

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND CONCESSIONS

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October 17, 2008
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HELD AT: Council Chambers
City Hall

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

COUNCIL MEMBERS:
Bill de Blasio
Inez E. Dickens
Sara M. Gonazlez
Vincent Ignizio
Melinda R. Katz
John C. Liu
Hiram Monserrate
Diana Reyna
James Sanders, Jr.
Helen Sears
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A P P E A R A N C E S (CONTINUED)

Carol Shine
Counsel to the Committee

Carol Clark
Assistant Commissioner
Department of Housing, Placement and Development

David Beer
Common Ground

Chair Katz
New York City Council

Commissioner Member Monserrate
New York City Council

Robert C. Lieber
Deputy Mayor for Economic Development

Shaun Donovan
Commissioner of Housing Reservation
And Development
Economic Development Corporation

Seth W. Pinsky
Economic Development Corporation

Kevin McCarty
HDR Engineering

Bomi Kim
M/WBE Director
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U.S. Rep. Joseph Crowley
Seventh District
New York

U. S. Rep. Nydia Velasquez
Twelfth District
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Queens Borough President

Mark Weprin
Assembly Member, 24th Assembly District
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Dan Scully
Willets Point Industrial Realty Association

Peter Tulley
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Dan Feinstein
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Julia Sandoval
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Tana
Young resident of Willets Point

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Claire Shulman
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Flushing, Willets Point and Corona Local Development
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Albert Pennisi
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Gerald Antonacci
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Jake Bono
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Willets Point Industrial Realty Association
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House of Spices

Susan Fodera
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John Fodera
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CHAIRPERSON GARODNICK: Good

morning everyone. Welcome to the Subcommittee on Planning, Dispositions and Concessions. This is a subcommittee of Land Use of the New York City Council. My name is Dan Garodnick. I have the privilege of chairing this subcommittee. Today's date is Friday, October 17th. We have a couple of items on today's agenda.

Before I get started into our business of the day I wanted to let you know we have been joined by, of course, the Land Use Committee Chair Melinda Katz, Subcommittee Members Inez Dickens, Vincent Ignizio and Sara Gonzales, as well as Council Member Hiram Monserrate, John Liu, and that looks like it's it.

You know this is a busy day of course at City Hall if you are here to testify or listen on the subject of term limits. It's right next door. And if you're here for Willets Point you're in the right place. I did want to note we have one first small item of business that we need to take care of in our Planning Subcommittee.

It is one item that is on the Land Use calendar for today. It is Land Use number

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2 863, the Common Grounds Senior Housing. I'm going
3 to invite Carol Clark of HPD to come to the
4 witness stand, as well as David Beer of Common
5 Ground to make a quick presentation on this.

6 This is in Brooklyn Community Board
7 16, C080492HAK. It's an application from HPD
8 pursuant to Article 16 of the General Municipal
9 Law of New York State. I will let Ms. Clark
10 introduce this item. And Ms. Clark as soon as
11 you're ready, go right ahead.

12 [Pause]

13 MS. CAROL CLARK: Good morning
14 Council Members. I'm Carol Clark, Assistant
15 Commissioner of HPD and I'm joined by David Beer
16 of Common Ground. And indeed we are testifying in
17 favor of the project which you cited which is
18 known as Common Ground Senior Housing.

19 It consists of the proposed
20 disposition of s7 City owned lots which are vacant
21 located at 1499 through 1505 and 1511 St. Marks
22 Avenue, Bergen Street and Saratoga Avenue in
23 Brooklyn. Under the Section 202, Support of
24 Housing Program for the Elderly, HPD selected
25 Common Ground Community Housing Development Fund

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2 Corporation to develop a 7 story building. When
3 completed the project will provide 71 units of
4 rental housing for low income and formerly
5 homeless persons aged 62 or older plus 1
6 superintendent unit.

7 Council Member Mealy, in whose
8 district the project is, has reviewed the project
9 and indicated her support.

10 CHAIRPERSON GARODNICK: Do you have
11 anything to add Sir?

12 MR. DAVID BEER: David Beer from
13 Common Ground Community. Common Ground is a not
14 for profit community development and affordable
15 housing development organization established in
16 1990 with a mission to create homes for homeless
17 persons. Common Ground is the largest supportive
18 housing developer in New York City, managing over
19 1,600 units of supportive housing with a pipeline
20 of about 1,000 units.

21 The proposed--

22 SERGEANT AT ARMS: [Interposing]
23 Quiet please.

24 MR. BEER: The proposed seven story
25 seniors' residence will provide permanent

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2 affordable housing to 71 seniors, 40% of whom will
3 be formerly homeless persons with special needs.
4 The remaining units will serve low income seniors
5 from the Ocean Hill-Brownsville community. There
6 will be a mix of studios and one bedroom
7 apartments.

8 Common Ground will develop the
9 project, manage the building and provide social
10 services to residents to help tenants maintain
11 stable tenancy and live as independently as
12 possible.

13 The proposed project will be
14 financed by HUD's Section 202, Capital Advance
15 Program. The New York State Low Income Housing
16 Tax Credit Program and capital support from the
17 Office of the Brooklyn Borough President. We
18 respectfully request your support for this land
19 use action.

20 CHAIRPERSON GARODNICK: Thank you
21 very much. Ms. Clark, two questions for you. One
22 is the selection of Common Ground for the
23 development of this site. What was the process?
24 Was it a public competitive process?

25 MS. CLARK: It's a process that's

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2 conducted by the Federal Department of Housing and
3 Urban Development and it is a competitive process
4 which they conduct.

5 CHAIRPERSON GARODNICK: Thank you.
6 And the, as I understand it, the 71 units are 40%
7 for formerly homeless, 60% low income. Can you
8 define the thresholds for the income bands for
9 that housing?

10 MS. CLARK: Yes Sir. The income
11 target is for one person, \$26,900 per year. And
12 for a family of two, it's \$30,700 per year. And
13 you're right; it's 40% of the units approximately
14 28 are for homeless seniors.

15 CHAIRPERSON GARODNICK: Thank you
16 very much. Thank you, seeing nobody from the
17 public wishing to testify on this item, Land Use
18 number 863, we will close the hearing on it.
19 Common Ground Senior Housing, C080492HAK.

20 And before we go further I'm going
21 to ask the counsel to this committee, Carol Shine,
22 to call the roll on this item. And then we will
23 move on to our next item of the day. Ms. Shine.
24 And the Chair recommends an Aye vote.

25 MS. CAROL SHINE: Chair Garodnick.

CHAIRPERSON GARODNICK: I vote Aye.

MS. SHINE: Council Member

Gonzales.

COUNCIL MEMBER GONZALES: Aye.

MS. SHINE: Council Member Dickens.

COUNCIL MEMBER DICKENS: Aye.

MS. SHINE: Council Member Ignizio.

COUNCIL MEMBER IGNIZIO: Aye.

MS. SHINE: By a vote of four in the affirmative, none in the negative and no abstentions, the aforementioned item is approved and referred to the full committee.

CHAIRPERSON GARODNICK: Thank you very much. Our next items of business relate to Willets Point, Queens. And I suspect that most of you are here for these items and also that many of you are familiar with this site in question. It is an area of prime real estate in a very desirable location and it has fallen into disrepair.

Willets Point as you know has a feel of an area separate and disconnected from the City of New York. It lacks basic infrastructure such as a sewer system and has not had even basic

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maintenance of its streets and sidewalks.

On a recent visit I saw sinkholes the size of entire intersections, that if you didn't know any better you might think they were part of the Flushing Bay. The lack of attention has created real environmental harms to the area and to the neighboring waterways. It will require hundreds of millions of dollars of remediation.

