenance

2 purposes. And for that reason, they have required
3 and requested that we set the building back eight
4 feet from each of the two street lines. As a result,
5 the mass of the building is pushed upwards, and
6 results in the requested bulk waivers.

7 Getting back to the list of waivers, the-
8 -we are requesting an increase in the maximum
9 building height from 135 feet to 154 feet. We are
10 requesting a reduction of the front facade setback
11 from 15 feet to 7 feet. The upper stories of the
12 building would be set back a full 15 feet from the
13 street line, but they would not, as required by
14 zoning, be set back 15 feet from the front street
15 wall, which is already set back 8 feet from the
16 street line as I mentioned. And we're also
17 requesting a waiver of a 10-foot rear yard setback
18 above 95 feet.

19 We are, as a result of Amtrak ventilation
20 requirements requesting a waiver of the permitted
21 rear yard obstruction regulations. This is one of
22 the last open sites in the Amtrak Corridor along the
23 west side. And as a result, they require special
24 ventilation measures in the event of an emergency.
25 We have incorporated into the design of the building,

2 an emergency ventilation shaft, which would be opened
3 only in the event of an emergency smoke condition.
4 That is not a permitted obstruction under the Zoning
5 requirements--under the Zoning Regulations, and we--
6 we are requesting a waiver of the permitted
7 obstruction regulation. We also as a result of some
8 information obtained just last week are going to
9 require a modification of that. We are requesting of
10 the Subcommittee a modification of that approval that
11 we obtained from City Planning from that rear yard
12 obstruction regulation. I'll discuss that a little
13 bit further. And the final waiver that was approved
14 City Planning is to permit removable planters at the
15 street line. The zoning requires that permanent
16 planters be placed along the street line where the
17 building is set back from the street line. In this
18 case, the DOT access requirements require that the
19 planters be movable so that they can access the
20 bridge structures underneath.

21 The project as originally filed consisted
22 of 16 stories, and there was 164 feet height--in
23 height. Community Board 4 felt strongly that the
24 height limits on West Clinton should be preserved as
25 much as possible. After working with Community Board

1 4 and numerous meetings with its taskforce, we came
2 up with a reduced height scheme, which was supported
3 overwhelmingly by the Community Board by a vote of 34
4 to 3, and supported by the Borough President. The
5 modification had the effect of removing approximately
6 1-1/2 floors from the building. It's show on this
7 slide. The building is now proposed to be 154 feet
8 on the West 34 Street frontage, and it would step
9 down on West 44th Street to heights of 154 and 144
10 feet. We have an FAR of approximately 7.4, and there
11 will be 21 accessory parking spaces with access from
12 West 43rd Street.

14 The Building Program would include an
15 affordable housing component. Let me just find the
16 slide that we used. Yes, there it is. One-third--as
17 agreed to with the Community Board and the borough
18 president--one-third of the affordable requirement on
19 a square footage basis consisting of eight units
20 would be provided on site. These would be
21 condominium ownership affordable units, and we have
22 worked with Community Board 4 to maximize the number
23 of 2-bedroom units. There will be five 2-bedrooms
24 and three 1-bedrooms. The remainder of the
25 affordable units, which we estimate would be

2 approximately 18 units, would be provided off-site
3 within the Special Clinton District. The affordable
4 units in the building would be distributed equally
5 between the two building segments on West 43rd and
6 West 44th Streets with no more than one unit per
7 floor. There would be no poor door in the building.
8 All residents would use the same entrance. All
9 amenities in the building other than parking--other
10 than parking will be accessible to affordable tenants
11 at no cost. All affordable units would have the same
12 fixtures as the market rate units. And finally,
13 regarding the affordable units to be provided off-
14 site, Elad is currently in discussions about
15 potential sites within the Special Clinton District,
16 and we'll provide the location and related details
17 when they are available. Thank you.

18 CHAIRPERSON WEPRIN: So, I have a couple
19 of questions just to start off. So you talked about
20 the Community Board. At the very beginning, you said
21 it was quite a compromise. That's how you
22 characterized it. Was that on height only? What was
23 the unique compromise?

