

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

SUBCOMMITTEE ON ZONING AND FRANCHISES

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HELD AT: Council Chambers
City Hall

B E F O R E:
MARK WEPRIN
Chairperson

COUNCIL MEMBERS:

Diana Reyna
Leroy G. Comrie, Jr.
Robert Jackson
Albert Vann
Daniel R. Garodnick
Jessica S. Lappin
Ruben Wills
Vincent Ignizio

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

Ed Wallace
Attorney
Greenberg Traurig, LLP

Mitchell Korbey
Partner/Chair of Land Use
and Environmental Law
Herrick, Feinstein, LLP

Jennifer Dickson
Senior Planning and
Development Specialist
Herrick, Feinstein, LLP

Bruno Daniel
Director
Churches United for Fair Housing

Debra Modino
Organizer
Southside United Housing-Los Sures

Mario Bello
Resident
Brooklyn, NY

Raul Sanchez
Pastor
Brooklyn, NY

Alfredo Ramirez
Resident
Brooklyn, NY

Carolann Johns
Managing Director
St. Nick's Alliance

Madeleine Laviano
Resident
Brooklyn, NY

Eugene Ortiz
Resident
Brooklyn, NY

Jessica Perez
HOA NYC

Bridgette Blood
Member
Renters of the
Rheingold Advisory Panel

Matthew Mottel
Business Owner
Brooklyn, NY

Renee Peperone
Volunteer
Bushwick Eco Action Network

Edison Walkes
Member
SEIU 32BJ

Anthony Armstrong
Project Manager
Design Concept Architects

Ramon Peguero
Executive Director
Southside United Housing-Los Sures

David Ocasio
Treasurer
Rheingold Homeowners Association

Rob Solano
Executive Director
Churches United for Fair Housing

Jose Lopez
Lead Organizer
Make the Road New York

2 CHAIRPERSON WEPRIN: Good morning,
3 everyone. My name is Mark Weprin, and I am chair
4 of the Zoning and Franchises Subcommittee of the
5 Land Use Committee. I'd like to welcome everybody
6 here today. Just before we get started with the
7 main event, I just want to acknowledge that Land
8 Use numbers 945 and 946, the East Midtown Rezoning,
9 will not be taken up today. It will probably be
10 discussed... before the end of the week it must be
11 discussed, so it will not be at this particular
12 meeting. So today, we will be taking up Land Uses
13 numbers 951,952 and 953, the Rheingold Rezoning, in
14 Council Member Reyna's district. I am joined today
15 by the following members of the subcommittee:
16 Council Member Reyna herself; Council Member
17 Comrie; Council Member Jackson; Council Member
18 Vann; Council Member Garodnick; Council Member
19 Lappin; Council Member Wills, sorry, my phone is
20 ringing, and Council Member Ignizio. So alright,
21 so what we're going to do now is for the
22 applicants, we're going to call up Jennifer
23 Dickson, Ed Wallace and Mitchell Korbey to make a
24 presentation. I want to let everyone know that the
25 way... we're going to hear from the applicants;

1 there's going to be a number of questions from the
2 panel. This will probably go on for a little
3 while, and then we are going to switch to
4 alternating between those against and those for the
5 project. We are going to have to limit people to
6 two minute testimony; there's a clock here with an
7 annoying bell. So in your mind, if you can start
8 taking any testimony you have written down, start
9 summing it up into two minutes. You can go
10 practice in the hallway if you want, but yeah, so
11 we're going to limit people to two minutes, so just
12 be prepared for that and that'll be for both sides;
13 the bride's side and the groom's side and we'll see
14 what happens. So whenever you're ready. Please
15 always state your name for the record when you
16 speak, so if it's transcribed later, we know who's
17 speaking, and whenever you're ready. Thank you.

19 ED WALLACE: Good morning, Mr. Chair,
20 members of the committee. My name is Ed Wallace.
21 I'm from the law firm of Greenberg Traurig. I'm
22 joined by Mitch Korbey, who's really the Land Use
23 lawyer on the project, along with Jen Dickson from
24 Herrick, Feinstein. I just wanted to say briefly
25 first of all, it's always an honor to be back in

1 this room and we are here to answer your questions
2 and try to be responsive to community concerns, as
3 well as the concerns that Council Member Reyna has
4 not only articulated, but led us in a really
5 thorough community process that I will just alert
6 you is still ongoing. So with that said, I'd
7 invite Mitch Korbey to give you a brief
8 presentation on the project.

10 MITCHELL KORBEY: Thank you so much,
11 Ed. We've just passed out a hand-out that most
12 folks in the community who've attended so many of
13 our meetings have seen, and we'll walk you through
14 the presentation as well, between Jen and myself,
15 on the boards. So this is a four and a half, five
16 block area of West Bushwick bounded by Flushing
17 Avenue, Bushwick Avenue, Melrose Streets. Today
18 this area is zoned for manufacturing and only
19 manufacturing is permitted here today. Our
20 proposal calls for a rezoning of about two-third of
21 this area to residential, keeping one-third
22 manufacturing, recognizing that there's room for
23 and it would be appropriate to have additional
24 manufacturing jobs and additional growth in that
25 manufacturing area. So this maintains the

1 opportunity for that in that area that's going to
2 stay manufacturing, which once again, you can see
3 on the map and on your hand-out. The residential
4 component of our rezoning is two different
5 contextual residential districts. Contextual
6 districts are important, of course, because they
7 provide for a predictable housing form. This, in
8 our case, means R6A and R7A. These will be six to
9 eight-story buildings, never any bigger than that
10 because contextual districts provide a predictable
11 building form, unlike some other rezonings. No
12 towers, no big buildings; a predictable housing
13 form here. In addition, this residential rezoning
14 will result in 977 new housing units.
15 Significantly, of that number, 242... 242 will be
16 permanently affordable housing. That represents 24
17 percent of the total. Of that 242 permanent units,
18 47 units are targeted to be in a stand-alone senior
19 housing building for permanently affordable low-
20 income senior housing.

21
22 So it's important to stress that our
23 rezoning does two things. It provides for a
24 contextual residential rezoning. It maintains
25 manufacturing in an area that today has warehouse

1 buildings; today has some manufacturing; tomorrow
2 could have more. Our residential component, once
3 again, creates a significant number of permanently
4 affordable housing units with the senior component
5 that I mentioned.
6

7 In addition to our residential rezoning
8 and our maintaining manufacturing, we're providing
9 for open space on our site. About a third of an
10 acre in the lower section of our site in the... I
11 guess the southeast corner of the site will be
12 publicly accessible, privately owned open space.
13 This area is about a third of an acre. It's
14 planned, programmed open space available to
15 residents and available to the community; once
16 again, publicly accessible, privately owned and
17 maintained open space. In addition to that, we are
18 providing a \$350,000 contribution to improvements
19 in the Noll Street playground, which is just off
20 our site in the northeast corner just beyond our
21 rezoning area. So those two components are things
22 that we are doing to you know, provide for some
23 community improvements and benefits.

24 In addition to that, we're also mapping
25 two new public streets in the rezoning; Stanwix

1 Street and Noll Street. These streets were once
2 public streets, but were demapped many years ago.
3 By remapping them as new public streets, while it's
4 a significant thing for us to do, it's the right
5 thing to do because it brings back together these
6 streets that once existed and allows the community
7 grid pattern anyway to sort of be stitched back
8 together.
9

10 So taken together, our rezoning is not
11 a typical manufacturing to residential rezoning
12 where you have the entire area rezoned from
13 manufacturing to residential. In our case, we're
14 doing contextual residential districts, we're doing
15 a significant amount of affordable housing that'll
16 be permanently affordable and we're keeping
17 manufacturing for about a third of the site,
18 recognizing that it's critical to maintain new
19 opportunities for small businesses and
20 entrepreneurial firms that we are happy to begin a
21 dialogue with. In fact, that dialogue has begun
22 already. Having said that, I would just stress
23 that it's a significant opportunity for us and the
24 community and as Ed was suggesting, we've spent
25 considerable time at meetings and with outreach and

1 we're going to keep doing that and it's the right
2 thing to do. So we appreciate the opportunity to
3 be here today and are happy to answer questions and
4 do what we can to talk you through what we think is
5 a great project and proposal for Bushwick. Thank
6 you.

8 CHAIRPERSON WEPRIN: Thank you. Nobody
9 else. Jennifer, no? Nobody else. Okay, great.
10 I'm going to call on Council Member Reyna to
11 discuss a little about this project, as well as the
12 involvement of the community, so Council Member
13 Reyna.

14 COUNCIL MEMBER REYNA: Thank you so
15 much, Mr. Chair and to the committee members. I
16 just wanted to take a moment to ask very technical
17 questions in relationship to this particular
18 rezoning application. Thank you for the
19 presentation. This particular vast land is coupled
20 with a variety of block and lots. How much land
21 are we talking about as far as a footprint of
22 square footage or acreage for developing new
23 construction?

24 JENNIFER DICKSON: This is Jennifer
25 Dickson. The total amount of square footage that

1 would be developed on our client's sites; on the
2 applicant's sites is about one million square feet.

3
4 COUNCIL MEMBER REYNA: And the areas
5 that have been added to the footprint of this
6 proposed zoning application, is there any
7 relationship to adjacent property owners?

8 MITCHELL KORBEY: So just to be clear,
9 I'm sorry, Council Member Reyna, you're asking
10 about... our rezoning includes areas that aren't
11 owned by our client; aren't controlled by our
12 client, correct? And the area that in particular,
13 and maybe Jen, you can point it out, is in the
14 northwest corner of the site. That area is
15 currently zoned for manufacturing, just like the
16 rest of it. It's about a two block, block and a
17 half area. It's currently characterized by some
18 housing and the City Planning Commission and the
19 City Planning Department felt it was important not
20 to leave that area manufacturing, but instead have
21 us included in our rezoning and we agreed to do
22 that. So for that reason, the rezoning area that's
23 controlled by our... owned by our client; been
24 owned for about 12 years by our client you know,
25 expands to include... the rezoning expands to

1 include that property that we don't own,
2 principally those... that block and a half.

3 COUNCIL MEMBER REYNA: Have those
4 property owners been contacted by your client or
5 yourselves as representative of this application?
6

7 MITCHELL KORBEY: You know, honestly I
8 don't believe they have. I don't know that there's
9 been... at least I haven't been involved in a
10 dialogue with them, so I'm not sure. We can find
11 out for you. As far as I know the answer is no.

12 COUNCIL MEMBER REYNA: And was there a
13 dialogue with the City Planning Commission to have
14 you instructed to speak to them or has... are you
15 aware of any conversations from the Department of
16 City Planning contacting those adjacent properties?

17 MITCHELL KORBEY: No, I think none of
18 us are aware of any dialogue between City Planning
19 and those folks and nor were we instructed to reach
20 out to them. Again, I would just say that the City
21 Planning Department and later the Commission
22 presented a planning argument and their planning
23 argument was, once again, it didn't make sense from
24 their perspective to keep an island, if you will,
25 of manufacturing zoning, particularly since there

1 is some housing units; several housing units in
2 those... in that corner, so they asked if once
3 again, we'd include it in our rezoning, and this
4 happens from time to time; an applicant's rezoning
5 is expanded to include property not owned by the
6 applicant because the Planning Department believes
7 it's the right thing to do planning wise, and we
8 agreed to do that.
9

10 COUNCIL MEMBER REYNA: And as far as
11 the property that is to my right of the
12 Mademoiselle property, is that owned or partially
13 owned by Read Properties as the applicant?

14 JENNIFER DICKSON: I'm not sure what
15 you're talking about. Here?

16 COUNCIL MEMBER REYNA: No, down...
17 right... the lighter pink, yes.

18 JENNIFER DICKSON: So no, that is not
19 owned by them. I believe that they actually did
20 reach out to them because it's just a little corner
21 of the site that would've been you know, a better
22 site plan to include that, but there was... they
23 did not purchase that corner.
24
25

1
2 COUNCIL MEMBER REYNA: I think we need
3 clarity on that. I believe that it's part of the
4 Read Properties block and lots.

5 ED WALLACE: Can we... Council Member,
6 Ed Wallace. Can we just clarify? Maybe we're not
7 understanding your question. The property you're
8 talking about is the Mademoiselle site or another
9 site?

10 COUNCIL MEMBER REYNA: No, she
11 identified it. It's that...

12 [crosstalk]

13 ED WALLACE: Okay.

14 [crosstalk]

15 COUNCIL MEMBER REYNA: Box.

16 JENNIFER DICKSON: The little corner at
17 the bottom.

18 ED WALLACE: Okay.

19 COUNCIL MEMBER REYNA: So I just wanted
20 clarity on confirmation...

21 ED WALLACE: Okay.

22 JENNIFER DICKSON: Okay, we can...

23 ED WALLACE: We'll do that.

24 COUNCIL MEMBER REYNA: On that
25 particular property.

ED WALLACE: Absolutely.

COUNCIL MEMBER REYNA: And just to be clear, we looked up that property as 131 Melrose Street and I have the block and lot numbers, if that makes it helpful for you, as being part of the Read Group portfolio. And since you don't know and have no confirmation at the moment concerning that particular block and lot, I spare you the question of asking you what are the future plans for those properties, but I would like confirmation once you've identified that being part of the Read Group portfolio. The Mademoiselle building, as far as the downzoning, the current zoning for the Mademoiselle is M3-1. Can you just tell me why downzone it if you are able to keep it as is and bring in what would be uses that are complementary to the area for industrial and manufacturing to continue?

MITCHELL KORBEY: Sure. Thank you, Council Member. Jen and myself may play a little tag team here, but M3 Districts allow very heavy manufacturing. We don't see that today here and nor do we see it in M3 Zones nearby. When I say heavy manufacturing I mean things, frankly, like

1 glue manufacturing, construction of major you know,
2 parts; you know, sort of very heavy industrial
3 uses...
4

5 [crosstalk]

6 COUNCIL MEMBER REYNA: Well, waste
7 transfer facilities?

8 MITCHELL KORBEY: Yes, waste transfer
9 facilities, yeah.

10 COUNCIL MEMBER REYNA: Which we're in
11 the process of trying to pass reduction capacity in
12 our neighborhood where...