Today it is home to a high concentration of auto body shops, as well as some construction companies and other small businesses, mostly industrial. It sits right next door to the new Citi Field. It has the 7 Train, the Long Island Railroad and a number of highways right at its side. As such it has been targeted by the City as an area overdue for economic revitalization.

The Economic Development Corporation, the applicant, has a plan for these 62 acres of land, to create a mixed use community with office space, retail, a hotel, open space and housing. And this is a high priority for them.

However, only 14 of those 62 acres are actually owned by the City of New York. The

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2 rest is owned by private entities, which raises
3 the prospect of the City needing to take the
4 private property by eminent domain in order to
5 achieve its goals. To date, they have reached
6 agreement with very few land owners.

7 There are legitimate questions
8 about why the City allowed this area to fall into
9 disrepair in the first instance, how much progress
10 the administration is making in reaching out to
11 local businesses and property owners, and how it
12 will assure this Council that it is taking
13 concrete steps to avoid taking property through a
14 condemnation process.

15 Additionally in light of the
16 current financial climate, there are questions
17 about whether the plan is even practical and
18 whether we could authorize this action, watch the
19 City take property, but then have nothing happen
20 at all.

21 We look forward today to hearing
22 from both sides on these issues. The actions
23 before us today are proposed amendments to the
24 Zoning Resolution establishing a Special District
25 in Community District 7, an amendment of the

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2 Zoning Map establishing a special Willets Point
3 District, the proposed designation of the Willets
4 Point Urban Renewal Plan.

5 [Pause]

6 The proposed designation of the
7 Willets Point Urban Renewal Area and the proposed
8 Urban Renewal Plan, the disposition of City owned
9 property within that renewal area, and the
10 proposed amendment to the City Map to eliminate
11 and close streets within the area.

12 This is going to be a fair and
13 orderly hearing today. I'm going to ask that
14 there not be outbursts, either enthusiastic and
15 positive or booing in the negative. I have to
16 control that very carefully because we want to
17 make sure that everybody is heard today fairly and
18 civilly.

19 Members of the public are going to
20 have three minutes of time. I'm going to have to
21 be strict on that because there's a lot of
22 interest in this hearing. We want to make sure
23 that everybody gets heard. Please understand if I
24 stop you at three minutes, it is not because I
25 disagree or want to cut you off, it's just that

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2 there are a lot of people who want to be heard and
3 we want to make sure that everybody is heard
4 today.

5 I'm going to ask my colleagues just
6 to be wary of the timeframe and that there are
7 members of the public here who have traveled
8 specifically to be heard today. And so I'll ask
9 them to be judicious in their questioning and be
10 sensitive to that.

11 In a moment we're going to hear
12 from Melinda Katz, the Chair of the Land Use
13 Committee and Hiram Monserrate, who is the Council
14 Member who represents the area. They're going to
15 give brief opening statements. We're then going
16 to hear from the Administration. They've already
17 joined us here. They are the applicant. They
18 will give a presentation. And then we'll answer
19 questions from Council Members.

20 After that we will hear from the
21 elected officials who are present from the area.
22 And then we'll have alternate panels, opposing and
23 supporting the plan. And we will alternate back
24 and forth in panels of four or five.

25 If you have not done so already and

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2 you want to testify today, you need to fill out
3 one of these little forms which are obtainable at
4 the desk of the Sergeant at Arms over here. So I
5 encourage you to do that now.

6 And I also want to welcome you all
7 down to City Hall. We're glad to have so much
8 interest in this issue and we're glad to have you
9 here today. So with that, Chair Katz.

10 CHAIRPERSON KATZ: I thank you Mr.
11 Chair and I thank you and your committee for the
12 work that it's about to do. I know that this
13 hearing today is going to be a lengthy one and
14 it's a very important issue.

15 I just wanted to comment that as
16 Chair of the Land Use Committee, we have had
17 several, and I would say probably dozens of
18 controversial and difficult rezonings, urban
19 renewal plans and projects over the last seven
20 years.

21 I would say that in my estimation
22 this project has caused some of the largest
23 controversy, some of the largest outspoken folks
24 coming out and talking. And I think that the
25 reason is that both sides of this issue have very

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2 relevant points that they need to make and that
3 really matter in the City of New York and for our
4 future in Queens and in the entire City.

5 If you look at the area there,
6 there is no doubt that something needs to be done.
7 It is now next door to a new Shea Stadium. It is
8 in the middle of the borough of Queens and clearly
9 the area, whichever way it happened, has been
10 allowed to go into such disarray. But the other
11 side of it is that this City Council's job is to
12 estimate fairness and to make sure that we
13 approach topics and as we approach rezonings, that
14 we do it in a fair and equitable fashion. And
15 clearly that has been the biggest bone of
16 contention.

17 So as we look at this hearing today
18 we look forward to hearing from the public. There
19 are several issues I know we are concerned with.
20 One is doing the urban renewal and the rezoning
21 before we pick a developer. The other is clearly
22 affordable housing to make sure that we use this
23 area to its ultimate use, to create housing for
24 individuals that need it. And clearly the eminent
25 domain issue which I know that the First Deputy is

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prepared to discuss as well.

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So I thank you Mr. Chair and your committee for the work you are about to do and I look forward to hearing testimony from the public.

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CHAIRPERSON GARODNICK: Thank you very much Chair Katz. And now Council Member Monserrate.

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COUNCIL MEMBER MONSERRATE: Thank you very much Council Member Garodnick, Chair of this Subcommittee on Planning. First and foremost I want to thank you and the staff to Land Use and to Chair Katz, my colleague John Liu and all the Council Members who have really worked very hard on this project to become informed and to immerse themselves in the many issues that we face in this development project. In proposing to redevelop Willets Point, a project this large requires, as we know, a much higher bar of planning and participation and buy-in from the community.

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This project proposes to change the landscape of Queens for generations to come. In fact I believe this is probably the largest scale project Queens will see. Despite the City's neglect at Willets Point, Willets Point has really

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2 created an organic network, one that serves as an
3 economic engine for large and growing communities
4 in our city, particularly in the areas of Queens
5 that I and Council Member John Liu represent which
6 are the Flushing and Corona communities.

7 We are thriving commercial enclaves
8 and one of the major sources of that economic boom
9 is Willets Point. We have heard much of the
10 rhetoric regarding this plan and how it is to
11 benefit the residents of Queens. Yet with the
12 Council set to vote in its finality within less
13 than one month, there are still serious gaps in
14 concrete details on how this plan will actually
15 benefit the community, who it displaces and how we
16 ensure that we mitigate that impact.

17 I look forward to this hearing. I
18 will also say that myself, my staff, has worked
19 countless hours with the Economic Development
20 Corporation to see if there is some consensus that
21 can be established. I look forward to this
22 hearing, to the testimony that will be presented,
23 not only by the administration but other
24 stakeholders. And I look forward to ensuring that
25 this plan is a plan that mandates fairness,

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2 fairness for everyone.

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I have repeatedly said that any plan that we project that we will spend north of \$4,000,000,000, there should be no losers which includes the constituents that I represent today, the business owners, the property owners and the workers at Willets Point.

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Thank you very much Mr. Chair.

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CHAIRPERSON GARODNICK: Thank you Council Member Monserrate. Now we're going to go right into it as promised. The Administration is here. I see we're joined by Deputy Mayor Bob Lieber as well as Seth Pinsky of the Economic Development Corporation and Shaun Donovan, Commissioner of HPD. I hope I didn't preempt your introductions there Deputy Mayor but you are welcome to get started and go right ahead and we welcome you today.