24 JIM POWER: Yes, it was a reduction in
25 the height of the building, which also resulted in

2 the reduction of the mass of the building. And we
3 have also reached the agreement regarding the
4 affordable distribution. As I said, we would provide
5 one-third of the Affordable requirement on-site--

6 CHAIRPERSON WEPRIN: [interposing]

7 Right.

8 JIM POWER: --two-thirds off-site and the
9 eight units in the building.

10 CHAIRPERSON WEPRIN: Now, you don't have
11 a poor door, as you described it, but you do only
12 have a small part of the units on site. Why weren't
13 more of the affordable units put on-site since that
14 tends to be the way we've been moving late is to have
15 mandated on-site, not necessarily off-site,
16 affordable housing?

17 JIM POWER: Yes, well consistent with the
18 requirements of the zoning as it was adopted in 2011
19 and is applicable to this site, the affordable units
20 are required to be provided either on-site or
21 elsewhere in the Special Clinton District. The
22 Community Board I think recognized that we were
23 making a substantial compromise in reducing the
24 height of the building. Furthermore, this building
25 would not qualify for the full 421-a benefits. And,

2 therefore, as a result, they agreed that it was an
3 acceptable compromise to have one-third of the units
4 on site.

5 CHAIRPERSON WEPRIN: Thank you, Mr.
6 Williams, is there a question? It looked like you
7 were going--going to add something. Go ahead. Sure.

8 COUNCIL MEMBER WILLIAMS: Thank you.
9 Just so I'm clear, is this 421-a or not a 421-a?

10 JIM POWER: The--well, Alvin Shine, who
11 is the 421-a aspects in more detail.

12 COUNCIL MEMBER WILLIAMS: I'd like to get
13 some more information.

14 JIM POWER: Yeah, okay, he'll be
15 available.

16 COUNCIL MEMBER WILLIAMS: Is he here now?

17 JIM POWER: Yeah. He can come up. Sure.
18 Yeah.

19 CHAIRPERSON WEPRIN: Okay. I'm going to
20 bring him up. Just make sure to state your name, Mr.
21 Shine--

22 ALVIN SHINE: [off mic] My name is Alvin
23 Shine.

24 CHAIRPERSON WEPRIN: --and who you are.

2 ALVIN SHINE: My name is Alvin Shine.
3 I'm an attorney and I'm representing the applicant
4 here. One of my areas of practice is affordable
5 housing on 421-a. It's difficult to predict what's
6 going to happen as far as 421-a because this project
7 will not be permitted before the 421-a deadline,
8 which is on June 15th.

9 COUNCIL MEMBER WILLIAMS: [interposing]
10 I see.

11 ALVIN SHINE: So we don't--we can't
12 really predict what's going to happen, and if there
13 is going to be a 421-a statute after that. All we
14 can predict is that the affordable section will get
15 a tax exemption for itself. Otherwise, it's not
16 sustainable at 80% AMI without a tax exemption. As
17 to the rest of the building, we can't predict with
18 it. If any of it will get a 421-a or not.

19 COUNCIL MEMBER WILLIAMS: Are there--are
20 there--are there any other tax exemptions that you
21 have for the building?

22 ALVIN SHINE: No. The project is
23 entirely privately financed. There's no exemption.
24 There's no tax credit. There's no subsidy of any
25 type.

2 COUNCIL MEMBER WILLIAMS: So you're
3 assuming some type of tax exemption for the
4 affordable units itself?

5 ALVIN SHINE: Yes.

6 COUNCIL MEMBER WILLIAMS: Okay, just on.
7 How many units altogether?

8 ALVIN SHINE: Jim, can you--?

9 JIM POWER: I'm guessing five is it?

10 COUNCIL MEMBER WILLIAMS: Okay, five.

11 JIM POWER: There will be 107 units in
12 the building. The numbers have shifted somewhat over
13 the course of the process. 107 units in the building
14 including 8 affordable.