13 [crosstalk]

14 MITCHELL KORBEY: Right, right. Yeah,
15 thank you. Things like particularly noxious uses
16 like those...

17 COUNCIL REYNA: [interposing] Mm-hm.

18 MITCHELL KORBEY: Are allowed in M3
19 Districts, and it's not appropriate to have you
20 know, M3 type uses adjacent to residential. In
21 some ways it's... you know, you already have that
22 condition in some areas, but where you can take
23 care of it, it's the right thing to take care of
24 it. Once again, there are no M3 type uses, which
25 by the way, have very low performance standards.

1 M3 uses can emit fumes and particulate matter and
2 all the rest, so we don't have those kinds of uses
3 today; they're inappropriate tomorrow. So by going
4 down to M1, we are preserving the ability to have
5 multiple manufacturing warehouse entrepreneurial
6 business type uses; the ones that we've had a
7 dialogue with the community about, those will be
8 maintained for the future, but we will preclude
9 those kinds of noxious uses, which are
10 inappropriate.
11

12 COUNCIL MEMBER REYNA: What are the
13 plans as far as uses are concerned within the M1-1
14 proposed zoning?

15 MITCHELL KORBEY: We don't currently
16 have... you know, we haven't firmed up because
17 we're of course, anxious for the rezoning to move
18 forward. We haven't you know, completely firmed up
19 any leases or you know, whatever with potential
20 businesses, but we are... we're hoping to dialogue
21 with EWVIDCO and one or two other local groups and
22 it's our expectation, and it would be, of course, a
23 good thing for us, for these buildings to house
24 smaller entrepreneurial industrial uses, warehouse
25

1 uses and I know you've had some conversations with
2 folks. Do you want to let them know?

3 [crosstalk]

4 ED WALLACE: Yeah, I just would add,
5 and I think the Council Member knows, but for the
6 record, we have engaged in a dialogue in many
7 respects, thanks to the work of your office, to see
8 whether there could be some artisanal facilities
9 that would be good for local employment, as well as
10 local production of things that would be useful to
11 the community, and I think that's the direction we
12 expect to go in and I think to the extent there's a
13 concern that there could be other uses that you
14 didn't consider compatible, our client is
15 completely willing to try to get the go; make an
16 understanding with the community that would
17 eliminate any anxiety about things you really don't
18 want.
19

20 COUNCIL MEMBER REYNA: And the current
21 occupants in the building are whom?

22 MITCHELL KORBEY: We have OEM... the
23 OEM lease, which has expired and we don't
24 anticipate that to be a future use. We have
25 warehouse and distribution facilities I believe for

1 a toy manufacturer and there's one other that
2 was...

3 [crosstalk]

4 COUNCIL MEMBER REYNA: For what
5 manufacturer?

6 MITCHELL KORBEY: I'm sorry.

7 JENNIFER DICKSON: It's just a second
8 storage use.

9 MITCHELL KORBEY: The two storage uses;
10 warehouse type uses. There's no manufacturing per
11 se. These are warehouse uses right now in the
12 facility.

13 ED WALLACE: And one thing I would add
14 is to the degree we can have more active employment
15 in those buildings because as you know, warehouses
16 have relatively minimum employment. That's
17 something we're very much looking forward to.

18 COUNCIL MEMBER REYNA: And I appreciate
19 the comment as far as active employment is
20 concerned. This was one of the points of
21 contentious disagreement seven years ago when a
22 proposed lease for warehousing in this building was
23 not the best use, and I would not want to see that
24 continue to be the case in the future in
25

1 relationship to this almost 300,000 square feet of
2 potential small business incubation space and/or
3 long-term small business development. In
4 relationship to the community and its workforce
5 training and job placement, this is where it begins
6 and ends as far as I'm concerned. So we're looking
7 forward to the expiration of the lease and the
8 warehousing of city apparatuses or whatever it may
9 be that occupies the building currently, which
10 created at best one job in the last seven years.

12 ED WALLACE: I think we would like to
13 reassure you specifically on that point; that the
14 commitment is there to really activate that use.
15 It's good for the developer and we actually look to
16 your office, your successor and the community that
17 you have helped us get to know better to get it
18 right, and I think even within the community there
19 may be some differing opinion as to whether this
20 type of use or that type of use, but the general
21 theme is what you just said, which is more jobs and
22 more local relevance than just you know, a
23 warehouse with one attendant, so we're committed to
24 that.

1 COUNCIL MEMBER REYNA: As far as the
2
3 housing, I'm just going to move into what would be
4 the concern I have as far as the breakdown of the
5 units.

6 ED WALLACE: [interposing] Mm-hm.

7 COUNCIL MEMBER REYNA: Everything is in
8 the details of this plan and what has been proposed
9 of a 24 percent affordable housing commitment is
10 admirable, considering this is a private
11 application. We want to understand what is 24
12 percent, why 24 percent and how will you achieve 24
13 percent as opposed to just a number and no
14 understanding as to how does that meet the needs of
15 our community? And understanding that there is a
16 greater need beyond what would be 24 percent, I'm
17 sure the community will testify to that, but how is
18 this 24 percent going to be achieved in
19 relationship to programs or is this Read
20 Properties' achievable goal of creating 24 percent
21 without any programs in the city of New York or the
22 state?

23 MITCHELL KORBEY: Why don't you start?

24 ED WALLACE: Yeah, so I think we start
25 with the proposition that the commitment to 24

1 percent is real and not actually dependent on you
2 know, the achievement of very specific subsidies,
3 but with the expectation that there are programs
4 that are available that will make that... I'll call
5 it more economically feasible, so yes, there are...
6 will be subsidy and support, but that we will meet
7 the 24 percent. Let me say that you know, you come
8 with different projects and sometimes people don't
9 want more affordable and sometimes people do want,
10 I mean from a developer point of view. The
11 community usually always wants it. Here I think
12 there's a total 100 percent alignment of the goal
13 of the developer and the interest of the community
14 that we should have as much affordable as we can
15 finance, and I know you hear from every developer
16 oh, well, I can't finance it, but actually it's
17 true and nobody's going to lend money into a
18 project if the economics don't work. So I think
19 the commitment to 24 is hard and real, but
20 additional commitment is possible depending on what
21 we are able to achieve, number one. Number two, we
22 are, as I think your office is aware, but the
23 council should be aware, in dialogue with folks in
24 the affordable housing world who can really help us
25

1 not only manage the tenant selection process, but
2 also manage the financing side of this, and if we
3 can together succeed at that, we will do more, but
4 I would not want to mislead the council into saying
5 we can sit here today and say we can do more than
6 24 because we don't have the financing capability
7 to be sure of that and I think, as you know, we
8 want to keep talking to community organizations
9 that we are in the hope that they and we together
10 will be able to do better so...

12 MITCHELL KORBEY: [interposing] That's
13 right.

14 ED WALLACE: People may not be happy
15 today and they may come in and say they want more.
16 We're not saying no to that; we just can't say yes
17 and be credible unless we know how we're going to
18 finance it.

19 COUNCIL MEMBER REYNA: And as far as
20 the breakdown of the units, if you can just share
21 with us the affordable and market rate breakdown
22 according to apartment unit composition of
23 bedrooms.

24 JENNIFER DICKSON: So the affordable
25 and the market rate breakdown will be the same and

1 the expectation is that it will be between 15 and
2 20 percent studios and then about 20 percent one
3 bedrooms, that takes us to 40, another 20 percent
4 two and then the rest three bedrooms.
5

6 COUNCIL MEMBER REYNA: And the senior
7 housing component that you had mentioned as far as
8 four percent, what subsidy do you plan on applying
9 as a tool to reach four percent senior housing and
10 will that senior housing come with what would be
11 services that would provide what would be an
12 environment that's appropriate for senior housing?

13 JENNIFER DICKSON: So our client has
14 done some research on this and they've been working
15 with their affordable housing consultant to try to
16 identify subsidies for the senior component. They,
17 you know, of course, have looked to 202 financing,
18 although there is an acknowledgment and you know,
19 an understanding that that financing is very scarce
20 right now, so it may not be available, although
21 that would be you know, the ideal program to build
22 the senior housing under. If that's not available,
23 they've identified a couple of other possible
24 programs, including Low Income Tax Credits because
25 it would be an affordable project, so they're going

1 to you know, try to pursue all of those subsidies
2 and you know, see what can be available at that
3 time.
4

5 COUNCIL MEMBER REYNA: Is there... is
6 this consultant actively working on what would be
7 an application process?

8 ED WALLACE: Yeah, so just to identify
9 the consultant, it's Forsyth Group, which is, I
10 think you know, preeminent and I think what we
11 think as of yesterday is that without the 202 and
12 other things, we would hit between 50 and 60
13 percent AMIs, but with those programs we could come
14 much lower and that is the goal. As Jen said, the
15 202 in particular, which I think is everybody's
16 sort of ideal if you can achieve it, could really
17 help bring those AMIs down, but I don't think we
18 want to mislead anybody to say that that's a
19 certainty because of the scarcity of that 202
20 resources. Now, one thing always to bear in mind,
21 we sit here today hoping for your approval, but
22 between now and a shovel going into the ground and
23 a building being built so you can use all of that,
24 there's a little bit of time; not a lot and we're
25 hopeful that that will pin down what is available

1 and then we can build to that, but the commitment
2 to try is very real, and as I said, Forsyth has
3 been working at this to try to identify the
4 programs that are available.
5

6 JENNFIER DICKSON: And I think there's
7 also the expectation that they will partner with a
8 not-for-profit to build the senior housing and that
9 that will you know, obviously enable that housing
10 to provide the services that are necessary for
11 seniors.

12 ED WALLACE: Right, but maybe we should
13 add about the senior component that the partnership
14 with the community; knowledgeable community
15 friendly and expert affordable housing programs,
16 there are a number of ways to structure that could
17 yield better AMIs and that really put a benefit
18 into the community in that, and we are... that we
19 are very actively negotiating and trying to get to
20 the final point. Obviously, you have a little
21 chicken and egg problem 'cause until we know what's
22 approved, it's hard to commit to a certain specific
23 amount of FAR or square footage, but I think we
24 have the parameters of that laid out pretty well.
25

1 COUNCIL MEMBER REYNA: And in previous
2 conversations we've had, you've mentioned using the
3 IHP program to ensure permanent affordable at 60
4 percent, 20 percent lower than as-of-right against
5 a 33 percent bonus on the height. It's also been
6 mentioned that a 421-a Tax Exemption Program to get
7 25-year property tax exemption, which would require
8 20 percent affordable units up to 60 percent. Is
9 this all accurate?
10

11 JENNIFER DICKSON: Yes, yes, they
12 plan... we plan to pursue the Inclusionary Housing
13 Program, which, as you said, provides an FAR bonus
14 that does require 20 percent of the floor area to
15 be affordable, and then the Inclusionary... I'm
16 sorry, the 421-a Program is something that they are
17 also planning on pursuing, which requires 20
18 percent of the units at 60 percent of AMI, so that
19 is the plan.

20 COUNCIL MEMBER REYNA: And these
21 affordable units would be permanent affordable?

22 JENNIFER DICKSON: Yes.

23 COUNCIL MEMBER REYNA: And if none of
24 these programs or tax abatements are used, what
25 would be the as-of-right?

1 JENNIFER DICKSON: What do you mean? I
2
3 mean there would be no affordable if they did not
4 pursue any of that or include affordable in the
5 building, but I don't think...

6 ED WALLACE: [interposing] That...

7 [crosstalk]

8 JENNIFER DICKSON: I mean that's...

9 [crosstalk]

10 ED WALLACE: Won't happen, but those
11 two things we are confident in; it's the additional
12 lowering of an AMI that I think we want to be clear
13 we will try to achieve, but can't guarantee sitting
14 here today.

15 COUNCIL MEMBER REYNA: But you can
16 build as-of-right if you don't use the Inclusionary
17 and if you don't use the 421-a Tax Exemption
18 Program and so therefore, you would build all
19 market rate.

20 ED WALLACE: Yes, if the question is
21 what could the developer do if you were to grant
22 the zoning, which I suspect you wouldn't if we
23 weren't committed to this, but if you were to grant
24 the FAR and then just build as-of-right there would
25 be no affordable housing. That is a true fact, but

1 I think we don't want to leave anybody with the
2 impression that that is our interest. We want to
3 do it with affordable housing.
4

5 COUNCIL MEMBER REYNA: And as far as
6 the technical aspect of the zoning, if you remove
7 all these programs and this you know, illusion of
8 building affordable housing according to these two
9 tools, right; 421-a, which is something you can
10 apply but don't have to, correct?

11 ED WALLACE: Yeah, right, that's... as
12 a legal matter, that is technically true. We just
13 don't want anybody in the audience to have the
14 impression that we are interested in that, thinking
15 about it or trying to say one thing to you today
16 and would do a different thing, so.

17 COUNCIL MEMBER REYNA: I'm happy you're
18 saying that on the record.

19 ED WALLACE: Well, I'm saying it
20 intentionally on the record, but I'm also saying it
21 so that nobody comes later and testifies and says,
22 "But they said technically they didn't have to do
23 it." That is a true legal fact, but it is not in
24 any way contemplated or planned for, nor will it
25 happen.

1
2 COUNCIL MEMBER REYNA: And in the same
3 scenario, if it were to happen, but it's not, what
4 would be the as-of-right buildable FAR?

5 JENNIFER DICKSON: So I don't actually
6 have a number because we haven't done that full
7 analysis, but I can tell you what the floor area
8 ratio would be if we were not to use the
9 Inclusionary bonus, and that would be 2.7 in the
10 R6A district as opposed to the 3.6, which is shown
11 on our site plan and then 3.45 in the R7A district
12 as opposed to the 4.6, which is shown on our site
13 plan.

14 MITCHELL KORBEY: Thank you, Jennifer.
15 That's...

16 [crosstalk]

17 ED WALLACE: And if you wanted us to
18 submit numbers later we could...

19 [crosstalk]

20 JENNIFER DICKSON: Yeah, we
21 calculate...

22 [crosstalk]

23 ED WALLACE: We could calculate that
24 for you.

1
2 COUNCIL MEMBER REYNA: And those are
3 floors that you can just...

4 [crosstalk]

5 CHAIRPERSON WEPRIN: When you do start
6 speaking, try to... you're going to have to keep
7 saying your name. I'm sorry, but the record's
8 going to get all messed up otherwise.