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DEPUTY MAYOR ROBERT C. LIEBER:

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Thank you Councilman Gorodnick. And I'm not going to turn it over to questions right away. I think I will go through a presentation here first. But I want to thank you and members of the subcommittee as well as the City Council Members

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2 that we have had an opportunity to work with over
3 the past several years, for your time, for your
4 efforts and for your interest here. And I just
5 want to make the point that we look forward to a
6 further partnership with the City Council as we go
7 forward and in the communication and collaboration
8 in addressing the issues here at Willets Point.
9 So thank you all for the time that you've spent.
10 It's been a very interesting and a productive
11 process from our side. So we look forward to more
12 of that.

13 I want to focus and start with
14 making the point that the remediation and the
15 rehabilitation of Willets Point is one of the most
16 important projects in the Borough of Queens in
17 over a century. More than 75 years ago the site
18 was a coal ash dump which was immortalized in The
19 Great Gatsby. And for more than 50 years there
20 has been a lot of discussion in Queens and around
21 the City about how to clean up and develop this
22 site. Many of our predecessors have tried but
23 come up short. And plans have come and plans have
24 gone. But now is the time to act. It's time to
25 seize upon this historic opportunity to clean up

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2 Willets Point once and for all and reclaim what is
3 an environmental eyesore.

4 The benefits of this project are
5 significant. Again, first and foremost
6 remediating a contaminated site and cleaning up
7 the associated Flushing River and Flushing Bay,
8 cleaning the blight that affects all of the
9 surrounding communities. We want to create new
10 open space, build a new school and community space
11 and create at least 1,100 units of affordable
12 housing, 50% of which will be set aside for local
13 residents.

14 We look to add three times the
15 number of permanent jobs on the site at higher
16 pay, with benefits, while relocating as many of
17 the existing jobs as we possibly can. So the new
18 jobs will be incremental not replacement jobs.

19 We also look at creating over
20 18,000 new construction jobs as well as developing
21 a comprehensive Work Force Training Program that
22 will be available to all of the estimated 1,700
23 workers who are at Willets Point today.

24 Additionally we want to be aggressive about
25 supporting local minority and women owned

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2 businesses, and resulting in a project that we
3 believe will catalyze over \$25,000,000,000 in
4 economic activity that will generate significant
5 incremental tax revenue which can be used to pay
6 our police officers, our fire fighters and
7 teachers and make other necessary investments in
8 the City.

9 It's been described as the Valley
10 of Ashes and the Iron Triangle, and indeed Willets
11 Point is a bleak area. This central 62 acre piece
12 of land has been cordoned off from the rest of the
13 City and the neighboring communities of Corona,
14 Elmhurst, East Elmhurst, Jackson Heights and
15 Flushing.

16 Think of a doughnut. Willets Point
17 is like the hole in the middle of a doughnut. The
18 surrounding neighborhoods are vibrant but the hole
19 is, well, a hole. This is one of the most
20 haphazard amalgamations of uses anywhere. Every
21 worker, every business owner and every land owner
22 surely will acknowledge (sic) these are
23 deplorable conditions. It's contaminated, open
24 petroleum spills, illegal dumping, lax roadways,
25 sidewalk and utilities, lax infrastructure so that

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2 industrial waste and even human waster have
3 nowhere to go. Waste and sewage settles on the
4 surface, it seeps into the groundwater and because
5 of the high water table, it flows into the
6 Flushing River.

7 These are substandard conditions in
8 which roughly 260 businesses have to operate. And
9 let's be clear, there are a wide range of
10 businesses that are here. Some have operated in
11 Willets Point for generations while others are
12 more transitory in terms of their history. Some
13 look like they are located in any manufacturing
14 industrial park. But the overwhelming majority of
15 the businesses operating here look like this.

16 And the pictures you see behind me
17 aren't from a third world country or a war torn
18 country half a world away, this exists right here
19 in New York City in Willets Point and it has for
20 decades. No matter how we got to this point,
21 Willets Point is what it is. These are deplorable
22 conditions in which approximately 1,700 workers
23 are forced to work every day to support their
24 families.

25 We have a unique opportunity to put

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2 Willets Point on a path towards a better future, a
3 future that remediates the blight and
4 rehabilitates the environment. A future that adds
5 three times as many permanent jobs to the site,
6 and again, that's in addition to the jobs that are
7 already there that will be relocated, as well as
8 18,000 new construction jobs. And these are good
9 jobs, adding thousands of prevailing wage and
10 union jobs to our economy.

11 A future that includes over 1,100
12 affordable housing units and a future that
13 promotes new opportunities for minority and women
14 owned businesses. The future includes new parks,
15 new stores, new open space and a safe place for
16 New Yorkers to be able to raise their families.

17 Willets Point is incredibly well
18 situated for that future. It has excellent
19 transit amenities including highways and mass
20 transit. And it's in the center of so much
21 activity going on around it. Look at what's going
22 on. The Flushing River and the Bay, we have a
23 booming population in Downtown Flushing that's
24 clamoring for waterfront access. One of the
25 largest parks in the City, we have the New Citi

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2 Field going up, as well as thriving cultural and
3 recreational destinations like the Queens Museum,
4 the New York Hall of Science, the New Natatorium,
5 as well as growing communities in Corona,
6 Elmhurst, East Elmhurst and Jackson Heights.

7 And literally in the middle of it
8 all sits Willets Point which is stifling the
9 development on the waterfront from the Flushing
10 side and continues to contaminate the River and
11 the Bay.

12 It's not surprising; I mean take a
13 look at what the River looks like next to Willets
14 Point. If you've been there you know the odors
15 waft about, the smell of sewage, open spills and
16 decay permeates the air, untreated sewage flows
17 into the river along with automotive waste,
18 chemicals, metals, corrosives and who knows what
19 else. Unless we take care of the source of this
20 contamination we will never be able to turn this
21 river into an oasis.

22 This plan originated in 2002 and
23 developed with the surrounding communities, the
24 support of the surrounding communities. We've had
25 a constant and a consistent public feedback. And

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2 the communities in Queens are demanding a cleaner,
3 healthier and overall better Willets Point.

4 So what's the plan to remediate and
5 rehabilitate Willets Point? First and foremost it
6 must be cleared of decades-old contamination. It
7 must be physically raised to an elevation up to 6
8 feet higher than it sits today to bring it out of
9 the 100 year flood plain. Infrastructure will be
10 installed with improved sewer outfalls and we will
11 pave the way for a new green and sustainable
12 neighborhood.

13 After the area is fully remediated
14 the new Willets Point will be home to a
15 neighborhood with up to 5,500 units of much needed
16 housing, more than 20% of which will be
17 affordable. That means more than 1,100 units of
18 housing affordable to low and moderate income New
19 Yorkers, and as I mentioned 50% of which will be
20 set aside for local residents. And we all know we
21 need more housing and we need more affordable
22 housing in both New York City and in this
23 community.

24 Our plan will also require a new K
25 through 8 public school be built on the site. And

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2 working with our colleagues at DOE and the SCA, we
3 will size the school to meet the community's
4 needs. There will also be a 150,000 square feet
5 of community space that will be programmed with
6 input from local area residents. Today there are
7 no community facilities at all.

8 The residents and visitors to
9 Willets Point will enjoy at least eight acres of
10 publicly accessible open space, in addition to
11 other open space that will be developed in
12 building courtyards, green roofs and other areas.
13 Today the only open spaces exist are littered with
14 abandoned cars and craters of standing polluted
15 water.