15 COUNCIL MEMBER WILLIAMS: And then you're
16 doing 26 affordable?

17 JIM POWER: We are estimating that with
18 the off-site component, there will be a total of 26
19 units. Eight on-site that we're committed to, and
20 approximately off-site depending on how the square
21 footage works on in the building there.

22 COUNCIL MEMBER WILLIAMS: So basically an
23 80/20 is what--how you broke it down?

24 JIM POWER: It's
25

2 ALVIN SHINE: [interposing] The
3 combination on it.

4 JIM POWER: The--the actual required
5 amount of affordable is determined by the zoning
6 requirements to achieve the bonus. It is not
7 technically an 80/20 program. I can give you further
8 Alvin Shine on that issue.

9 ALVIN SHINE: And my colleague is
10 correct. It's not--it's not the 80/20 because part
11 of the reason being an 80/20 is to get tax credits or
12 to qualify the entire building 421-a, and we're not
13 seeking to do that?

14 COUNCIL MEMBER WILLIAMS: But it's
15 roughly about 20%, is that right? Or did I do my
16 math right?

17 ALVIN SHINE: Altogether?

18 COUNCIL MEMBER WILLIAMS: Yes.

19 ALVIN SHINE: I don't know. [sic]

20 COUNCIL MEMBER WILLIAMS: What is the
21 breakdown of the affordable units that you have--the
22 26?

23 ALVIN SHINE: I'm sorry, you mean the on-
24 site or off-site?

25 COUNCIL MEMBER WILLIAMS: Both.

2 ALVIN SHINE: Okay, off-site we're
3 talking about five 2-bedrooms and three 1-bedrooms.
4 Off site we can't really predict what the bedroom
5 configuration would be or the size because that's
6 produced by an off-site developer. And we have not
7 yet identified an off-site developer to provide the
8 square footage?

9 COUNCIL MEMBER WILLIAMS: And what are
10 the rents for the rents for the 8 and for the 18?

11 ALVIN SHINE: Okay, the 8 will not be
12 paying rent. They will be condo owners. So they
13 will be paying common charges and debt service on
14 their loan. But the combination of their carrying
15 costs will be more or less equivalent to rent at 80%
16 AMI. Which--and these are large units, 2-bedrooms
17 and 1-bedrooms. For a 2-bedroom unit, the carrying
18 costs are roughly \$1,400 a month.

19 COUNCIL MEMBER WILLIAMS: And for the 18?

20 ALVIN SHINE: Again, the 18 we can't
21 really predict whether it's coming from a low-income
22 project or very low-income project. But, those are
23 generally--the odds are they're going to be less than
24 the rents here because many of the projects are tax
25 credit projects that are offset.

2 COUNCIL MEMBER WILLIAMS: And the 8 that
3 are condos, is the purchase price subsidized also or
4 is it market purchase price?

5 ALVIN SHINE: No, the purchase price is
6 controlled by HPB based on its formula that will
7 raise that [sic]. So the--the discount market is
8 going to be roughly 90-95% discount to market.

9 COUNCIL MEMBER WILLIAMS: The lowest for
10 the on-site is primarily aimed at 80% of AMI?

11 ALVIN SHINE: Correct.

12 COUNCIL MEMBER WILLIAMS: And you don't
13 know what the lowest is for the 18 off-site?

14 ALVIN SHINE: No because we haven't
15 identified that yet.

16 COUNCIL MEMBER WILLIAMS: And there is no
17 way to fit 18 on-site?

18 ALVIN SHINE: I can answer that, but that
19 was based on the negotiations with the Community
20 Board. That was the result.

21 COUNCIL MEMBER WILLIAMS: All right,
22 thank you. Even though there isn't I guess a known
23 direct subsidy or tax exemption, I just want to put
24 on the record that getting zoning changes and those
25 types of changes for the project is in itself

2 something that the project gains from the City
3 whether or not it's a direct subsidy or tax
4 exemption. Thank you.

5 CHAIRPERSON WEPRIN: And do you have any
6 concept of where these off-site units could be? I
7 mean are they properties that are owned by the
8 developer in the area?

9 ALVIN SHINE: They're not owned by the
10 developer. They would be somewhere in Clinton
11 Special of District 4. That's the zoning
12 requirement.