9 ED WALLACE: I apologize. That was Ed
10 Wallace, but anybody....

11 [crosstalk]

12 JENNIFER DICKSON: And Jennifer
13 Dickson.

14 [crosstalk]

15 ED WALLACE: I think will know the
16 difference between Jen and me anyway.

17 COUNCIL MEMBER REYNA: And as far as
18 the... just for the sake of not using the FAR, but
19 stories as far as floors are concerned, so people
20 have those... non-technically savvy so that we can
21 all understand what would be the FAR without the
22 tools.

23 MITCHELL KORBEY: I guess it's sort of
24 telling that we don't have these numbers because
25 it's... we've never even contemplated, frankly, not

1 using these programs. We'll have to get back to
2 you. I think it's a loss of a floor and a half or
3 so if we don't... if we strip away 421a and we
4 strip away Inclusionary and you're just left with a
5 legal framework of you know, an entirely market
6 rate, but I'm sorry, we'll have to get... I think
7 it's about a floor and a half reduction.

8
9 COUNCIL MEMBER REYNA: A four and a
10 half reduction of floors?

11 [crosstalk]

12 MITCHELL KORBEY: Like a floor... I'm
13 sorry and a half in terms of height, but we'll have
14 to... but I have to confirm that.

15 ED WALLACE: This is Ed Wallace. I
16 think because for... sometimes developers come
17 before you and say, "Here's the terrible thing we
18 could do as-of-right, but here's what good guys we
19 are." We didn't come in to show you the as-of-
20 right 'cause we don't intend in any way to do it.
21 That said, I think we owe you a clear answer, which
22 we will submit shortly that calculates what would
23 the total buildable area of FAR be and what would
24 that do to the heights...

25 MITCHELL KORBEY: [interposing] Right.

1 ED WALLACE: And such, so you would
2 have that as a comparative to what we are both
3 proposing to do and what we are you know, taking
4 advantage of programs to accomplish.

5 COUNCIL MEMBER REYNA: There's also
6 what would be a preservation of Inclusionary. Do
7 you intend on doing a preservation on Inclusionary?
8

9 JENNIFER DICKSON: No, we intend on
10 building new construction...

11 [crosstalk]

12 COUNCIL MEMBER REYNA: New
13 construction.

14 JENNIFER DICKSON: For affordable
15 housing, yes.

16 COUNCIL MEMBER REYNA: And is that
17 because it's part of the restrictive declaration?
18 Is that part of the zoning resolution? Is that...
19 and I ask because in the Greenpoint rezoning;
20 Greenpoint-Williamsburg rezoning in 2005, there
21 wasn't a single unit created in all the years as
22 far as affordable units were concerned.

23 ED WALLACE: Yet.

24 COUNCIL MEMBER REYNA: Under
25 Inclusionary.

1 ED WALLACE: Yet. There a couple
2 coming down this way before the year is out.

3 COUNCIL MEMBER REYNA: And this is
4 the...

5 [crosstalk]

6 ED WALLACE: But let's answer the
7 question.

8 MITCHELL KORBEY: Well, it's in the
9 zoning resolution and you know, it... we could you
10 know, do it on... it's our intention to have the
11 low-income housing built.

12 COUNCIL MEMBER REYNA: Mm-hm.

13 MITCHELL KORBEY: We're not taking
14 advantage of any other programs or initiatives, so
15 if there's some other way other than confirming it
16 you know, on the record in this fashion, whether
17 it's in your resolution respectfully, we're happy
18 to codify that in that fashion, but I think we can
19 firmly say on the record and have it be part of the
20 approval...

21 COUNCIL MEMBER REYNA: [interposing]
22 Mm-hm.

23 MITCHELL KORBEY: We're doing it on
24 site. It will be permanent. It will be according
25

1 to the Inclusionary Housing Program and the 421a
2
3 Program.

4 COUNCIL MEMBER REYNA: Well, I
5 appreciate the willingness, and it would be
6 welcomed just because wisdom and time having served
7 going through what would be the most massive
8 rezoning in Brooklyn, where we have seen a lot of
9 lessons learned regarding Greenpoint-Williamsburg,
10 and we do not intend to repeat them in Bushwick.
11 The affordable units, as far as this particular
12 application is concerned, there's an area income;
13 area median income in Bushwick as of 2011 that is
14 set to be \$34,813 for a household of four. The
15 annual income ranges provided by HPD for families
16 of four at 60 percent of AMI are \$51,540 for a
17 family of four, \$46,000 for a family of three,
18 \$41,000 for a family of two and \$36,000 for a
19 family of one. Is this accurate?

20 JENNIFER DICKSON: Yeah, that's the
21 same thing that I have seen, yes.

22 COUNCIL MEMBER REYNA: And so these
23 income ranges are far above what would be the
24 \$34,000 median average household income for a
25 family of four in Bushwick, and what we see is that

1 a lot of families are not able to meet the criteria
2 for these applications, and so the 60... up to 60
3 percent of AMI, the unit distribution according to
4 what would be income distributions is very
5 important in an integrated community. What
6 solutions are you looking to achieve for real
7 affordability to address those concerns of the
8 community as raised within what would be those
9 income brackets as to what... up to 60 percent of
10 AMI requires you to do and what AMI ranges are you
11 looking for on the affordable housing units?

12 ED WALLACE: So first, we understand
13 the problem as... just as you've described it as
14 accurate. We are not just willing, but committed
15 to try to lower the AMIs. Again, you hear it from
16 anybody who builds anything that if you can't... if
17 a bank won't recognize the economics, nothing gets
18 built, so that's sort of the dilemma and I think
19 what our hope is is that by working with the local
20 community group that we're talking to that's really
21 expert in developing and managing particular senior
22 housing, where you can really do a lot to lower the
23 AMIs that we will achieve much lower AMIs on
24 average. Now, just to be very clear, and maybe at
25

1 the risk of you know, drawing a little bit of
2 anxiety, that senior housing is for seniors, so you
3 know if the concern is for the family that had the
4 lower income, but needs two and three bedrooms,
5 that's a much harder problem to address and it's
6 not for me to tell the council or the state
7 legislature or the federal government what they
8 ought to be doing except I can say this. I think
9 this developer in very specific particular is very
10 ready to do what makes economic sense to address
11 these concerns a lot, but if there aren't programs
12 available to help lower those AMIs by subsidy, he
13 can't manufacture the economics on his own. So I'm
14 sorry to say that because I think you know,
15 sometimes you have developers who don't want it in
16 their project. This is not the case. You have a
17 developer who is completely committed, completely
18 open-minded, I think understands Bushwick in
19 particular pretty well and has spent a lot of time
20 there, so the short answer is we'll do everything
21 we can to lower the AMIs if we can get a senior
22 project with the community group we're talking to.
23 We're prepared to do a lot of creative things
24 financially in order to make sure that they can
25

1 deliver the lower AMIs, particularly for seniors,
2 but I think we should all just recognize that this
3 is a city where it's very hard to build a normal
4 housing unit for a normal person. You know, that's
5 our dilemma and that's bigger than this project.

6
7 COUNCIL MEMBER REYNA: And those are
8 the challenges that this application is signing up
9 for and making sure that we're having a dialogue
10 around these issues where there is accurate
11 information as opposed to inflated numbers or
12 speculation or the intention of developing what is
13 perhaps a very one sided development where no one
14 from the community is going to be available to
15 remain in our community and that's part of the
16 balancing act that we're trying to achieve here.
17 The issue of displacement is real. We've seen it
18 with the Greenpoint-Williamsburg rezoning where
19 we've lost 10,000 people. We have gone through
20 great lengths to track these families and they're
21 all moving into Bushwick and the issue is are they
22 going to have to move from Bushwick because they
23 won't be able to afford remaining in that community
24 as well. Having said that, I wanted to just touch
25 upon what would be the Fresh Food Zone. Is that a

1 particular tool that the applicant will achieve to
2 use in this rezoning as the construction and the
3 planning for what would be commercial space in the
4 construction of this acreage of land? I haven't
5 heard that as part of the application. I want to
6 understand whether or not it's being entertained,
7 capitalized on, and what is the incentive that
8 comes with the Fresh Food Store Area, which is the
9 technical term in the zoning code?
10

11 MITCHELL KORBEY: The short answer,
12 Council Member, is that we have not looked closely
13 at that. We certainly can. We can speak to the
14 City Planning folks about it, but what we have said
15 you know, so far and been very open about is that
16 our plan includes the opportunity for about 47,000
17 square feet of new neighborhood oriented retail and
18 you know, we've had a fair amount of dialogue about
19 what retail is appropriate, and what kind of small
20 stores...

21 [crosstalk]

22 COUNCIL MEMBER REYNA: Right.

23 MITCHELL KORBEY: Folks in the
24 neighborhood would like to see.

1
2 COUNCIL MEMBER REYNA: Mitch, I just
3 want to interrupt you and just...

4 [crosstalk]

5 MITCHELL KORBEY: Yeah.

6 COUNCIL MEMBER REYNA: Remind everyone
7 you know, Bushwick is ranked number three in
8 childhood obesity in the city of New York. I think
9 a lot is said once I mention that and for this
10 application not to look into what would be the
11 affordability of healthy food would be a travesty
12 onto itself and so you know, I will raise it. I
13 understand there is zoning incentives that are
14 attached to this.

15 MITCHELL KORBEY: Right.

16 COUNCIL MEMBER REYNA: But it has to be
17 factored in now as opposed to afterwards, so that
18 we're not measuring what would be a lot of other
19 scenarios that could play into this application
20 later on down the road.

21 MITCHELL KORBEY: I understand.

22 COUNCIL MEMBER REYNA: I want to
23 understand whether there's an opportunity here for
24 the Fresh Food Store Area and what would that mean
25 for the development. There's additional floor area

1 that could be granted. There is reduction in
2 required parking. There are larger as-of-right
3 stores in light manufacturing districts. We
4 wouldn't want to you know, start talking about
5 commercial on this commercial overlay and then
6 shift the Fresh Food Area into the Mademoiselle
7 manufacturing site where you have the ability. So
8 all of that has to be factored in so that we're
9 getting it where we're not sacrificing what would
10 be leveraging manufacturing for light manufacturing
11 and small business development where we could've
12 just placed the Fresh Food on the commercial side.

14 MITCHELL KORBEY: Okay.

15 COUNCIL MEMBER REYNA: If you're
16 following me.

17 ED WALLACE: We hear you, we owe you an
18 answer and I think we're reasonably confident that
19 we can meet your concerns.

20 COUNCIL MEMBER REYNA: And community
21 facility, I didn't hear that as far as this
22 application is concerned. Is there an intention to
23 provide community space? Obviously we are
24 inundated with community space on Bushwick Avenue
25 from the Rheingold Number One rezoning, where we

1 have seen senior housing. I believe there's social
2 services and a financial empowerment office through
3 the CEO. There's a numerous vast amount of
4 community spaces. Whether or not they're open to
5 the community is a different story, but I want to
6 understand whether or not this application is going
7 to be providing what would be a community facility;
8 community rooms; community spaces.

10 MITCHELL KORBEY: Honestly, we hadn't
11 yet thought about that, but we certainly can and so
12 I'd be open to that. We'll bring it back and
13 discuss it with our team. The short answer is it
14 certainly can be accommodated under the zoning, and
15 we'd like to you know, explore it.

16 COUNCIL MEMBER REYNA: And the parking,
17 if you could just walk us through the parking as
18 far as this development is concerned.

19 MITCHELL KORBEY: Sure, I think maybe
20 Jen and I will go back and forth because we're
21 provided parking as per the zoning resolution. One
22 matter that came up also at the community board, as
23 you know, and at the borough president's office and
24 in our dialogue with you as well, was can we make
25 the parking affordable to the folks who'll be

1 living in the lower-income permanent units and the
2 answer is yes. We have committed to a 50 percent
3 reduction in any cost associated with parking for
4 the families that'll be in the lower-income units.
5 As to the exact numbers, we got some figures?

7 JENNIFER DICKSON: Well, the total
8 amount of parking spaces that the project provides
9 rises up 504 and that parking is provided within
10 each of the different sites, so each building; each
11 residential building will have its own below grade
12 parking garage that meets the residential parking
13 requirement and also provides a few parking spaces
14 for some commercial uses that may be there as well.

15 COUNCIL MEMBER REYNA: There's a
16 concern with the private homeowners that are in the
17 particular proposed zoning footprint where they
18 feel they are being encroached on and the issues of
19 their parking... the lack of parking for themselves
20 despite the fact that they have driveway multiple
21 cars in the family or their tenants are now going
22 to have to travel farther for parking spaces. Has
23 there been discussions around that issue? Has
24 there been dialogue regarding solutions?

1 JENNIFER DICKSON: Mm-hm. This is a
2 concern that we've heard from them, so when we
3 planned the project we you know, did an analysis
4 and felt that the number of proposed parking spaces
5 that we're putting into the project would be
6 sufficient. That being said, we recognize that
7 existing homeowners in the community do have an
8 issue with parking, so as the project is being
9 built you know, I think that we'll definitely
10 continue to take a look at the number of parking
11 spaces that's being provided and if it turns out
12 that those are not sufficient, we're going to
13 retool the plans and see how we can accommodate
14 more parking within the project.

15 COUNCIL MEMBER REYNA: There's an
16 opening of a demapped street.

17 JENNIFER DICKSON: Correct.

18 COUNCIL MEMBER REYNA: That will be
19 reactivated. Has there been any transportation
20 studies regarding that street?

21 JENNIFER DICKSON: Yes, the REIS
22 included a full traffic analysis regarding the
23 opening of that street and did not find any traffic
24

1 impacts, meaning that there would be a very heavy
2 level of traffic on that street due to its opening.

3
4 COUNCIL MEMBER REYNA: And the traffic
5 analysis took into consideration what would be no
6 loading or unloading docks being repositioned on
7 that open street?

8 JENNIFER DICKSON: You mean the loading
9 docks for the...

10 COUNCIL MEMBER REYNA: The existing
11 loading docks.

12 [crosstalk]

13 JENNIFER DICKSON: Mademoiselle
14 Warehouse. Well, the street, they announced...
15 just assume that the street would be open, so that
16 there would not be a loading area I don't think
17 within that street.

18 COUNCIL MEMBER REYNA: And the street
19 that would be mapped is... the proposed street that
20 will be mapped is Stanwix?