16 Leveraging its proximity to the
17 City's two airports, Willets Point is a natural
18 location for a convention center and a hotel. The
19 convention center would occupy the northeast
20 corner of the site and become a destination for
21 business and tourists who want to bring their
22 spending dollars to Willets Point in particular,
23 to Queens in general, and to the surrounding
24 neighborhoods.

25 The new Willets Point will be

1
2 characterized by a retail and entertainment
3 district along 126th Street drawing visitors from
4 Citi Field, from the Number 7 Station as well as
5 from the Long Island Railroad stop.

6 Today as we know, the Borough of
7 Queens is underserved by retail and loses out on
8 about \$6,000,000,000 of economic activity from
9 shoppers who leave the Borough and do their
10 shopping in Nassau and other counties outside of
11 New York City. The nearly 2,000,000 square feet
12 of retail space in Willets Point will go a long
13 way towards recapturing those revenues for the
14 Borough as well as for the City.

15 Going forward Willets Point will be
16 sustainable. This transitory development was
17 selected as a pilot project for the LEED-ND
18 program by the U.S. Green Building Council. We
19 are also mandating dedicated bike lanes throughout
20 the site, new parks and plazas and rooftop
21 landscaping. We're also looking at exploring
22 innovative green power generation and water re-use
23 facilities. I mention again the development will
24 be built with M/WBE and local labor participation
25 with union jobs and good wages. We have worked

1
2 closely with the Borough President's M/WBE Task
3 Force and committed to target participation for
4 M/WBE and local labor force hiring.

5 We want to make sure that M/WBEs
6 are aware of the opportunities open to them at
7 Willets Point ahead of time. And we will require
8 that a future developer or developers dedicate
9 \$2,500,000 for capacity building programs that
10 will help prepared M/WBEs for the work that they
11 can access through this development.

12 So how are we going to realize this
13 plan? Well first of all we have to start by
14 remediating the land and to ultimately clean this
15 area. We need to clear it and remediate it
16 comprehensively and contiguously. We can't do
17 this in a random or in a checkerboard fashion. We
18 need to take title to the land. As we've said the
19 City's first choice is always a negotiated
20 transaction. But we would only contemplate
21 eminent domain as a last resort.

22 Let me be clear and emphasize again
23 though that this urban renewal plan is about
24 remediating and rehabilitating a 62 acre
25 environmental hazard and finally bringing an end

1
2 to the decades old blight, pollution and decay
3 that exists. We cannot abandon the people of
4 Queens and we cannot turn a blind eye to this
5 environmental devastation any longer. Queens
6 deserves better.

7 Our vision for Willets Point is an
8 example of the type of ambitious forward-thinking
9 projects that New York City frankly is known for.
10 The rebirth of the South Bronx and Melrose
11 Commons, the revitalization of Time Square, the
12 transformation of Hudson Yards and the Nehemiah
13 Project and Metrotech in Brooklyn, all these
14 projects transformed what was once a decrepit area
15 into attractive, safe and clean neighborhoods.
16 And our plan at Willets Point will do the same.

17 We are going to do one thing
18 differently here that we didn't do in the
19 aforementioned projects. And that is we have
20 begun negotiations before we have completed the
21 ULURP process. And in fact, we have completed
22 several deals. In the past we usually began
23 negotiations with land owners after the completion
24 of ULURP.

25 In this case we've taken the

1
2 relatively unprecedented and extraordinary step of
3 reaching out to as many of the land owners as we
4 possibly can in negotiating transactions even
5 before the completion of ULURP. This effort has
6 already yielded promising results which I'll
7 discuss in a little more detail in a minute.

8 But what I want to first do is try
9 and give you a little bit about the lay of the
10 land at Willets Point and break it down for you in
11 a way that's a little easier to understand. There
12 are approximately 260 businesses operating in this
13 62 acre site. And these businesses are a mixture
14 of owner-occupied as well as tenant businesses,
15 and include 74 land owners. The vast majority of
16 the businesses that you see here, or roughly 235,
17 lease their space from 49 3rd party land owners.
18 Those 3rd party land owners own nearly 24 acres or
19 half of the private property located at this site.

20 The remaining 25 of the 74 land
21 owners own their own land and operate their own
22 businesses on the site. These 25 owner-occupants
23 tend to be larger businesses and many of them are
24 sitting here with me today. All told these
25 businesses employ roughly 1,700 men and women at

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Willets Point.

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We have taken an unprecedented three-pronged approach to addressing the needs of the businesses, of the land owners, as well as the workers. As I mentioned, we're negotiating with the 25 owner-occupied businesses as well as the 49 land owners to purchase property and insist in the relocation of their businesses. We continue to reach out to as many of the 235 tenant businesses through our consultants, offering relocation assistance and we are developing a comprehensive Work Force Training Program for all of the roughly 1,700 Willets Point workers.

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Our efforts have started to pay off. In fact if the City were to complete all of the active negotiations successfully, it would, including the land secured by the City; we would own more than 60% of the 62 acres at Willets Point. Though of course not all of these negotiations will be completed prior to the end of ULURP, today the City already controls a significant amount of the land at Willets Point.

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25

In fact I'm happy to announce deals with three additional land owners today, including

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2 Parts Authority and Willets Point Properties, LLC,
3 that together own nearly three acres at Willets
4 Point. Just to keep track with today's news, we
5 have reached negotiated acquisition or relocation
6 transactions with 8 land owners for more than 12%
7 of the private land at the site.

8 In addition we're in active
9 negotiations with 20 additional owners,
10 representing more than 36% of the private land at
11 Willets Point. When combined with the 14 acres,
12 or 22.6% of the site that is already City owned,
13 that means that the City owns or has made progress
14 on more than 3/5's of the entire site. And this
15 has been done in the face of some opposition.

16 True there are some of the 74 land
17 owners with whom we have not started discussions
18 but let's be clear. Post ULURP we will continue
19 to pursue fair market, negotiated transactions
20 with as many land owners as we possibly can.

21 With respect to the tenant
22 businesses, we are legally prevented from directly
23 negotiating their relocation until after the
24 completion of ULURP. But we have retained
25 consultants who are already at work in Willets

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Point focusing on this tenant business community.

Howard/Stein Hudson, a company that's experienced in business outreach and assessment, was brought on board earlier in the year to serve as our tenant outreach specialist. They've gone door to door and performed an assessment of the tenant businesses and answered questions on the ULURP process as well as the City's plan.

Earlier this summer we brought on Cornerstone Realty Group. Cornerstone's a noted relocation expert that has successfully worked with the businesses at Hudson Yards to offer relocation services. And they're doing the same for the tenants at Willets Point. Cornerstone has already begun their outreach effort and will essentially act as a no-fee broker to identify potential new locations. Tenant businesses will also be eligible for marketing and signage expenses associated with their relocation along with some of the moving and storage costs.

As I have mentioned, we have aggressively reached out to the land owners to negotiate agreements and assist in the relocation.

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2 We've had more than 500 meetings and substantive
3 communications with the businesses and have
4 already cut 8 deals as I mentioned. Many others
5 are close to completion. It has taken a while to
6 get to this point. Frankly many of these
7 businesses were reluctant to meet with us or to
8 engage in any meaningful or substantive
9 negotiations when we started. But over the past 2
10 months we've seen a real pick-up in these talks.

11 But candidly the process of finding
12 suitable relocation sites can be a lengthy process
13 and some uses are very difficult to relocate. But
14 each and every business with whom we've reached
15 deals will attest to the fact that we've
16 negotiated fairly, that we've negotiated honestly,
17 and we've negotiated directly.