13 CHAIRPERSON WEPRIN: Right, and so there
14 hasn't been any furtherance to try to fit--identify
15 these units ahead of time just knowing that
16 eventually we will?

17 ALVIN SHINE: Eventually, we will, yes.

18 CHAIRPERSON WEPRIN: Okay. We've been
19 joined by Council Member Corey Johnson. We've also
20 been joined by Council Member Ruben Wills, and in a
21 couple of minutes we're going to have vote for you.
22 But Council Member Corey Johnson represents obviously
23 the Chelsea area. So he has a statement he wants to
24 make about this project.

2 COUNCIL MEMBER JOHNSON: Thank you, Chair
3 Weprin. I just want to let the members of the
4 committee know that I think this is an exciting
5 project because it's actually affordable home
6 ownership, which is a great thing. There has--there
7 was extensive negotiations between the developer and
8 the Community Board, which is why Council Member
9 Williams they agreed to not go up to 165. The
10 Community Board wanted the maxed out at 155 feet. I
11 used to Chair that Community Board. So I have the
12 utmost respect for it, but I'm not sure I entirely
13 bought why that is the best the decision because I
14 think what is probably the optimal is to have all the
15 affordable units on site. We still have a little
16 time to figure that out, but the Community Board and
17 the developers spent an extensive amount of time
18 together putting this proposal together. And I'm
19 sure you saw this. This is part of the presentation,
20 but this is a very unique site. It's over a rail
21 cut, and so the loss of FAR because it's over a rail
22 cut and because of the modifications they needed to
23 make for the vents for Amtrak decreased the amount of
24 floor area they could use for housing. So I just
25 wanted to ask where you all stood on eliminating the

2 parking from the project, and if you all are open to
3 that?

4 JIM POWER: Yes, Council Member Johnson.
5 As a result of your request we have discussed the
6 parking issue further with our client and we would be
7 willing to remove the parking element from the
8 project. I should also mention that we estimate that
9 elimination of the parking would result in-- We're
10 still studying it, but would result in some
11 additional affordable area. Including one additional
12 1-bedroom on site, and some additional amount of
13 affordable off site.

14 COUNCIL MEMBER JOHNSON: Great. Thank
15 you. Well, this project has been in the hopper for a
16 long time. It's taken an extensive amount of work
17 between the Community Board, the developer, the
18 borough president, the City Planning Commission, and
19 myself. It's been an interactive process, and
20 because they need some modification, as you know, Mr.
21 Chair, we are not going to be able to vote today.
22 But I believe that will happen I think on April 13th.

23 CHAIRPERSON WEPRIN: Okay. Anybody else
24 on the committee have any comments or questions for
25 these gentlemen? I don't see any. Okay, thank you

1 very much. We're going to close this hearing. Well,
2 is anyone else here to testify on this matter before
3 I close this hearing? I don't see anybody. So we're
4 going to close this hearing for now. We're not going
5 to vote on this item today. I am going to call on
6 Council Member--I'm going to call Ruben Wills.
7 Ruben, we had the item before in Flushing, which
8 Council Member Koo supports to build a hotel right
9 near Flushing Town--right next to Flushing Town Hall,
10 which had Community Board support and borough
11 president support.
12

13 COUNCIL MEMBER WILLS: I vote aye.

14 CHAIRPERSON WEPRIN: Okay. Well, good
15 enough. Okay, excellent. I got to call the roll.
16 So you want to announce the vote on that item now? I
17 can do that, too, if you want.

18 CLERK: The final vote on Land Use No.
19 188 is approved. 8 votes in the affirmative, and 0
20 in the negative and 1 abstention.

21 CHAIRPERSON WEPRIN: Okay. Well, that's
22 all the items on our agenda today. I thank all the
23 members for their cooperation, and with that in mind,
24 the meeting of the Zoning and Franchises Subcommittee
25 is now adjourned.

2 [gavel]

3 CHAIRPERSON WEPRIN: Thank you, Ruben.

4 [background conversation]

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date March 30, 2015