21 JENNIFER DICKSON: We're proposing to
22 map Stanwix and we're also proposing to map one
23 block of Noll Street.

24 COUNCIL MEMBER REYNA: Which? I'm
25 sorry.

1 JENNIFER DICKSON: One block of Noll
2 Street so you can see it in pink on the site plan.

3 [crosstalk]

4 COUNCIL MEMBER REYNA: So Noll Street
5 will be extended...

6 JENNIFER DICKSON: Right, just...

7 [crosstalk]

8 COUNCIL MEMBER REYNA: Through...

9 JENNIFER DICKSON: Noll Street between
10 Evergreen and Stanwix Street will mapped and then
11 Stanwix Street between Montieth and Forest Street
12 will be mapped.

13 COUNCIL MEMBER REYNA: And so the
14 loading docks that exist on Noll Street, which is
15 demapped today, will continue to be the case?

16 JENNIFER DICKSON: I mean yeah, the
17 loading docks will have to be you know,
18 accommodated within Mademoiselle. There will have
19 to be... I think... so if there's any loading that
20 occurs within the bed of that street, that will
21 have to be you know, retooled and done within the
22 building.

23 COUNCIL MEMBER REYNA: You mention if,
24 which concerns me, because that means that you're
25

1 not aware that there's loading docks on that
2 particular street, which is not activated at the
3 moment and the traffic study should have paid
4 attention to that.

5
6 JENNIFER DICKSON: Right. No, and I
7 apologize 'cause I didn't...

8 COUNCIL MEMBER REYNA: [interposing]
9 Okay.

10 JENNIFER DICKSON: Personally perform
11 the traffic study, so the traffic study absolutely
12 took into consideration the existing condition and
13 then the idea that the street would be completely
14 open so there would be no loading on that.

15 COUNCIL MEMBER REYNA: So if it's
16 completely open the loading docks will continue to
17 remain?

18 JENNIFER DICKSON: No.

19 COUNCIL MEMBER REYNA: Okay, so we're
20 talking about repositioning loading docks and
21 unloading docks is what you're saying...

22 ED WALLACE: Yes.

23 COUNCIL MEMBER REYNA: And the loading
24 docks and unloading docks will now be repositioned
25 where?

1 MITCHELL KORBEY: I don't think we have
2
3 an answer to that, but we'll get... I'm sorry,
4 Mitch Korbey, forgive me. I think we'll get you an
5 answer to that, Council Member, but it's going to
6 be a public street and we'll relocate those and
7 retool them appropriately within that complex.

8 COUNCIL MEMBER REYNA: That is very
9 important as far as the aspect of the traffic
10 analysis and the concerns of the homeowners who
11 would bear the brunt of where the loading and
12 unloading will be repositioned if at all, and the
13 fact that we are not raising this issue as part of
14 the traffic or perhaps not highlighting it, leaves
15 everyone to contemplate that there will be a
16 disaster.

17 MITCHELL KORBEY: Well, I understand,
18 but let us be clear. The traffic analysis did
19 consider this as a public street, and not one that
20 would be the focus of commercial loading and
21 unloading, so there's no question we will... I'm
22 sorry, Mitch Korbey once again; no question that we
23 will deal with this and if there's a need to get
24 you specifics on the relocation, we'll certainly do
25 that. I understand completely.

1 COUNCIL MEMBER REYNA: Okay and as far
2
3 as the schools are concerned, there's a proposal
4 for what would be conversations with School
5 Construction Authority in relationship to
6 mitigation of an increase in enrollment in the
7 local elementary schools and solutions as to how to
8 mitigate that. There was a concern that only one
9 school was being identified, but we have cleared
10 that up since our last conversation. We have now
11 two schools that conversations have been activated
12 with, PS 120 and PS 145, two different school
13 districts. PS 120 is in School District 14 and PS
14 125 is in School District 32 and there are seats
15 available in District 14, PS 120 more so than there
16 are in PS 145. Is that accurate?

17 ED WALLACE: [off mic] As far as school
18 seats, yeah.

19 MITCHELL KORBEY: Yes, I think that's
20 right. Yes, I'm sorry.

21 COUNCIL MEMBER REYNA: And so the need
22 for extra classrooms to build an annex or some type
23 of additional space by building, is that still in
24 fact the case since the identification of extra
25 classroom seats?

1 CHAIRPERSON WEPRIN: Make sure you talk
2
3 into the microphones when you speak.

4 JENNIFER DICKSON: So the analysis
5 because it identified the shortage that would be
6 within PS 145, as of now we've identified two
7 possible solutions to deal with that you know, when
8 and if that does occur in the future. One would be
9 an annex that would be constructed on our client's
10 site to accommodate extra classroom space, and the
11 second solution would be a retooling of
12 classrooms... sorry, retooling of additional room
13 space within that existing building to provide
14 additional classrooms, and that's something that we
15 have discussed. We've begun discussions with the
16 principal of that school about to identify possible
17 spaces.

18 COUNCIL REYNA: Right. I don't think
19 you're understanding where we last left off.
20 There's two schools...

21 JENNIFER DICKSON: [interposing] Mm-hm.

22 COUNCIL MEMBER REYNA: That respond to
23 this particular area. The students from that
24 particular development would go to not only PS 145,
25 but 120.

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JENNIFER DICKSON: Right.

COUNCIL MEMBER REYNA: And therefore, the two schools were identified in the EIS, which means an annex is not necessary because there is space at PS 120.

JENNIFER DICKSON: Okay.

ED WALLACE: Right, so Council Member, I think what we understand and actually understood a lot better when we met with the two principals in your office, is that of all of the impacts of this project, some of the good news is that there is an underpopulation in the school that now can be a more... you know, a school that has the right head count has a lot of good things going...

[crosstalk]

CHAIRPERSON REYNA: Mm-hm.

ED WALLACE: For it, so I think to your point A) we understand that and I think what Jen was explaining was even if we now go over that, there are solutions to the problem, but certainly we will be working with both schools and particularly the school you identified you know, to make sure that before any annexes are built or

1 other things are done, the school that's there is
2 really getting its full head count.

3
4 COUNCIL MEMBER REYNA: Right, but I
5 don't want us spending time and valuable resources
6 on an annex being proposed as opposed to working
7 with the two schools identified as mentioned in the
8 EIS, and making sure that there is appropriate
9 resources identified for both those schools to
10 accommodate what would be any increase in
11 enrollment, which is welcomed into this school
12 where there's obviously a definite underenrollment.

13 ED WALLACE: Okay well, first of all,
14 we hear you and we understand and we would look
15 forward to working with not just you, but the
16 community. Sometimes people think it's the
17 developer against the government, but sometimes
18 there is the School Construction Authority and the
19 Department of Education that we can unite to try to
20 persuade to do it the right way. We don't have an
21 interest I think in building an annex that's not
22 needed.

23 JENNIFER DICKSON: Absolutely not.

24 ED WALLACE: We don't have an interest
25 in diverting resources that could be used in a

1 better way. I think what we're describing is in a
2 worst case scenario, there is a standby plan and
3 thought was given to it, but I think we are 100
4 percent on the page that you would want us to be on
5 and that you're clearly on.

7 COUNCIL MEMBER REYNA: I appreciate
8 that very much, and it's important. School
9 Construction Authority has been made aware as well.
10 We have contacted them and we've raised the same
11 concern and they agree there's no need for annex.

12 ED WALLACE: Right.

13 COUNCIL MEMBER REYNA: The open
14 space... and this is my last area of concern. Mr.
15 Chair, thank you for your indulgence and to my
16 colleagues. We have open space that has been
17 identified as pertaining to what was an
18 understanding between the Parks Department and the
19 developer for upgrades to Noll Park. I understand
20 that this was what the Parks Department has
21 identified as perhaps what could be an investment
22 into the local park for elliptical machines I
23 believe; hence, there was a child in Long Island
24 who has since then cut off a finger. With an
25 example of that particular case, I don't think that

1 is the avenue where our community would most
2 benefit from. I'd like to have that reconsidered
3 and that a better opportunity to invest in green
4 space is made available to our community. I
5 understand that there's \$350,000 for upgrades. I'm
6 not too sure where that number comes from.
7 Upgrades as far as, let's say an artificial turf on
8 Noll Park would cost \$1.3 million having already
9 made an assessment of that park because in my
10 tenure that was part of the list of where upgrades
11 were needed and not being able to get to it, this
12 is part of where this development could serve to
13 provide what would be an upgrade to Noll Park.
14 Clearly those numbers as far as the Parks
15 Department are much more than what would be a
16 private developer infusing what would be upgrades
17 to a park if they do it on their own, and so I hope
18 that those joint ventures are possible, but
19 obviously the community participating in that
20 process would be helpful. And as far as the
21 environmental issues, I don't know if there's any
22 energy efficiency that you wanted to share
23 regarding your construction that you've taken into
24

1 consideration in relationship to what you foresee
2 to keep this project energy efficient.

3
4 MITCHELL KORBEY: Frankly, we hadn't
5 yet explored that because we're... it would be a
6 little premature for us to go down... Mitch Korbey
7 once again; a little premature for us to go down
8 the road of making decisions about construction
9 types and all the rest, but we completely agree and
10 we'd like to do as much as we can in that regard
11 and will, so you know, and get back to you on some
12 of the details, but you know, since we're in
13 advance of having our rezoning approved we hadn't
14 yet you know, put pencil to paper to understand
15 those things, but it's in our best interests to do
16 that, it's the right thing to do, so we'll
17 certainly get back to you with more details on
18 that.

19 COUNCIL MEMBER REYNA: I want to just
20 thank you all for this presentation and our
21 continued dialogue and hoping to achieve what would
22 be a balanced approach to this development for our
23 community based on needs that we have already and
24 continue to express to you as the representatives
25 of the client and the local you know, employment

1 piece is just as important as the affordable
2 housing, as it is with the open space and the
3 schools as far as spaces is concerned and so I've
4 highlighted by area in detail, no surprises, making
5 sure that we have an understanding as to how we can
6 continue to collaborate to make this a development
7 that's responsible. Thank you very much.

9 ED WALLACE: Thank you.

10 MITCHELL KORBEY: Thank you.

11 CHAIRPERSON WEPRIN: Thank you. Any of
12 the members of the panel have questions for this
13 group? We thank you all very much. We are going
14 to move on to the participation part of the
15 hearing. Alright, so what we're going to do now is
16 call up four people at a time. We've got an extra
17 seat up there, and first, we're going to alternate
18 again between opposition and support. Please,
19 we're going to put a timer on two minute for each
20 person. You know, I'll try to give you leeway if I
21 can, but please try to keep it under two minutes.
22 We'd like to first call up Mario Bello; Raul
23 Sanchez; is it Bruno Daniel and Debra Modina. Did
24 I say that right? How many we got? Okay, okay.
25 Why are you so shy? Come on, let's go. Come on

1 down! 'Kay, so you guys can sort out who goes
2 first. I want to reiterate, please state your name
3 when you start your testimony so we know who's
4 talking or if we have a question for you.
5

6 [Pause]

7 CHAIRPERSON WEPRIN: Whenever you're
8 ready, please.

9 BRUNO DANIEL: Okay, good morning,
10 everyone. My name is Bruno Daniel and I'm here
11 with... okay, good morning. My name is Bruno
12 Daniel and I'm here with Churches United for Fair
13 Housing, obviously to speak on the Rheingold
14 development site. We want to make it very clear,
15 we do not agree with private luxury developments,
16 especially and particularly when fair and dignified
17 housing is becoming harder and harder to find in
18 our neighborhoods. These developments further the
19 spread of gentrification, increase the disparity of
20 wealth in our city and actively work to displace
21 the residents who have sacrificed everything to
22 build up our communities and homes in the way they
23 are now. That said, we know that private
24 developments can sometimes be an opportunity to
25 create a small bit of desperately needed affordable

1 housing, so right now we once again want to make it
2 very clear that we are against the project as it is
3 currently being constructed. The only way that we
4 can see this project at all supported by the
5 community and at all beneficial for the community
6 is if a few things are met. At least 30 percent of
7 the total units are on site affordable, with 20
8 percent integrated and 10 percent senior housing.
9 The AMI ranges must be reflective of the incomes of
10 the community. Read Group must be held accountable
11 and these agreements enforced through Read Group
12 partnering with the local community group. So just
13 very quickly let me summarize what this means. The
14 30 percent affordable is clear. I think we've
15 spoken on that a couple times, so I won't elaborate
16 further on that. The AMI ranges: I think this is
17 also in conjunction with partnering with the local
18 community groups. I think it is very important and
19 necessary that this development has input from
20 local community groups, groups like Northwest
21 Bushwick, Churches United for Fair Housing, Los
22 Sures, St. Nick's, Make The Road. I can go on;
23 BEAN. These negotiations and this development
24 needs to be in conjunction with them. The reason
25

1 for this is because of the points of AMI ranges.
2
3 The only way to truly know what MI ranges to use
4 and what AMI ranges are reflective of the community
5 is to listen to the very residents and the very
6 community groups that are working here. The people
7 that have the most expertise in this are the people
8 working in this coalition, [chime] Churches United,
9 Northwest Bushwick, Los Sures. You need to listen
10 to us and work with us in order to make sure that
11 this project is feasible.

12 CHAIRPERSON WEPRIN: Thank you.

13 DEBRA MODINA: Good morning. My name
14 is Debra Modina and I am here representing
15 Southside United Housing, better known as Los
16 Sures. For the past 41 years, Los Sures has been
17 an affordable housing developer, as well as an
18 anti-displacement advocate in North Brooklyn. The
19 last 12 years have been very difficult for non-
20 profit in North Brooklyn, as well as residents in
21 the area. It seems that the key to the city has
22 been turned over to developers that use the
23 people's money in the form of subsidies or rezoning
24 to enrich themselves without being held accountable
25 to ensure that the needs of the people that will be

1 affected directly by their actions be addressed.
2
3 The affordable housing stock continues to decrease
4 while market units continue to skyrocket. We
5 continue to have developers come to North Brooklyn
6 looking for the city to somehow assist them in
7 maximizing their profits without really giving the
8 community anything in return. I believe that any
9 new rezoning should mandate that private developers
10 partners up with the non-profit organizations that
11 understand the needs of the community and have the
12 expertise to ensure that the voice of the community
13 is embedded into any development plan. I also
14 believe that 30 percent affordable should be
15 minimum amount of permanent units that should be
16 mandated for any developer looking for any
17 municipal action. While our organization stands
18 ready to assist any developer, as non-profit
19 partners, to come up with any acceptable
20 development plan in North Brooklyn, I believe that
21 this committee and that this council should make
22 any rezoning contingent on a legal binding contract
23 being signed by both the developers and the not-
24 for-profit, and that the developers put a
25 substantial amount of money in escrow to ensure

1 compliance [chime] with said contractual
2 obligations. Thank you.