18 As I mentioned there are roughly
19 1,700 workers employed in dramatically varied
20 conditions at Willets Point. Many of these
21 workers are in the automotive sector and earn an
22 average of \$22,000 annually but receive no health
23 care benefits. This level is 20% less than the
24 average earned by workers in the automotive sector
25 citywide. And we expect that while many workers

1
2 will relocate with their current employers, others
3 may not be able to do so or may choose not to.

4 Our comprehensive Workforce
5 Training Program will be available to all of the
6 workers at Willets Point regardless of who they
7 work for and regardless of their immigration
8 status.

9 We have hired LaGuardia Community
10 College, a very well respected Queens institution
11 that specializes in training New Yorkers for jobs
12 to develop the \$2,500,000 program I mentioned
13 earlier. The CUNY on Wheels van has already
14 visited Willets Point to bring outreach and
15 program development.

16 Through LaGuardia the workers will
17 be able to access educational programs, ESL,
18 immigration services and job training and
19 placement programs. Workers have begun to express
20 interest in the program and have pre-registered
21 for many of these services.

22 Additionally several weeks ago the
23 Hotel and Motel Trades Council announced that they
24 will, again, for the first time ever, open their
25 training and job placement services to non-member

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2 workers from Willets Point. Workers can train for
3 a variety of careers in the hotel and hospitality
4 sector including food and beverage service,
5 engineering mechanics and other skills.

6 But we're not done there. Today
7 I'm happy to announce that we're planning a new
8 element of the comprehensive training program.
9 The Greater New York Automobile Dealers
10 Association, in coordination with LaGuardia
11 Community College will develop and design a new
12 curriculum tailor-made for Willets Point workers
13 to train them for entry level positions in car
14 dealership service and repair departments and also
15 make them eligible for various specialized
16 certificates. This unprecedented training
17 opportunity will give Willets Point workers yet
18 another option and open even more doors, helping
19 them to access good paying jobs with benefits
20 throughout the City.

21 We expect that many workers will
22 relocate with their current employers and stay in
23 New York City but this program is all about
24 providing options to workers so they're armed with
25 the tools, armed with the skills, and have the

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2 support necessary to provide a better life for
3 them and for their families. No one will be
4 forced to participate and everyone will have the
5 option to do so.

6 The redevelopment of Willets Point
7 as I mentioned is one of the biggest and most
8 important reclamation and remediation programs the
9 Borough of Queens has ever seen. It will clean an
10 environmentally compromised area and pave the way
11 for a new neighborhood, for good paying jobs, for
12 local and minority owned businesses, new
13 affordable housing units in an area sorely lacking
14 in both. Willets Point has been in this desperate
15 state for far too long and we owe it to everyone
16 to clean this space up and to bring some certainty
17 to the future of this area.

18 We owe it to Queens to remediate
19 this contaminated site, to clean up the Flushing
20 River and Bay, to build a new school and community
21 space, to create more than 1,100 units of
22 affordable housing, 50% of which will be set aside
23 for local residents. We want to add 3 times the
24 number of permanent jobs onsite at higher pay with
25 benefits as well as relocate as many of the

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existing jobs as we possibly can.

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We will create over 18,000 construction jobs as well as develop a comprehensive Workforce Training Program that will be available to all Willets Point workers, in addition to supporting local minority and women owned businesses. This program will catalyze a projected \$25,000,000,000 in economic activity and generate significant tax revenue which can be used to pay for essential City services.

There is a broad and a growing coalition of supporters for the program, many of whom you will hear from today. You'll hear from elected officials like Borough President Marshall, labor leaders like Jack Ahern, and leading environmental advocates like The League of Conservations Voters, and the Environmental Defense Fund. You'll hear from large and established area businesses and the Queens Chamber of Commerce. And you'll hear from small business owners in the area who stand to benefit from an attractive and a populated Willets Point. Each of them supports this project.

But because this is a great City

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2 and this is a great country, you're also going to
3 hear from folks who may have objections about this
4 project as well. You'll hear that the City is at
5 fault because the infrastructure was never
6 installed. But we can't turn back the clock and
7 change history. And frankly I'm not here to
8 debate who was responsible for the Willets Point
9 of today. The point is we have the chance to do
10 something today to make sure that Willets Point is
11 not sentenced to a future of blight and
12 contamination.

13

14 This plan is the only way to
15 responsibly remediate Willets Point, to install
16 the infrastructure, to raise the land so that the
17 future of Willets Point is bright. It's what the
18 community has been saying for years needs to
19 happen.

20

21 You'll hear from others that the
22 land doesn't need to be raised but, you know,
23 that's plainly illogical and untrue. In order to
24 improve the conditions that bedevil Willets Point,
25 our experts tell us that the entire site needs to
be raised up to six feet. It's not hard to
believe that, just look across the street at Citi

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2 Field. The Mets in fact have raised the playing
3 field five feet on the new stadium just to get it
4 out of the flood plain.

5 You may also hear that the City
6 should just install the infrastructure around the
7 businesses and let Willets Point develop
8 naturally. We've studied this scenario and again
9 it just doesn't make sense. There is not enough
10 space between the high ground water table and the
11 surface to install the pipes, the utilities and
12 the supports needed. The groundwater
13 contamination would continue. The site needs to
14 be remediated in a contiguous fashion. You cannot
15 checkerboard your way around the site. If you
16 did, the roads with the infrastructure would sit
17 up to six feet higher than businesses that would
18 remain.

19 You may hear that the ground isn't
20 contaminated, that the businesses have already
21 cleaned their sites. Again, this challenges
22 logic. If businesses say they've cleaned their
23 sites, they've likely only done so to a minimum
24 required by the DEC. The high water table which
25 allows the contaminates to spread widely across

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2 the site ensures that any space that was even
3 momentarily cleaned is either already compromised
4 or will be shortly. We're not the only ones that
5 are saying this. The head of the Region Spills
6 Division at DEC recognizes that any cleanup that
7 any of the businesses may have done is totally
8 compromised because the neighboring sites will
9 easily continue to recontaminate.

10 You'll hear that because we have
11 not yet selected a developer, you cannot be sure
12 what the project will finally look like when built
13 out. It is true. We have not yet selected a
14 developer. But the Special District controls that
15 we're putting into place specify precisely where
16 their uses will be, how tall the buildings will
17 be, how far the setbacks will be, what the width
18 of the streets, the parks and the open space will
19 be, and the form of the residential neighborhood
20 and school. It's all outlined in the Special
21 District.

22 You may also hear that in the time
23 of economic turmoil the City shouldn't be taking
24 on a project of this magnitude. Again this is
25 just short-sighted and wrong. The decision to

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2 make these investments in Willets Point today set
3 the stage for development in the future. It is
4 precisely at times like this that we need to
5 invest in projects that create jobs, grow the tax
6 base, build affordable housing and make the City a
7 better, more competitive place. And this project
8 does all of that.

9 Members of the Subcommittee, this
10 is a project that began in the community for the
11 benefit of the community. It will result in
12 thousands of good jobs, thousands of units of
13 affordable housing, a new school and community
14 space, new public open space and a comprehensive
15 workforce development program. It has taken
16 decades to get to this point. And now we have a
17 historic opportunity to fix what is broken in
18 Willets Point. We must make the decision, we must
19 make the choice between doing nothing and
20 sentencing Willets Point to wallow in decades-old
21 contamination and blight or doing what's right and
22 charting a better, a cleaner and a greener future
23 for the area.