4 CHAIRPERSON WEPRIN: Thank you. Sir?

5 MARIO BELLO: Good morning. My name is
6 Mario Bello. I'm not agreeing with that project
7 because we live in the area about 32 years and now
8 everybody that want to build something over there,
9 they said the neighborhood is changing, so you have
10 to move because the neighborhood is changing and
11 this was a bad area. Now it's okay. Now they want
12 us out. Then they wonder why we leave the area and
13 I'm opposed to that project and I agree with it
14 they said that 30 percent they... for low people...
15 I mean for people with low earning, so I'm opposed.

16 CHAIRPERSON WEPRIN: Thank you.

17 MARIO BELLO: Yep.

18 PASTOR SANCHEZ: Okay, it seems we have
19 a couple extra minutes and it's taken... and it's
20 1:29.

21 CHAIRPERSON WEPRIN: No, I'll...

22 [crosstalk]

23 PASTOR SANCHEZ: Oh, come on.

24 [crosstalk]

25 CHAIRPERSON WEPRIN: To keep you.

PASTOR SANCHEZ: Alright so...

[crosstalk]

CHAIRPERSON WEPRIN: you're on the clock already. You're wasting it.

PASTOR SANCHEZ: Wait a minute! Un momento! Okay, I'm Raul Enrique Sanchez. I'm a pastor in Bushwick. I've been there for the last 46 years. I grew up in Williamsburg. I lived amongst the ascetics, and moved into Bushwick and have seen different peoples move out of the city; out of Bushwick. The Italians came in; we Puerto Ricans came next; Dominicans came and now we have Central Americans all over Bushwick, which is a tremendous thing. Bushwick has become a good place to live; people with families, people who care, kids that go to school. It's a tremendous thing, but most of our people have been displaced because we can't afford housing there. And I think that God has given you guys riches, which is great. I'm glad you're rich because if we didn't have anybody who's rich, we'd have nothing to do. Well, it's a gift from God. You are a steward of God's riches and I hope that you will consider giving a lot of our people you know, more than 20 percent, 30

1 percent, whatever it takes. We need affordable
2 housing, but we need affordable housing for people
3 who will take care of the houses, not people who'll
4 come in and trash the place, 'cause I've been in
5 Bushwick, like I said, 46 years as a pastor and
6 I've seen a lot of places trashed because people
7 don't take care of things. So I think it has to be
8 a combination of having people become possessors in
9 some way of their new apartment or their house and
10 them take care of that as their own house. If you
11 don't have anything, you don't care about anything.
12 Just a couple verses from the bible. "Command
13 those who are rich in this present world not to be
14 arrogant, not to put their hope in wealth, which is
15 so uncertain, but to put their hope in God, who
16 richly provides us with everything for our
17 enjoyment. Command them to do good, to be rich in
18 good deeds and to be generous and willing to share.
19 In this way, they will lay up treasure for
20 themselves as a firm foundation for the coming age
21 so that they may take hold of life that truly is
22 life." So you can take hold of life and we could
23 share in that blessing. So stay rich...

24
25 [crosstalk]

1 CHAIRPERSON WEPRIN: Thank you.

2 PASTOR SANCHEZ: Or give it up to
3
4 ourselves.

5 CHAIRPERSON WEPRIN: Thank you, Pastor.
6 [applause]

7 CHAIRPERSON WEPRIN: Okay, I'm going
8 to... I'll allow it now, but we got to... we can't
9 afford to have people start reacting within the
10 audience, but you know, the Pastor read from the
11 bible. Far be for me to stop the applause, but
12 from now on if you could please keep the applause
13 down, 'cause then the other side'll feel the same
14 way and it'll just get really messy. So I'd like
15 to call up the following panel in favor, and that
16 includes negative sounds as well, so let's keep it
17 all respectful. Carolann Johns; Ramirez Alfredo I
18 think it is; Madeleine Laviano and Eugene Ortiz.
19 One, two, three, four, excellent. Welcome. Thank
20 you for your cooperation. Again, decide who is
21 going to go first, make sure to state your name and
22 we're going to put you on the two minute clock.
23 That first panel did a good job.

24 ALFREDO RAMIREZ: Good morning,
25 everyone. My name is Alfredo Ramirez and I've been

1 a resident of Bushwick since I was a kid. I live
2 on Knickerbocker and Hancock, and I've always
3 passed by the area and I'm always in favor of
4 looking for new development that will help improve
5 our neighborhood. For many years, we didn't have
6 many people coming by to help the neighborhood that
7 I have seen since I was a child instead of going
8 forward going backwards. I would like very much,
9 as myself a resident of Bushwick, for this area to
10 be developed in a positive way and receive positive
11 things that will help also the low-income people
12 and the little people that are not recognized for a
13 new stage that will help us forward in the living
14 costs that will also help us, which in these times
15 things seem to go up and not down, and that's what
16 I'm in favor of, of something new to help our
17 families. Thank you.

18
19 CHAIRPERSON WEPRIN: Alright, grab that
20 mic, go ahead, whoever wants to go second.

21 CAROLANN JOHNS: Okay. Hi, good
22 morning. I'm Carolann...

23 [crosstalk]

24 CHAIRPERSON WEPRIN: Everyone's too
25 polite here this morning.

CAROLANN JOHNS: Okay.

CHAIRPERSON WEPRIN: Go ahead.

CAROLANN JOHNS: I'm Carolann Johns, Managing Director of St. Nick's Alliance. St. Nick's Alliance is a 37-year old economic development corporation that works in North Brooklyn. We provide services and we have home care, a youth division, workforce development division, housing division and economic development and small business. Our workforce development division is located at 790 Broadway, which is right near Flushing Avenue. I have 24 staff members. We provide adult education, English as a second language, direct placement, fatherhood and we have a navigator program. We were asked by Council Member Reyna to meet with the Read Group, the owners and the developers of the Rheingold site and to come up with a proposal for local employment and training programs for this site. After listening to the projected needs of the construction site as described by Mr. Klein [phonetic], we presented a proposal that has been committed to and signed by the Read Group. The proposal is as follows: the Read Group guarantees to provide St. Nick's

1 Alliance the opportunity to fill 60 employment
2 slots or positions with contractors to be hired on
3 this slot... on this site, I'm sorry. Of the 60
4 positions, 30 will be in trades that require basic
5 construction certification or training and we will
6 be afforded the opportunity to screen all the
7 applicants. The Read Group will provide signage
8 for St. Nick's at their site directing individuals
9 who have an interest in placement to you know, come
10 to us. Our target will be individuals in the
11 community who are unemployed and underemployed.
12 The cost of this is approximately \$75,000. Read
13 has committed to fully support this cost and place
14 funds in an escrow account. I have copies of the
15 agreement if anyone would like to see it, and we're
16 very excited about the opportunity to provide the
17 services where we'll be connecting training with
18 employment at the site. [chime]

20 CHAIRPERSON WEPRIN: Thank you. Nicely
21 done.

22 CAROLANN JOHNS: Thanks.

23 MADELEINE LAVIANO: Hi.

24 CHAIRPERSON WEPRIN: Just get a little
25 closer to the mic. Okay.

1 MADELEINE LAVIANO: Hi, I'm Madeleine
2
3 Laviano and I'm here to support this project since
4 I'm from the neighborhood and my daughter goes to
5 school in the neighborhood as well. I'm for the
6 project because I believe that more for the youth;
7 it's an opportunity for them a better rank and a
8 big change in the community and to grow and be able
9 to be surrounded by diversified individuals. I
10 think this project will produce a lot of growth new
11 playgrounds. I'm sure they will also have...
12 they'll fix the parks up; you're going to have new
13 supermarkets, so it'll be good for the
14 neighborhood. If not just everything is closing
15 down, so when you build something new, you have the
16 opportunity for developing jobs, which would be a
17 good opportunity and we will gain economic growth
18 as well. Thank you.

19 CHAIRPERSON WEPRIN: Sorry. Yes, sir.

20 EUGENE ORTIZ: Good morning, my name is
21 Eugene Ortiz. I live in Bushwick and I'm for the
22 Rheingold project 'cause it's bringing affordable
23 housing to the neighborhoods; bringing job to the
24 neighborhood. It's going to change that landscape
25 on that block, which it's really nothing there

1 right now, and there's a park across the street
2 that needs to be fixed, all that, and I'm for that.
3 You know, when people mention or talk about
4 displacement and stuff, the neighborhood is
5 changing; we all know that. We see that every day
6 and that's not going to change, so if somebody
7 wants to come in and bring more affordable housing,
8 bring an influx of money to the community and
9 provide jobs for the community, then I'm for that.
10 I'm going to support that. Thank you.

12 CHAIRPERSON WEPRIN: Thank you very
13 much. Council Member Comrie has a question or a
14 comment.

15 COUNCIL MEMBER COMRIE: Has anyone told
16 you, anyone on the panel, what the projected rents
17 for the apartments would be for the complex?

18 EUGENE ORTIZ: The projected rents for
19 the... for the non...

20 [crosstalk]

21 COUNCIL MEMBER COMRIE: For the new
22 complex.

23 [crosstalk]

24 EUGENE ORTIZ: Affordable? I have no
25 clue, no.

2 COUNCIL MEMBER COMRIE: Has anyone told
3 you what the projected rents for the affordable
4 would be?

5 EUGENE ORTIZ: For the affordable it
6 should fall in around maybe hopefully less than
7 \$1,000.

8 COUNCIL MEMBER COMRIE: So you're
9 looking to pay \$1,000 for a studio?

10 EUGENE ORTIZ: Not for a studio, for
11 maybe a two-bedroom or one bedroom.

12 COUNCIL MEMBER COMRIE: And...

13 [crosstalk]

14 EUGENE ORTIZ: I mean I pay more than
15 \$1,000 already for a one bedroom.

16 COUNCIL MEMBER COMRIE: How much do you
17 pay?

18 EUGENE ORTIZ: More than \$1,000.

19 COUNCIL MEMBER COMRIE: And how much do
20 you pay, ma'am?

21 MADELEINE LAVIANO: I'm sorry?

22 COUNCIL MEMBER COMRIE: Do you pay...

23 [crosstalk]

24 MADELEINE LAVIANO: I...

25 [crosstalk]

2 COUNCIL MEMBER COMRIE: Rent?

3 MADELEINE LAVIANO: I pay... I pay

4 \$1,000.

5 COUNCIL MEMBER COMRIE: Can you speak
6 into the mic, please?

7 MADELEINE LAVIANO: I pay also \$1,000.

8 COUNCIL MEMBER COMRIE: You pay \$1,000.

9 More than...

10 [crosstalk]

11 MADELEINE LAVIANO: So having...

12 [crosstalk]

13 COUNCIL MEMBER COMRIE: \$2,000 or under

14 \$1,000?

15 MADELEINE LAVIANO: I'm sorry?

16 COUNCIL MEMBER COMRIE: Do you pay more
17 than \$1,500 per month?

18 MADELEINE LAVIANO: No, I pay \$1,100 to
19 be exact.

20 COUNCIL MEMBER COMRIE: For a...

21 [crosstalk]

22 MADELEINE LAVIANO: For a one-bedroom.

23 [crosstalk]

24 COUNCIL MEMBER COMRIE: Two-bedroom?

25 MADELEINE LAVIANO: For a one-bedroom.

COUNCIL MEMBER COMRIE: For a one-bedroom and you...

[crosstalk]

MADELEINE LAVIANO: So having this opportunity for low housing for the community would be great.

COUNCIL MEMBER COMRIE: Okay.

MADELEINE LAVIANO: Especially for... you know, especially for single moms that are out there just raising their kids.

COUNCIL MEMBER COMRIE: Right and so you're looking to tell is this development would be among those same rates?

MADELEINE LAVIANO: I'm sorry, can you...

[crosstalk]

COUNCIL MEMBER COMRIE: Do you want this development to be in that same rate that you're paying now?

MADELEINE LAVIANO: Not at the same rate that I'm paying now. I would... it would be beneficial for it to be at a lower rate.

COUNCIL MEMBER COMRIE: At a lower rate.

1 MADELEINE LAVIANO: Yes.

2 COUNCIL MEMBER COMRIE: Okay, and sir,
3
4 how much are you paying now?

5 ALFREDO RAMIREZ: I pay \$1,300.

6 COUNCIL MEMBER COMRIE: \$1,300?

7 ALFREDO RAMIREZ: Yes, sir.

8 COUNCIL MEMBER COMRIE: For a one-
9 bedroom?

10 ALFREDO RAMIREZ: For a one-bedroom.

11 COUNCIL MEMBER COMRIE: Okay and where
12 is that? Where do you live?

13 ALFREDO RAMIREZ: [interposing]
14 Knickerbocker and Hancock.

15 COUNCIL MEMBER COMRIE: Pardon me?

16 ALFREDO RAMIREZ: Knickerbocker and
17 Hancock.

18 COUNCIL MEMBER COMRIE: Okay and I
19 didn't hear your name, the first person that spoke.
20 Did you get an idea of what the rates would be one
21 way or the other?

22 BRUNO DANIEL: No, sir, I received...
23 [crosstalk]

24 COUNCIL MEMBER COMRIE: No, I'm asking
25 the young lady now that...

[crosstalk]

BRUNO DANIEL: Oh.

[crosstalk]

COUNCIL MEMBER COMRIE: That told us about the plan that she worked out for... with the trades. Did you get an idea what the affordable housing numbers or the market rate housing numbers would be?

CAROLANN JOHNS: I believe that I saw some literature that indicated, but I can't recall exactly.

COUNCIL MEMBER COMRIE: So you don't know what those numbers are either.

CAROLANN JOHNS: No, I do not.

COUNCIL MEMBER COMRIE: And but you worked out something for the trades to be able to... and they're going to hire through your facility?

CAROLANN JOHNS: That's right. We would provide skills training for certain occupations in the construction trades; basically, entry level occupations you know, requiring OSHA certification and some hands-on experience.

1
2 COUNCIL MEMBER COMRIE: Okay and you've
3 been certified to do this training?

4 CAROLANN JOHNS: Yes, we've done this
5 kind of training in the past over 20 years.

6 COUNCIL MEMBER COMRIE: Okay and I'll
7 just go back to my original question. Do you know
8 what the mix of affordable units would be versus
9 market units?