24 We believe the choice is clear.
25 Willets Point has suffered too long and now we

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2 must act. Again I want to thank each and every
3 one of you for your time and for the opportunity
4 to present to you this morning. And I or any of
5 my colleagues would be happy to answer any
6 questions that you might have.

7 CHAIRPERSON GARODNICK: Thank you
8 very much Deputy Mayor. And there are, as you
9 might not be surprised a number of questions for
10 you. I'm going to kick it off and then allow my
11 colleagues to follow up.

12 The first question I have for you
13 is dollars that have already been allocated in the
14 City budget for this project, share with us what
15 those are and what you expect to be the total
16 investment of public tax dollars towards this
17 project.

18 DEPUTY MAYOR LIEBER: Our budget
19 for the project is a little over \$400,000,000, for
20 reasons that will be come obvious, I'm not going
21 to detail each and every part of the line item of
22 that budget. But we have budgeted somewhere
23 between \$75,000,000 and \$150,000,000 for the
24 offsite infrastructure costs associated with this
25 project and the balance for land acquisition and

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tenant relocation.

We expect that going forward the private sector will bear the cost of providing the remediation and onsite development for this site. Our projections are that the total costs associated with building the project out over 5 to 10 years will be in excess of \$3,000,000,000.

CHAIRPERSON GARODNICK: So just so that I understand you. You expect that of that \$3,000,000,000, \$400,000,000 will be the City's contribution--

DEPUTY MAYOR LIEBER: [Interposing] That's the City's contribution, that's right.

CHAIRPERSON GARODNICK: And the rest will be done through private development. And then--was that a yes?

DEPUTY MAYOR LIEBER: Yes.

CHAIRPERSON GARODNICK: And then beyond that, let's talk about the--other than the benefit, the potential benefit of having, you know, \$2,600,000,000 invested in private dollars into the City. What is your estimation of the total potential economic benefit of this project over time?

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2 DEPUTY MAYOR LIEBER: Our
3 calculations are that we expect in excess of
4 \$25,000,000,000 in total economic benefit from
5 this project over 30 years.

6 CHAIRPERSON GARODNICK: Is that,
7 that analysis, that was done internally by EDC or
8 was that an independent analysis? How was that
9 figured or calculated.

10 DEPUTY MAYOR LIEBER: I believe
11 that analysis was done by our Economic Research
12 team within EDC.

13 CHAIRPERSON GARODNICK: Is that
14 correct?

15 DEPUTY MAYOR LIEBER: Yes. That's
16 correct.

17 CHAIRPERSON GARODNICK: There is
18 concern right now about the economic condition of
19 the City, of this country, world markets;
20 everything seems to be somewhat in flux at this
21 moment in time. There is concern in this room of
22 course about the private businesses that own land
23 within this 62 acre lot. Can you address what
24 effects the current economic situation has had on
25 the status of this plan or any changes that you

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2 might anticipate having to be made as a result of
3 the climate that we're in?

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DEPUTY MAYOR LIEBER: What I would
5 say is that this project is going to develop over
6 one or more economic cycles and was always
7 anticipated that that would be the way it goes.
8 Again we expect this is going to be five to ten
9 years as it gets built out. And I imagine we will
10 come out of this cycle that we are in and be in a
11 much more flush cycle and we may be in a down
12 cycle somewhere else in this process. This is a
13 normal part of the economic cycle around us. I've
14 seen many of these in my 25 years. And I think
15 what we need to do is we need to plan for the long
16 term. And we need to think about the
17 environmental contamination and the remediation
18 and rehabilitation that's needed at this site.

19

And, you know, again, it will be
20 something that I think--and I would also add that
21 there is the chance actually that given the way
22 the economy looks like it's going to go here in
23 New York that there may not be quite the same
24 pressure on construction costs that we've been
25 experiencing over the past five or six years.

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2 CHAIRPERSON GARODNICK: The last
3 thing I want you to address before I turn to my
4 colleagues is the subject of those environmental
5 concerns that you just mentioned, that you
6 mentioned in your opening. Give us a sense of the
7 environmental concerns that would be present if
8 you were to leave the site as it is today. What
9 have you found in your studies about the
10 environmental conditions at Willets Point?

11 DEPUTY MAYOR LIEBER: Well we'll
12 have our experts provide further input on that but
13 what we have found is soil contamination and
14 groundwater contamination on the site. And we can
15 see what is leeching into the river and into the
16 bay. We have not been able to do a thorough
17 testing of all the 62 acres that are on Willets
18 Point because we have not been granted access
19 either to do those studies or to the reports that
20 have been done by the land owners that sit on
21 those sites. So the only environmental work that
22 we've been able to do is on the land that we
23 currently own.

24 CHAIRPERSON GARODNICK: I'm sorry;
25 you said you haven't been able to do a full test

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because you haven't had access. Have you asked for access for this--

DEPUTY MAYOR LIEBER: [Interposing] Numerous times. As well as for the reports that supposedly exist. But we have not been granted those.

CHAIRPERSON GARODNICK: I see. So what you're saying is that local property owners have denied you access to do testing on their property?

DEPUTY MAYOR LIEBER: That's correct.

CHAIRPERSON GARODNICK: Okay. Well--

DEPUTY MAYOR LIEBER: [Interposing] But just to be clear, the testing that we've done on the land that we own shows subsurface contamination.

CHAIRPERSON GARODNICK: Okay. Thank you. I'm now going to go to Council Member Monserrate.

COUNCIL MEMBER MONTSERRAT: Mr. Chair I had a line of questioning but the prior questions will lead me to these questions with

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respect to financing. So that I have some clarity, there was \$400,000,000 allocated in the capital budget for acquisition, is that correct?

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DEPUTY MAYOR LIEBER: Councilman, that was for acquisition as well as offsite improvements.

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COUNCIL MEMBER MONSERRATE: So the \$400,000,000 includes the offsite infrastructure.

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DEPUTY MAYOR LIEBER: That's correct.

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COUNCIL MEMBER MONSERRATE: And you're confident that you'll be within that budget?

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DEPUTY MAYOR LIEBER: We have a strict budget that we are adhering to.

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COUNCIL MEMBER MONSERRATE: Okay. I'm going to come back to finances in a moment.

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But before I go to finances in a moment, I want to reiterate the concerns that my colleague Council Member Garodnick outlined. In a time of fiscal concerns in our City, in our State, the Governor has proposed cutting \$2,000,000,000 out our budget. The Mayor is proposing similar cuts to the Administration.

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2 We're talking about the shrinking
3 of the Police Department, cuts to education and
4 other very important programs and services that we
5 provide to the City and to the 8,000,000 residents
6 that reside in this City. What type of assurances
7 can you make that this is a good investment of
8 public dollars at this point in time?

9 DEPUTY MAYOR LIEBER: Well when we
10 look at this, you know, we've worked carefully
11 developing this budget and understanding what the
12 economics of the project are going to be. We
13 have, you know, we have to scrutinize our capital
14 budget and the projects that we have and try and
15 prioritize those projects that are most important
16 and to those projects that may be just slightly
17 less than the most important. The Willets Point
18 project is the most important economic development
19 project that we have and that's how we're going to
20 prioritize how capital is spent as we go forward.

21 COUNCIL MEMBER MONSERRATE: You
22 also testified with respect to remediation of the
23 environment. I think that there will be
24 challenges to the Administration's assertions of
25 what type of remediation would be needed or is

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2 necessary. But let's say I follow your train of
3 thought that Willets Point needs to be remediated
4 and cleaned up. What is the estimated cost or
5 what are you budgeting for that cleanup?