10 CAROLANN JOHNS: Do I personally? No,
11 I'm sorry, I do not.

12 COUNCIL MEMBER COMRIE: Okay, alright.
13 Alright, but just to the panel, you're looking for
14 the rent to be somewhere between \$1,000 and \$1,500,
15 correct, or less?

16 ED WALLACE: Less.

17 COUNCIL MEMBER COMRIE: Alright, thank
18 you.

19 ED WALLACE: Thank you very much.

20 CHAIRPERSON WEPRIN: Thank you. Hold
21 on, and Council Member Reyna has a question as
22 well.

23 COUNCIL MEMBER REYNA: I just wanted to
24 understand for St. Nick's, I understand that you're
25

1 in discussion for what would be a workforce
2 training and job placement...

3
4 CAROLANN JOHNS: That's correct, for
5 60...

6 [crosstalk]

7 COUNCIL MEMBER REYNA: Opportunity.

8 [crosstalk]

9 CAROLANN JOHNS: Slots, right, at this
10 point.

11 [crosstalk]

12 COUNCIL MEMBER REYNA: And what is the
13 greatest... by zip code what is the greatest
14 underemployed/unemployed zip code that you service
15 right now?

16 CAROLANN JOHNS: You know, we serve
17 11222, 11237. We're located in 06. And we
18 also... I mean right now we're serving a lot of
19 Brooklyn, as well as the other boroughs.

20 COUNCIL MEMBER REYNA: And as far as
21 the challenge to servicing a lot of these zip
22 codes, would you say that it's the training or
23 would you say it's the job orders?

24 CAROLANN JOHNS: We frequently have
25 difficulty finding employment opportunities for the

1 clients that we train, so on an annual basis we're
2 always looking at the skills that we're offering to
3 the community residents because it's... you know,
4 it's... to get a skill and not to be able to get a
5 job is fruitless. So we really try to work very
6 hard with employers to come up with a skills
7 training program where we'll be able to find them
8 competitive jobs.
9

10 COUNCIL MEMBER REYNA: And aside from
11 the training and job placement for an opportunity
12 on the construction...

13 [crosstalk]

14 CAROLANN JOHNS: Mm-hm.

15 [crosstalk]

16 COUNCIL MEMBER REYNA: Aspect of this
17 development, has there been discussion regarding
18 the supers, the porters?

19 CAROLANN JOHNS: Yes, we talked about
20 perhaps security positions, maintenance positions
21 at some point being afforded the opportunity to do
22 the screening and the preparation for those jobs as
23 well.

24 COUNCIL MEMBER REYNA: And how many of
25 those jobs are expected to be developed?

1
2 CAROLANN JOHNS: We didn't get a
3 definitive answer from the Read Group. I mean they
4 still were not sure since you know, they don't know
5 the type of structures that were being built, so it
6 was going to be something for later discussion in
7 terms of the actual number of opportunities. He...
8 we just you know, bounced around the number of
9 hundreds or thousands, but no specific...

10 COUNCIL MEMBER REYNA: As far as...

11 [crosstalk]

12 CAROLANN JOHNS: In...

13 [crosstalk]

14 COUNCIL MEMBER REYNA: Thousands of
15 unit.

16 CAROLANN JOHNS: Correct and employment
17 opportunities across the board, whether it was with
18 construction, as well as some of the other you
19 know, employment opportunities that the site itself
20 might afford.

21 COUNCIL MEMBER REYNA: So you're
22 actively in discussions with what would be the
23 applicant on this rezoning for what would be local
24 hiring and training.

25 CAROLANN JOHNS: Correct.

1
2 COUNCIL MEMBER REYNA: And as far as
3 the... I love your t-shirt, the Rheingold t-shirt.
4 I wanted to just share that. I know that there's a
5 few Rheingold t-shirt wearing... I want to
6 understand, you guys are here as a pack
7 representing who?

8 EUGENE ORTIZ: No, we're here as a
9 community, as a community and we're supporting the
10 Rheingold project. You... I mean if you want to
11 call us pack or we just all have the same vision of
12 supporting this project.

13 COUNCIL MEMBER REYNA: No, I appreciate
14 that, but are you part of a structured
15 organization?

16 EUGENE ORTIZ: No, no.

17 COUNCIL MEMBER REYNA: And...

18 [crosstalk]

19 EUGENE ORTIZ: I'm an individual.

20 COUNCIL MEMBER REYNA: You're...
21 you're...

22 [crosstalk]

23 EUGENE ORTIZ: Yes.

24 COUNCIL MEMBER REYNA: You live in the
25 community?

1 EUGENE ORTIZ: Yes, I live in Bushwick.

2 COUNCIL MEMBER REYNA: Bushwick where?

3 EUGENE ORTIZ: Bushwick and Gates.

4 COUNCIL MEMBER REYNA: Bushwick and
5 Gates, okay.

6 EUGENE ORTIZ: Mm-hm.

7 COUNCIL MEMBER REYNA: Well, I
8 appreciate the enthusiasm and the effort of
9 organized participation and I wanted to just
10 comment how I appreciate your participation and
11 comments on this project. The affordability aspect
12 is one that we are all trying to understand and
13 this we all agree is a private application that
14 came in with a percentage that could've started at
15 zero and we acknowledge the fact that it started at
16 24 percent and so making sure that you stay
17 connected to our office. If... I don't represent
18 what would be Hancock, but I do represent the Gates
19 and Bushwick Avenue area.

20 EUGENE ORTIZ: Mm=hm.

21 COUNCIL MEMBER REYNA: I hope that you
22 can continue to work with our office in making sure
23 that this project is viable for our community. And
24 Madeleine, you live where?
25

1 MADELEINE LAVIANO: I live on the
2
3 Eastside of Bushwick.

4 COUNCIL MEMBER REYNA: Where?

5 MADELEINE LAVIANO: East Williamsburg
6 and... the borderline of Bushwick and Williamsburg.

7 COUNCIL MEMBER REYNA: Just give me
8 just cross streets.

9 MADELEINE LAVIANO: Division.

10 COUNCIL MEMBER REYNA: Division?

11 MADELEINE LAVIANO: Division Avenue.

12 COUNCIL MEMBER REYNA: So you're coming
13 from the Williamsburg area.

14 MADELEINE LAVIANO: Yes, and I take my
15 daughter to school there. She goes to Cook Street,
16 PS 27.

17 COUNCIL MEMBER REYNA: Can you just
18 speak into the mic if... that would help.

19 MADELEINE LAVIANO: I'm in that area
20 every day because of my daughter's schooling, which
21 is...

22 [crosstalk]

23 COUNCIL MEMBER REYNA: The...

24 [crosstalk]

1 MADELEINE LAVIANO: 257 on 60 Cook
2
3 Street.

4 COUNCIL MEMBER REYNA: Right, I'm very
5 familiar with 257 and I appreciate you coming down
6 and especially because we grew up together and we
7 went to the same schools. So thank you very much
8 for being here.

9 MADELEINE LAVIANO: You're welcome.

10 CHAIRPERSON WEPRIN: Thank you.

11 COUNCIL MEMBER REYNA: Thank you.

12 CHAIRPERSON WEPRIN: We know too much
13 about you now. We know your rent; we know where
14 you live; [laughter] we know where your children go
15 to school. Any other questions? That's it.
16 Alright well, thank you very much. Alright, next
17 panel in opposition: Jessica Perez; Jason Hui
18 Huang Lee [phonetic]; Brigette Blood I think, yeah,
19 Blood; Matthew Moto or Mottel. You'll correct me
20 when you go up there. Three? Did I miss somebody?
21 Did someone leave? Did... is Jason here? Jason
22 left?

23 MATTHEW MOTTEL: I believe he left.

24 CHAIRPERSON WEPRIN: Alright, we're
25 going to add Renee Peperone. There you go. Thank

1 you and I like the enthusiasm. That's good.

2 Alright, so please have that last seat and whoever
3 wants to start first and I guess you know the drill
4 by now. Just make sure to state your name.

5 Excellent, thank you.

6 JESSICA PEREZ: Okay, there it is.

7 Hello, my name is Jessica Perez. I'm here to
8 represent the HOA. The Rheingold development site
9 is going to be built right around us, so although
10 mine is probably the least out of what's going on
11 here with the ULURP process, I did want to make
12 mention to it for the city council because we are
13 concerned. We have not had a lot of communication
14 with the developer until Councilwoman made sure
15 that we sat on a panel and had some discussion. So
16 I just want to clarify that; that the 504 parking
17 spaces are required. It's not that these parking
18 spaces that they were discussing earlier are
19 something that was negotiated with us. We had no
20 communication with them before this panel. With
21 that being said, I did want to testify in looking
22 for assistance when it comes to coming into a
23 memorandum of understanding with the developer to
24 make sure that certain issues that we have being
25

1 directly impacted by the construction are met,
2 because there has been no further communication
3 since that panel meeting. So I just want to make
4 sure that any construction damage, that there is
5 something in place for that. We've had issues in
6 the past with other developments where we've had to
7 come out-of-pocket. In addition to that, minor
8 things in terms of garbage pick-up, which I don't
9 think should be an issue in the future. But we do
10 have also another issued with the parking
11 entrances. We are asking for them to be moved over
12 to the Stanwix side and the Evergreen, so that is
13 for Building G to be moved over to Evergreen and
14 Building I to be moved over to Melrose Street,
15 instead of being put on Stanwix, which would help
16 with the congestion that's there. And we do want
17 to have constant communication with you guys
18 because we are there, so that's it for us. Thank
19 you.
20

21 BRIGETTE BLOOD: My name is Brigette
22 Blood. I'm a resident of Bushwick representing the
23 voice of the Northwest Bushwick Community Group and
24 the Renters of the Rheingold Advisory Panel. Since
25 September 3rd, when first learning of Read

1 Property's proposal for rezoning and redevelopment
2 in my neighborhood, I have joined hundreds of my
3 neighbors and some of our community organizations,
4 some in outrage and all with communal desire for a
5 modified more inclusive proposal. We have
6 organized rapidly and effectively, getting
7 Bushwick-wide support as we advocate for locally
8 affordable housing and real community needs to be
9 met as we are asked by Read to give up our valuable
10 manufacturing zoning. Bushwick's learning curve
11 has been steep and rapid. We have researched,
12 consulted many legal and urban planning experts,
13 outreached and crunched the number with finance and
14 economic experience. We understand the business
15 model of the developer, and we see room for an
16 increase in affordable units and real community
17 needs to be met. With an negotiated and signed CBA,
18 the resulting mitigated proposal meets community
19 needs, allows for a viable business model and a
20 successful IHP and 421a for the developer. We
21 welcome development that meets Bushwick's community
22 needs and we require 35 percent permanently
23 affordable housing units at the Rheingold property.
24 The community that proudly makes Bushwick and makes

1 Bushwick home asks for further mitigations, a
2 modified proposal, supportive of CBA and a
3 commitment from the developer to fulfill and
4 maintain their end of the CBA. Bushwick asks for
5 the human right of accessible housing in our own
6 community. Housing is a human right. This
7 unmitigated proposal threatens that human right for
8 many who make Bushwick and make Bushwick home. The
9 community requires 35 percent affordable housing.
10 40 percent of AMI is more reflective of what is
11 affordable for Bushwick residents. We require a
12 range of AMIs available in these affordable units.
13 [chime] Thank you.

14 MATTHEW MOTTEL: Hello, my name is
15 Matthew Motell. I am a 10-year business owner in
16 Buschwick. I am opposed to the proposal in its
17 present form. The community demands that specific
18 mitigations must be met to approve this
19 application. The innovative economy needs to come
20 to Bushwick. The goal of Bushwick industry should
21 be to create sustainable environmentally safe
22 business employing Bushwick residents with good
23 jobs. The eye of real estate and the focus to
24 develop Bushwick is upon us; however, the cost of
25

1 this development should not be only on the backs of
2 the long-term residents, who will be displaced by
3 gentrification. The loss of the M3 zoning to the
4 M1 is unacceptable, as it allows for a potential
5 hotel on site and this will increase further
6 gentrification. We support mixed use industry on
7 the Mademoiselle building, however. However, Read
8 gains economically from this project in two ways.
9 First, the land value will increase exponentially
10 when the land is rezoned from manufacturing to
11 residential. Second, by offering a yet to be
12 determined percentage of affordable housing that
13 Northwest Bushwick Community Group maintains needs
14 to be 35 percent of the total units, Read Property
15 will enjoy the tax abatement of 25 years. These
16 two economic windfalls for Read give the community
17 the moral authority to ask for something back. The
18 manufacturing and retail space that remains on
19 Read's land must be used to enhance the community's
20 economic sustainability. Locally owned businesses
21 must inhabit the retail space that will be
22 developed. Read should be obligated to provide
23 capital investment and organizational costs to
24 create a non-profit business incubator to manage
25

1 industrial space in the Mademoiselle building to
2 allow for Bushwick based businesses to have a
3 chance to compete in the global market. The City
4 Council has the authority to grant Read's request
5 to rezone the land. The City Council should follow
6 the Brooklyn Borough President's recommendation
7 that the rezoning only happened on the Rheingold
8 land and not on adjacent land. Read must sign a
9 negotiated community benefits agreement. Only
10 through Read's legal agreement to a CBA can the
11 community in good faith support this project. It
12 is my hope that Read recognizes the [chime]
13 responsibility they undertake by asking for the
14 community to accept both the rezoning and the scale
15 of the development.
16

17 CHAIRPERSON WEPRIN: Thank you. Sorry
18 about that. Go ahead.

19 RENEE PEPERONE: Hi, my name is Renee
20 Peperone and I'm representing Bushwick Eco Action
21 Network. We're an all volunteer ecological
22 organization organizing the neighborhood around
23 issues of the environment. We consider people
24 being part of that environment inclusive of our
25 community. We're new to this dialogue today. We

1 just had that one panel meeting and the
2 environmental aspect had not been discussed with
3 the developers as of yet, so I have to stand
4 opposed at this point just because I have no idea
5 beyond the EIS what the building tactics are going
6 to be or... we just have not yet had that
7 conversation and I'm very happy to engage in
8 further conversations around these issues and
9 actually help spearhead our concerns and organize
10 our community for better representation around
11 these issues 'cause I know that those are our
12 issues and not necessarily your issues, so I'd like
13 us to define that for you. I feel like on a
14 fundamental level reflected in the EIS, the thing I
15 can talk about is that we cannot have the lack of
16 open space go unmitigated by the rezoning as it is
17 currently proposed that the area being considered
18 for rezoning is already egregiously underserved in
19 regards to accessible open space. What the
20 developer is proposing is just... thus far is just
21 really not enough to buffer the impact that we will
22 have with the additional body count of what, over
23 3,000 additional people. I don't know exact
24 numbers, but that's what it sounds like to me.
25

1 We're concerned about the inclusion of all lots in
2 the zoning change other than the ones designs have
3 been submitted for. To preserve our local quality
4 of life, it's important that each developer of each
5 lot submit plans and environmental study for
6 consideration on a case by case basis. Each lot's
7 use and impact needs to be considered within the
8 context of Bushwick's continuing [chime]
9 development in our existing community as a whole
10 specific to the plans for each lot. I can go on,
11 but I guess I can't. Thanks.