6 DEPUTY MAYOR LIEBER: Our estimates
7 for the onsite infrastructure and remediation are
8 between \$460,000,000 and \$570,000,000.

9 COUNCIL MEMBER MONSERRATE:
10 \$460,000,000 to \$570,000,000 for the remediation
11 and cleanup--

12 DEPUTY MAYOR LIEBER: [Interposing]
13 That's the remediation and the onsite
14 infrastructure. Remediation, cleanup and onsite
15 infrastructure.

16 COUNCIL MEMBER MONSERRATE: So.
17 Let's just delve into this matter a little more.
18 What other costs, we've outlined acquisition,
19 offsite infrastructure, and we've outlined
20 remediation which is \$460,000,000 to \$570,000,000.
21 What other costs could potentially be associated
22 with this development that the City of New York,
23 the public tax payer would be footing the bill
24 for?

25 DEPUTY MAYOR LIEBER: Our

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2 expectation is that the costs of the remediation
3 and the onsite infrastructure as well as all of
4 the construction costs going forward will be born
5 by the private sector. The only other costs that
6 I can think about are going to be the subsidies,
7 if you will, that come from the City Capital
8 Budget associated with affordable housing which is
9 a direct cost.

10 COUNCIL MEMBER MONSERRATE: Right.
11 Then I think at the Community Board 7, which
12 actually approved or voted in support of this
13 project but with quite lengthy contingencies
14 attached to it, something that I found to be very
15 interesting having had experienced prior ULURP
16 actions, they asked for traffic mitigation. I
17 think that's another cost, right, that we would
18 have to undertake. Is that not correct? And
19 what--

20 DEPUTY MAYOR LIEBER: [Interposing]
21 That's correct.

22 COUNCIL MEMBER MONSERRATE: --and
23 what would you estimate those costs to be?

24 DEPUTY MAYOR LIEBER: The traffic
25 mitigation as well as the \$2,500,000 for the

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2 workforce training are anticipated to be developer
3 costs, private sector costs. We--

4 COUNCIL MEMBER MONSERRATE:

5 [Interposing] By the private sector.

6 DEPUTY MAYOR LIEBER: We would
7 require that as part of the RFP.

8 COUNCIL MEMBER MONSERRATE: Okay.

9 And in your estimation then there would be no
10 other cost that the City would have to bear on
11 this project.

12 DEPUTY MAYOR LIEBER: That is our
13 expectation, that's correct.

14 COUNCIL MEMBER MONSERRATE: And
15 just correct me if I'm incorrect, I wasn't the
16 best math student in school, but the figures that
17 you've outlined already are hovering close to
18 \$1,000,000,000 of City money and public
19 investment, would that not be correct when you
20 include the \$400,000,000 for acquisition which
21 includes the offsite infrastructure, and the
22 \$460,000,000 to \$570,000,000 in remediation?

23 DEPUTY MAYOR LIEBER: I'm not sure;
24 I'm not looking at your math sheet there--

25 COUNCIL MEMBER MONSERRATE:

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[Interposing] Right.

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DEPUTY MAYOR LIEBER: --so I don't know what you're adding.

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COUNCIL MEMBER MONSERRATE: Well--

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DEPUTY MAYOR LIEBER: [Interposing]

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The \$400,000,000 is the City contribution to the

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offsite infrastructure and the cost of the

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acquisitions and relocations. The \$570,000,000

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that I highlighted was the estimated cost of the

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onsite infrastructure and the remediation, but

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those costs are to be born by the private sector,

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the developer, the developers, the responders

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selected through the RFP.

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COUNCIL MEMBER MONSERRATE: And how

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many developers have responded now? There's six,

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is that correct?

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DEPUTY MAYOR LIEBER: Well we've

19

gone through two different iterations of RFEIs and

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RFPs, and I believe we had eight. The first RFEI

21

was, what three years ago? About three years ago,

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and we had eight teams that responded at that

23

time. A year and a half, almost two years ago, we

24

also went back out before we came out and

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announced the plan officially with the Mayor.

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2 We went back to the private sector
3 to confirm the plan. And we had eight teams
4 respond at that time as well. But we have not had
5 any conversations with any developers or teams of
6 developers about this project since that time.
7 What we wanted to do is we wanted to confirm the
8 design, the build-out and the financial component
9 of this project with the private sector.

10 COUNCIL MEMBER MONSERRATE: I'll
11 get into the RFP process in a moment. I guess
12 really my question with respect to the remediation
13 is that your testimony today indicates that part
14 of this plan would include a substantial
15 investment by the private sector--

16 DEPUTY MAYOR LIEBER: [Interposing]
17 Correct.

18 COUNCIL MEMBER MONSERRATE: --as it
19 relates to remediation. What happens on the
20 outside chance that the developers look at this
21 project and they say, you know, for us to put
22 \$570,000,000 in remediation, it's just too much.
23 And we couldn't get a developer to do the project.
24 What would we do then?

25 DEPUTY MAYOR LIEBER: We would get

1
2 less for the land that we look to get when we sell
3 it.

4 COUNCIL MEMBER MONSERRATE: No, no.
5 Just, I want you to follow my train of thought
6 when we're talking about the remediation and the
7 figure which is attached to remediation which I
8 think is quite substantial, you know, hovering
9 around half a billion dollars to remediate. So
10 you're testifying today that if the developers in
11 the RFP process come back and say, you know, the
12 math doesn't work for us to invest \$500,000,000
13 into Willets Point for remediation. We would
14 lower the price of the land, explain to me how
15 that works.

16 DEPUTY MAYOR LIEBER: Well we have
17 a cost in the land that'll be associated with the
18 acquisitions from the existing land owners.
19 That'll be our cost and we'd like to have in the
20 RFP, we would like to have the developers
21 reimburse the City for that cost. And when they
22 do the math they're going to look at this and
23 they're going to say, hum, all right, this is how
24 much it's going to cost me to build this. This is
25 what I can expect to get in returns. This is how

1
2 much it's going to cost me to prepare the land so
3 that I can actually develop the site. And here's
4 what I'm going to have to pay to acquire the land.

5 If the costs of the remediation
6 exceed what we've budgeted for, that will impact
7 the amount of money that we get paid for the land.
8 If we find that there are other ways to try and
9 address that we can value engineer the project, or
10 we can change components of it perhaps, slightly,
11 not without the Advisory Committee and the City
12 Council approval, but we could value engineer the
13 project as well if we had to.

14 But we're trying to get, our goal
15 would be to get the City taxpayer money back out
16 of this.

17 COUNCIL MEMBER MONSERRATE: In the
18 sale of the properties.

19 DEPUTY MAYOR LIEBER: That's
20 correct.

21 COUNCIL MEMBER MONSERRATE: And do
22 you have any estimates on what the property would
23 be worth after we take this ULURP action and move
24 forward?

25 DEPUTY MAYOR LIEBER: I don't have

1

2 a specific number to give you now. I can look at
3 that and come back to you on that. What we're
4 going to do is through this process--well I don't
5 have a specific answer. I can come back to you
6 with that.

7

COUNCIL MEMBER MONSERRATE: Um-hum.

8

9 Okay. Then the final question with respect to
10 finance is as it relates to the developers. As
11 you know a major concern to this Council has been
12 the fact that the developer has to date not been
13 chosen. Usually history has born out in this
14 body, the majority of the time when we've taken
15 these ULURP actions, a developer was known to us.
16 Currently the respondents to the original RFEI
17 that made the final cut per se, I believe were
18 seven or eight, is that not correct?

18

DEPUTY MAYOR LIEBER: That's

19

correct.