13 CHAIRPERSON WEPRIN: Well, thank you
14 anyway. Thank you for not... no question or
15 comment? No? okay, thank you very much. I
16 appreciate it. I appreciate your patience taking
17 the time. I am now going to call up a panel in
18 favor of Edison Walkes [phonetic] and Anthony
19 Armstrong. Is there anyone else that wants to
20 testify today in favor of this project? I think
21 these are the last two we have in favor and we have
22 a few in opposition, so if you, please tell us now
23 or forever hold your peace, as they say. Pastor,
24 was that alright? Where'd he go? Oh, we have
25 an... whoa, I called two names; all four of you

1 savings and to raise a family in this city. I was
2 able to buy a house near where this project will
3 be. I live in Ridgewood, just the borderline. I
4 was there from 1979. I live in the same house now.
5 My wife and I, we raised four children there. My
6 children attended PS 68 and IS 77, just a few
7 blocks from where I live, and eventually I was able
8 to send my children to college because of this job
9 that I had. I also paid... helped to pay for my
10 wife's education. Having a union job that paid a
11 living wage helped me tremendously, but
12 particularly with the rent and housing payments.
13 [chime]

14
15 CHAIRPERSON WEPRIN: Just finish up
16 quickly. It's okay.

17 EDISON WALKES: Without a union job I
18 would have no union coverage for my wife and my
19 children. I am glad to hear that Read Property
20 Group has committed to responsible development and
21 creating more jobs such as mine. Being a member of
22 32BJ, had a real difference for me and my family
23 and if through local hiring more people in our area
24 can have the opportunity that I have, it would be
25 a real gain to the city. I also worked with HPD

1 community, and as an architectural firm we have
2 built over 400 units of affordable housing already.
3 And I wanted to quickly address something Mr.
4 Markowitz had stated. He wanted to carve block
5 number 3137, which is the block on which our lots
6 and the lots of others lies, out of the rezoning
7 project, being that there is a C Town Supermarket
8 that lies on Flushing Avenue, and we think that's a
9 drastic measure to leave all of us out of this
10 rezoning project simply for one store, but we
11 applaud his concerns of availability of fresh food
12 in Brooklyn neighborhoods, but as our councilman
13 already mentioned, we think there are other
14 solutions such as the Fresh Program, which give
15 developers incentives to build grocery stores in
16 their buildings and we think that's a viable
17 solution which will help sort of try and keep
18 everyone happy where we can engage in this new
19 rezoning project, but also make sure there's fresh
20 food availability in the community. As an
21 architectural firm, of course, we are definitely
22 invested in terms of the artistic scene in the
23 Bushwick community. We believe it's a very vibrant
24 culturally diverse community and we hope to develop
25

1 creative and sustainable efficient housing [chime]
2 for the community and retail. Thank you.

3
4 CHAIRPERSON WEPRIN: Thank you very
5 much. Ladies, did you want to add anything or...
6 okay, great. Well, thank you very much. That's
7 alright, don't leave me. Council Member Reyna has
8 a question.

9 COUNCIL MEMBER REYNA: Thank you very
10 much, Mr. Chair. I just wanted to ask Mr.
11 Armstrong a couple of questions. I received a
12 letter that stated some of what you've just
13 mentioned here today, and I don't have copies for
14 colleagues on the committee nor the chair, so I
15 apologize, Chair. I just wanted to understand.
16 It's the first time I'm actually seeing a person
17 behind this particular letter, and I wanted to ask
18 you what is the zoning right now for your lot?

19 ANTHONY ARMSTRONG: It's M1.

20 COUNCIL MEMBER REYNA: M1-1?

21 ANTHONY ARMSTRONG: Yes, I believe so.

22 COUNCIL MEMBER REYNA: And what were
23 your intentions when Mr. Sbeglia had purchased the
24 property knowing that it was manufacturing?
25

1 ANTHONY ARMSTRONG: Well, right now we
2
3 have commercial stores there now. I believe we
4 have a barbershop and a grocery store and a candy
5 store and a fried chicken restaurant, so there's a
6 few retail stores there right now. So you know, we
7 weren't going to leave them as vacant lots, so we
8 have always had retail tenants there.

9 COUNCIL MEMBER REYNA: And Mr. Sbeglia
10 of Design Concepts Architects is the principal
11 owner?

12 ANTHONY ARMSTRONG: Yes.

13 COUNCIL MEMBER REYNA: And he's owned
14 this property for how long or since when?

15 ANTHONY ARMSTRONG: I'm actually not
16 sure, but I believe it's over... I believe it's
17 over 15 years. It's been a long time.

18 COUNCIL MEMBER REYNA: And no
19 investment has taken place in the last 15 years.

20 ANTHONY ARMSTRONG: Well, commercial
21 tenants have... we have had contracts that have
22 been signed by commercial tenants, so when they've
23 ended, we've allowed new commercial tenants to take
24 over the space, so we've always had it for retail,
25 just different...

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[crosstalk]

COUNCIL MEMBER REYNA: But no one's...

[crosstalk]

ANTHONY ARMSTRONG: Tenants have...

COUNCIL MEMBER REYNA: I understand what it's...

[crosstalk]

ANTHONY ARMSTRONG: Yeah.

COUNCIL MEMBER REYNA: Actually providing right now, but I'm asking has there been any investment into the property?

ANTHONY ARMSTRONG: No further investment, no.

COUNCIL MEMBER REYNA: in the last 15 years.

ANTHONY ARMSTRONG: I don't believe so, but I will have to...

COUNCIL MEMBER REYNA: [interposing]

And so...

ANTHONY ARMSTRONG: [interposing]

Clarify.

[crosstalk]

COUNCIL MEMBER REYNA: Prior to this application, was there an intention to rezone?

1 ANTHONY ARMSTRONG: We definitely were
2 going to file a variance with the city, and
3 actually that's why... that's how we discovered
4 this. We started to look into the Land and Zoning
5 Commission and we discovered that this is going to
6 happen regardless so... this may happen regardless,
7 so we didn't have to file a variance.

9 COUNCIL MEMBER REYNA: So there is no
10 variance application at the moment at BSA.

11 ANTHONY ARMSTRONG: No, there isn't.

12 COUNCIL MEMBER REYNA: And there never
13 was.

14 ANTHONY ARMSTRONG: There never was.

15 COUNCIL MEMBER REYNA: So how did City
16 Planning make the connection of the necessary
17 variance... the proposed variance or the thought of
18 a variance on your property in connection to this
19 application?

20 ANTHONY ARMSTRONG: Well, we weren't
21 contacted at all. As we wanted to investigate
22 further into how we can get a variance to change
23 the zoning on our property, we had discovered that
24 this was occurring, so it was actually by chance.
25 That's why we were actually late in the game. We

1 wanted to be here for the other public hearings,
2
3 but this was the only we can actually attend.

4 COUNCIL MEMBER REYNA: And Brooklyn
5 Design Concepts as far as a variance application
6 that never went through, the proposed variance
7 would have called for what?

8 ANTHONY ARMSTRONG: We wanted to... we
9 wanted an R6A with commercial overlay. We know we
10 probably wouldn't be able... we wanted an R7 or
11 R6A. We were hoping for that. We just... we
12 wanted to build housing and retail. Currently we
13 only have retail.

14 COUNCIL MEMBER REYNA: So let's go back
15 to your statement as far as you've built affordable
16 housing...

17 ANTHONY ARMSTRONG: [interposing] Mm-
18 hm.

19 COUNCIL MEMBER REYNA: Is what I heard,
20 and what kind of affordable housing and where?

21 ANTHONY ARMSTRONG: It was throughout
22 various neighborhoods in Brooklyn actually. It was
23 in line with the NEP and HPD sponsored programs.

24 COUNCIL MEMBER REYNA: HPD sponsored
25 programs such as...

2 ANTHONY ARMSTRONG: I am not aware.
3 I'm sorry.

4 COUNCIL MEMBER REYNA: Okay and the
5 other program you said; you mentioned?

6 ANTHONY ARMSTRONG: NEP, NEP/...

7 COUNCIL MEMBER REYNA: [interposing]
8 NEP, Neighborhood...

9 [crosstalk]

10 ANTHONY ARMSTRONG: HPD.

11 COUNCIL MEMBER REYNA: Enterprise
12 Program.

13 ANTHONY ARMSTRONG: Mm-hm.

14 COUNCIL MEMBER REYNA: Which called for
15 commercial as well.

16 ANTHONY ARMSTRONG: Mm-hm.

17 COUNCIL MEMBER REYNA: And where were
18 those programs?

19 ANTHONY ARMSTRONG: I'm not sure of the
20 neighborhoods in Brooklyn, but they were...

21 COUNCIL MEMBER REYNA: [interposing]
22 Are you familiar with the zip codes?

23 ANTHONY ARMSTRONG: Not the zip codes
24 either, but definitely in Brooklyn.

25 COUNCIL MEMBER REYNA: Okay.

1
2 ANTHONY ARMSTRONG: We mostly design
3 Brooklyn. We design many other neighborhoods
4 within New York City, but mainly Brooklyn and
5 Queens.

6 COUNCIL MEMBER REYNA: Is C Town your
7 tenant?

8 ANTHONY ARMSTRONG: No.

9 COUNCIL MEMBER REYNA: Is C Town aware
10 of this application; zoning application?

11 ANTHONY ARMSTRONG: We are not sure
12 actually.

13 COUNCIL MEMBER REYNA: Did you have a
14 conversation with the applicant?

15 ANTHONY ARMSTRONG: No, with...

16 [crosstalk]

17 COUNCIL MEMBER REYNA: So...

18 [crosstalk]

19 ANTHONY ARMSTRONG: C Town or...

20 COUNCIL MEMBER REYNA: No, with the...

21 [crosstalk]

22 ANTHONY ARMSTRONG: Rheingold?

23 [crosstalk]

24 COUNCIL MEMBER REYNA: Applicant.

25 ANTHONY ARMSTRONG: No, we have not.

1
2 COUNCIL MEMBER REYNA: And your
3 intentions of providing what would be affordable
4 housing or... let me just retract. Is your
5 intention to provide affordable housing?

6 ANTHONY ARMSTRONG: Yes, it is.

7 COUNCIL MEMBER REYNA: 100 percent
8 affordable housing?

9 ANTHONY ARMSTRONG: Not 100 percent
10 affordable housing. We...

11 COUNCIL MEMBER REYNA: [interposing]
12 Well, what is the concept?

13 ANTHONY ARMSTRONG: We want to include
14 affordable housing within the development that we
15 potentially might be able to get.

16 [crosstalk]

17 COUNCIL MEMBER REYNA: So if you could
18 walk me through that.

19 ANTHONY ARMSTRONG: Well, we wouldn't
20 have to necessarily include affordable housing
21 because we own those properties, but my principal,
22 Michael Sbeglia, he is always interested in
23 designing and including affordable housing and so
24 he mentioned that if we... if this zoning process

1 did go through, we would include affordable
2 housing, as we have done in the past.

3 COUNCIL MEMBER REYNA: You mention the
4 past. I want to understand what you've done in the
5 past and...

6 [crosstalk]

7 ANTHONY ARMSTRONG: Okay.

8 [crosstalk]

9 COUNCIL MEMBER REYNA: You're not clear
10 as to what was done in the past.

11 ANTHONY ARMSTRONG: Mm-hm.

12 COUNCIL MEMBER REYNA: I mentioned...
13 you mentioned NEP and HPD programs. I was trying
14 to understand exactly what you provide in those
15 particular projects and where.

16 ANTHONY ARMSTRONG: Mm-hm.

17 COUNCIL MEMBER REYNA: So at the moment
18 there are no plans is what you're saying?

19 ANTHONY ARMSTRONG: For those
20 particular slots?

21 COUNCIL MEMBER REYNA: With the details
22 of what you plan on developing.

23 ANTHONY ARMSTRONG: At the moment, we
24 know if the zoning was passed, we would definitely
25

1 develop retail and housing, some of which would
2 definitely be affordable housing.

3 COUNCIL MEMBER REYNA: But you have no
4 detailed presentation on any of this.

5 ANTHONY ARMSTRONG: Well, we wanted to
6 prepare that, but as we called different city
7 agencies you know, we weren't sure if this was
8 going to be passed or not, so we were told that it
9 was premature to come with you know, designs and
10 displays.

11 [crosstalk]

12 COUNCIL MEMBER REYNA: And what city
13 agency told you that?

14 ANTHONY ARMSTRONG: We called the City
15 Planning Commission. I believe we called your
16 office as well and different Brooklyn offices, just
17 to get a sense of you know, what can we bring to
18 you know, discuss this further, but we were told
19 images may not be you know... may be premature
20 right now because we don't even know if it will be
21 rezoned or not.

22 COUNCIL MEMBER REYNA: Well, clearly
23 the applicant has images.

24 ANTHONY ARMSTRONG: Yeah.
25

1 COUNCIL MEMBER REYNA: Images are
2 always welcomed.
3

4 ANTHONY ARMSTRONG: Mm-hm.

5 COUNCIL MEMBER REYNA: And you were
6 preparing for a variance nonetheless and so
7 therefore, I believe you would've had some type of
8 specification.

9 ANTHONY ARMSTRONG: Well, when you
10 prepare to make a variance it can take several
11 years, so it was just an idea that we wanted...

12 [crosstalk]

13 COUNCIL MEMBER REYNA: Mm-hm.

14 ANTHONY ARMSTRONG: To do. We
15 definitely wanted to develop these properties...

16 COUNCIL MEMBER REYNA: [interposing]
17 Mm-hm.

18 ANTHONY ARMSTRONG: And you know, when
19 you prepare to start the variance, it can take
20 several years, so we still wouldn't have designed
21 anything at that point. You know, it would just be
22 an idea.

23 COUNCIL MEMBER REYNA: So in adopting
24 what would be M1-1, investing in your property
25

1
2 ANTHONY ARMSTRONG: It's one-story
3 commercial retail, yes.

4 COUNCIL MEMBER REYNA: And what is the
5 FAR on it?

6 ANTHONY ARMSTRONG: I am not sure.

7 COUNCIL MEMBER REYNA: Okay, so I would
8 love to have further discussions...

9 ANTHONY ARMSTRONG: [interposing] Sure.

10 COUNCIL MEMBER REYNA: With Design
11 Concepts Architects...

12 ANTHONY ARMSTRONG: [interposing] Mm-
13 hm.

14 COUNCIL MEMBER REYNA: Where there
15 could be some of these questions answered...

16 ANTHONY ARMSTRONG: [interposing]
17 Definitely.

18 COUNCIL MEMBER REYNA: To consider at
19 all whether or not they should be part of the
20 application because it doesn't seem like there
21 was...

22 ANTHONY ARMSTRONG: [interposing]
23 Well...

24 COUNCIL MEMBER REYNA: Enough thought.
25

1
2 ANTHONY ARMSTRONG: Well, Mr. Sbeglia
3 actually did want to speak too in person. It's
4 just, as I said, we just discovered that this was
5 occurring, so we came to speak out.

6 COUNCIL MEMBER REYNA: And you never
7 received information from the Department of City
8 Planning to include your property.

9 ANTHONY ARMSTRONG: No.

10 COUNCIL MEMBER REYNA: No notification.

11 ANTHONY ARMSTRONG: No.

12 COUNCIL MEMBER REYNA: You didn't seek
13 to be included.

14 ANTHONY ARMSTRONG: To be included
15 within the applicants?

16 COUNCIL MEMBER REYNA: Yes.

17 ANTHONY ARMSTRONG: No, never.

18 COUNCIL MEMBER REYNA: 'Kay, thank you
19 very much.

20 ANTHONY ARMSTRONG: Thanks.

21 CHAIRPERSON WEPRIN: Thank you. Thank
22 you, panel; appreciate your coming. Alright, I'd
23 like to now call up the panel in opposition. David
24 Ocasio, Rob Solana I think, and it's Ramon Peguero.
25 Now, is anyone else here to testify in opposition

1 whose name I did not call 'cause this will be... or
2
3 to testify in general? Okay, so this'll be our
4 last panel in opposition. We will not be voting
5 today, those who don't know. We will take what we
6 heard today and there'll be discussions over the
7 next couple of weeks to try to figure out where we
8 are. Okay, gentlemen, whenever you're ready.

9 RAMON PEGUERO: Good afternoon. My name
10 is Ramon Peguero, Executive Director of Southside
11 United Housing Development Fund Corporation, better
12 known as Los Sures. For the past 41 years, we have
13 been working against the grain, to first be part of
14 the development of North Brooklyn and now to stop
15 the displacement of long time residents by
16 developers that now view North Brooklyn as the new
17 frontier for development. While many people might
18 not understand the big deal with rezoning or the
19 value associated with the same, this committee and
20 this council do. Many times we have seen
21 speculators by properties in the hopes that it
22 could later get on a rezoning and either flip the
23 property for his profit or build more attractive
24 and profitable market rate residential housing.
25 The tale of two cities that our Mayor-elect

1 discussed during his campaign is evident in the
2 housing market. Property developers are getting
3 rich using rezoning and subsidies from the city,
4 while not-for-profit organizations and the
5 residents they serve are left to fend for
6 themselves. This committee and this council have
7 the opportunity to right this wrong by mandating
8 real partnerships between private developers and
9 community not-for-profit developers that understand
10 the need of a community that they serve. Language
11 mandating these real partnerships must be the legal
12 foundation for any rezoning in any part of the
13 city. Developers develop for profit. As such, I
14 believe that they should be required to put money
15 in escrow to ensure that they will follow through
16 with all commitments put on them by this council
17 for any rezoning that takes place. If you were to
18 ask me, \$1 million would be a good sum of money
19 that would entice any developer to stick to his or
20 her word. Revocability of the rezoning for failure
21 to adhere to agree upon commitments should also be
22 part of any deal. And finally, any developer that
23 requires municipal action that would benefit them
24 shall be mandated to provide at minimum 30 percent
25

1 of the housing units developed as permanently
2 affordable. Thank you.

3
4 CHAIRPERSON WEPRIN: Thank you very
5 much. Gentlemen, whoever wants to go next.

6 DAVID OCASIO: Good afternoon. I'd
7 like to thank the committee for allowing me to
8 speak. My name is David Ocasio. I am the
9 treasurer of the Rheingold Homeowners Association
10 and I live at 5 Renaissance Court, which is
11 directly adjacent to sites 3 and 4 of the proposed
12 development. I am speaking on behalf of not only
13 myself, but my neighbors, who collectively have
14 gone into debt roughly \$20 million purchasing homes
15 in 2005 in the hopes of creating a decent
16 community. It's something we feel we've achieved.
17 This proposal is not in step with that type of
18 community building. We are not against
19 development. We're against overdevelopment. We
20 are not against inclusion. We are against the
21 upheaval of our neighborhood. We ask one, that the
22 height of these buildings be lowered. We believe
23 that would alleviate many, if not all of the issues
24 that currently require mitigation, specifically
25 traffic and safety, environmental impact, as well

1 as public transportation. Two, we ask that there
2 be a restrictive declaration against any future
3 possible hotel plans at the Mademoiselle building
4 currently housing OEM or in any other parts of the
5 rezoning proposals. Three, we ask that the two
6 blocks currently along Flushing Avenue that
7 includes the C Town Supermarket not be rezoned to
8 an R6 that could potentially put those businesses
9 in jeopardy. Four, we ask that the two streets
10 currently slated for opening at Noll Street and
11 Standwix remain unchanged. The people of Rheingold
12 are hard working families who know each other,
13 support local businesses and try to make positive
14 steps towards improving things. We have even
15 continuously painted over graffiti on the buildings
16 the developer has owned for years. There is a
17 concern that our local businesses will get priced
18 right out of the neighborhood by skyrocketing
19 rents. We are not policymakers or urban planners.
20 This is not an ideal situation and frankly, we feel
21 blindsided by this entire process. As the people
22 most affected by this, we're looking for some
23 consideration and reasonableness. Thank you for
24 your time.
25

CHAIRPERSON WEPRIN: Thank you. Sir?

ROB SOLANO: Yes. Hello, my name is

Rob Solano. I'm the Executive Director of Churches United for Fair Housing, a grassroots organization comprised of 50 churches throughout North Brooklyn and several in Bushwick, and today we're joined with many of our pastors that gave testimony earlier. We've been working for 10 years toward creating a sustainable living community responsive to housing, open space, education, health and economic development needs in and near North Brooklyn. Today I'm going to speak on the development of the Rheingold site in Bushwick. We do not agree in general with private luxury developments, especially when fair and dignified housing is becoming harder to find in our neighborhoods. The further spread of gentrification; increased disparity of wealth in our city actively works to displace the residents who have sacrificed everything to build our community and homes. However, we do recognize that private developments can also be an opportunity to create us more and desperately needed affordable housing and therefore, I'm here to represent

1 Churches United for Housing to make clear that we
2 only support the Rheingold development if at least
3 30 percent of the total units are on site housing
4 with 20 percent integrated and 10 percent senior
5 housing. If the AMI range is reflective of the
6 incomes of the community, where 60 percent AMI is
7 to be commended and aggressive, it does not meet
8 the needs of Bushwick, where they are deeply in 40
9 to 30 percent AMIs. For the Read Group to also be
10 held accountable, these agreements are enforced
11 through the Read Group partnering with local
12 community groups to ensure that local groups make
13 sure that every agreement that is made; that they
14 are the watchdogs to ensure that the development
15 comes through with the plans as they have
16 ultimately decided to do. In addition, whenever a
17 developer buys a manufacturing or heavy
18 manufacturing zone, it should not be an avenue for
19 them to look for residential and if they are going
20 to look for residential, that they should know that
21 that comes with a deep, deep price for them and a
22 price that they have to pay. Changing residential
23 from a manufacturing quadruples or four times the
24 value of their property, and that should be spread
25

1 not for the developer or for the private owners,
2 but that should be held for the entire community to
3 support the community that's in need. Thank you so
4 much.
5

6 CHAIRPERSON WEPRIN: Thank you. We
7 have one more person to testify. I'm making him
8 official here. You were in the balcony. I didn't
9 you know...

10 JOSE LOPEZ: Yeah, I was translating
11 for some of our folks.

12 CHAIRPERSON WEPRIN: Just make sure to
13 state your name now that you're here.

14 JOSE LOPEZ: So...

15 CHAIRPERSON WEPRIN: [interposing]
16 You're here to close.

17 JOSE LOPEZ: Good afternoon...

18 [crosstalk]

19 CHAIRPERSON WEPRIN: Go ahead.

20 JOSE LOPEZ: Council members. My name
21 is Jose Lopez, lead organizer with Make the Road
22 New York, an organization that represents 14,000
23 people across New York City and Long Island, so I
24 guess you can call us statewide maybe. In
25 Bushwick, the majority of the folks that we work

1 with are recent immigrants, many of whom are making
2 the minimum wage, \$7.25 an hour or less, and so
3 when we have the discussion around affordable
4 housing, the conversation for our base is what is
5 affordable for us, and for a family making \$290 a
6 week or \$15,000 a year or less, 60 percent of the
7 AMI is not truly affordable. And so I'm not going
8 to say everything that I'd planned on saying when
9 coming here 'cause I think everything... you know,
10 things were mostly touched on, but in terms of us
11 an organization, what we are asking for is we're
12 asking that 35 percent of all of the housing units
13 are considered affordable, and we are also asking
14 that there is a discussion around what percentage
15 of the AMI we're talking when we're talking about
16 defining affordability. 65 percent or 60 percent
17 of the AMI means zero percent of Bushwick
18 residents, according to the Bushwick AMI, will have
19 access to any of these units and so, I want to be
20 clear in saying that the current proposal, the
21 proposal that we're listening to here today is a
22 proposal that says that zero percent of Bushwick
23 residents should have access to these units. We
24 would ask and we would want to continue a
25

1 conversation of starting the AMI at 30 percent as a
2 baseline threshold and then moving our way up. 35
3 percent will target families making about \$25,000 a
4 year, which falls more in line with what families
5 are making in Bushwick and in surrounding
6 communities. You know, I had come here today kind
7 of hoping to hear more hard data; more hard numbers
8 from the developers and I feel like as I think this
9 is the only public hearing, I'm a little
10 disappointed [chime] that I... you know, that I
11 came here with a crew of folks and that all the
12 questions that we had hoped would be answered by
13 the developers were not. But again, 35 percent
14 affordable housing and I think we need to start
15 having a conversation around starting the threshold
16 at 30 percent and not 60 percent.

18 CHAIRPERSON WEPRIN: Thank you, Mr.
19 Lopez. Hold on one second.

20 [Applause]

21 JOSE LOPEZ: Well, alright.

22 CHAIRPERSON WEPRIN: Council Member
23 Reyna, did you have some comment you want to make?

24 COUNCIL MEMBER REYNA: I just...

25 [crosstalk]

JOSE LOPEZ: A question.

COUNCIL MEMBER REYNA: Wanted to ask Mr. Ocasio representing the homeowners, the testimony I'm sure you didn't come with a written testimony to hand in?

DAVID OCASIO: I didn't. You know the...

COUNCIL MEMBER REYNA: [interposing] If you can do that, that would be fabulous. We don't have a copy of it and I'd like to have it just to go over it in detail to understand a lot of the concerns that already have been communicated, but just making sure that we validate what you have just referred to. The issue of the affordable housing to the Make the Road New York organization, Jose, the numbers that I had laid out were according to what would be our area median income in Brooklyn as far as Bushwich is concerned, and in relationship to what are the HPD standards, right, according to what would be 60 percent of ANI under their programs and therefore, you are accurate that according... in relationship to the area median income of the 34,000 in relationship to HPD standards of 60 percent of AMI as the starting

1 threshold is where we have to do a better job in
2 understanding what the detailed numbers are like,
3 and that is what we're engaging the developer in
4 understanding that we want and need to know in
5 order to understand the impact on our community.
6 So your statement was valid and accurate and if you
7 could just make sure that you submit written
8 testimony because I know that people come,
9 participate, but then they don't put things into
10 writing and this is according to the record. I can
11 wait for the transcript or I can get it from you,
12 so I hope that I can get it from you.

14 JOSE LOPEZ: May I just ask, so the
15 numbers still are not yet confirmed and available.

16 COUNCIL MEMBER REYNA: The answer is
17 no, not to my knowledge, and we're waiting... the
18 developer has been in conversations with a
19 consultant that they have just mentioned here in
20 this hearing, Forsyth Group, as far as the
21 consultant helping them formulate what would be the
22 affordable housing component, and so we await what
23 that consultant is going to come back with. I'm
24 sure that you see the participation of the
25 representatives here for the client making sure

1 that all this feedback is taken down and brought
2
3 back. I'm sure they have a lot more discussions to
4
5 go through and we will be kept abreast of what is
6 concluded from those discussions, but this is the
7 first public hearing that we have had and we want
8 to continue to discuss beyond this hearing a lot of
9 the concerns and issues raised at this hearing.

10 CHAIRPERSON WEPRIN: Great and there
11 are a lot of issues still to be resolved, and we
12 will work on that over the next couple of weeks. I
13 want to close the public hearing now on Land Use
14 numbers 951, 52 and 53. I want to thank everybody
15 for coming today. Gracias por venir a todo and we
16 are very happy that you were all so patient and so
17 well behaved and thank you for your cooperation.
18 With that in mind, the meeting is now recessed
19 until tomorrow morning at 9:45 a.m. We will not be
20 taking this item up, but we will have other items
21 to discuss. That's at 250 Broadway across the
22 street, the 16th floor and thank you very much.
23 Buenos tardes.

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. 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.



Date: 11/23/2013