20

COUNCIL MEMBER MONSERRATE: And

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22 also I understand at least one of those then
23 withdrew their name from consideration, is that
24 not correct?

24

DEPUTY MAYOR LIEBER: That is

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correct.

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2 COUNCIL MEMBER MONSERRATE: Do we
3 have any idea why that one developer withdrew from
4 consideration? Did they state a reason for that
5 withdrawal?

6 DEPUTY MAYOR LIEBER: I don't know.
7 I'm sorry.

8 COUNCIL MEMBER MONSERRATE: Okay.
9 And--

10 DEPUTY MAYOR LIEBER: [Interposing]
11 I--

12 COUNCIL MEMBER MONSERRATE: --with
13 respect to--so there is a remaining six or seven,
14 which number is it?

15 DEPUTY MAYOR LIEBER: I believe
16 it's seven--

17 COUNCIL MEMBER MONSERRATE:
18 [Interposing] Okay.

19 DEPUTY MAYOR LIEBER: --**teams of**
20 **developers. 'Cause one of the things that's**
21 **important to note here also is that this is**
22 **generally, and I don't have the list of the teams**
23 **in front of me, but these generally are teams. So**
24 **that you'll have different developers that will**
25 **partner together, one to be responsible for the**

1
2 retail, another will be responsible for the
3 affordable housing; another would be responsible
4 for the office, etcetera. So these developers
5 will partner together and I don't have all the
6 components of that.

7 COUNCIL MEMBER MONSERRATE: Now
8 with respect to the seven teams of developers that
9 are on the list or are participating, is that the
10 only pool that you will be dealing with or will it
11 be one of those last seven that will be the
12 developer or do we go issue a new RFP and open up
13 the process again?

14 DEPUTY MAYOR LIEBER: My
15 expectation is that we will reopen this to the
16 broad market and not--

17 COUNCIL MEMBER MONSERRATE:
18 [Interposing] What's--

19 DEPUTY MAYOR LIEBER: --limit it
20 solely to those respondent teams that we've worked
21 with the past three years.

22 COUNCIL MEMBER MONSERRATE: So
23 there'll be a new RFP process.

24 DEPUTY MAYOR LIEBER: That's
25 correct.

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[Pause]

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DEPUTY MAYOR LIEBER: This is something--okay.

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[Pause]

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COUNCIL MEMBER MONSERRATE: You want to add something Commissioner--Deputy Mayor--

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DEPUTY MAYOR LIEBER: [Interposing]

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No. I was just going to say we, you know, we've talked about this with members of the Committee over the past year and a half and, you know, it is our expectation to date that we would open this up to the market and not limit it to just the initial respondents.

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COUNCIL MEMBER MONSERRATE: Okay.

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At this time I'm going to pas sit back over to the Chair and then I will do some follow-up questions on the other items.

17

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CHAIRPERSON GARODNICK: I just want

20

one clarification on that last answer. Deputy

21

Mayor, when you say it's your expectation that

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this will be opened up to a public process, that

23

sounds like it's not a full commitment. But I

24

just want to understand if I'm hearing you

25

correctly that you have not made a decision as to

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2 whether this would be opened up to a full public
3 process.

4

5 DEPUTY MAYOR LIEBER: We have not
6 finalized that but as I sit here today and look at
7 the world and look at what we have, I think it's
8 only logical that we would expand this to a
9 broader market.

10

11 CHAIRPERSON GARODNICK: Okay.
12 Thank you. I go to Chair Katz.

13

14 CHAIRPERSON KATZ: Before I start
15 my questioning, just to follow-up, I'm a little
16 unclear Deputy Mayor. My understanding is that
17 there are eight teams that responded to the RFEI.
18 Out of those eight teams, you issued another RFP,
19 five teams responded to that. And based on those
20 responses, we basically have a little bit of all
21 of them, and that's the application we have here
22 today. Am I incorrect in that?

23

24 DEPUTY MAYOR LIEBER: Okay. Could
25 you give the last phrase again?

26

27 CHAIRPERSON KATZ: Well we did
28 issue an RFP already and five responded to the
29 RFP. And basically this application, as we've
30 discussed several times, was as a result of taking

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2 the best of the ideas. And so that's this
3 application and then we're going to reissue an
4 RFP.

5 DEPUTY MAYOR LIEBER: That's
6 correct.

7 CHAIRPERSON KATZ: All of that was
8 correct, right?

9 DEPUTY MAYOR LIEBER: That--

10 CHAIRPERSON KATZ: [Interposing]
11 That wasn't?

12 DEPUTY MAYOR LIEBER: The only
13 thing I wanted to point out is I think the numbers
14 are different. The initial RFEI was, we had 14
15 respondents and the 2nd we had 8.

16 CHAIRPERSON KATZ: And the 2nd was
17 an RFP.

18 DEPUTY MAYOR LIEBER: Yes.

19 CHAIRPERSON KATZ: Yes. All right.
20 That was the step I missed--

21 DEPUTY MAYOR LIEBER: [Interposing]
22 Sorry.

23 CHAIRPERSON KATZ: --in the last
24 answer. I apologize. Let me just, I have a few
25 technical questions if I can. And some of this

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Mr. Deputy Mayor will be duplicative clearly of discussions that you and I have had over the last few months but I think it's important for everyone to hear some of the answers and also to put some of the answers on the record.

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I guess I want to just make a quick statement on the issue of the finances of this application. I mean there is an argument to be made and I'm sort of not advocating either way, that in difficult economic times the Municipality's investing in projects in the City to keep people working and to keep the economy flowing, there is an asset to that as well as we move forward.

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And so I guess in difficult economic times do you feel, or are your numbers calculating that that would be a benefit even in the worst economic times, in order to keep the economy moving forward? You know, jobs and--

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DEPUTY MAYOR LIEBER: [Interposing]

Yes.

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CHAIRPERSON KATZ: --land value.

So you've taken those estimations into account.

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DEPUTY MAYOR LIEBER: Yes.

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2 CHAIRPERSON KATZ: In your numbers.
3 A few issues. You and I have had several
4 discussions at two of the oversight hearings. It
5 became one of the main bones of contention as far
6 as not picking a developer before the project was
7 given to us as a ULURP or Urban Renewal Plan. Can
8 you just describe briefly, and I'm not looking for
9 huge details in this answer since I do have the
10 plans, if we pass an Urban Renewal Plan, how
11 precise are basically the envelopes of the land?
12 And what would be the process if you wanted to
13 change that as you move forward?

14 DEPUTY MAYOR LIEBER: Well I think
15 Council Member what I would say is that we would
16 look to continue to work with you and with
17 members, elected officials, as we move forward
18 through this process. We are not selecting a
19 developer as we haven't in other urban renewal
20 plans. But we have already made significant
21 commitments about continued oversight as we go
22 forward here.

23 The Willets Point Advisory
24 Committee has been in place since 2004. And they
25 will continue to review the RFP goals and the

1
2 framework before we release the RFP. And the
3 Willets Point Advisory Committee is led by the
4 Borough President's Office as well as from leaders
5 from the communities that are impacted by this
6 project. That includes local City as well as
7 State elected officials and the Local Community
8 Boards.

9 If we really wanted to go and
10 materially change the building envelopes we'd have
11 to come back through the ULURP process to do that.

12 CHAIRPERSON KATZ: Okay. So I just
13 wanted to clarify that. We've said it, you know,
14 with each other but for the record, if we pass an
15 Urban Renewal Plan, if you guys change the
16 envelope, if the Administration would like to
17 change the envelope as you move forward, you have
18 to come back to the Council for another vote.

19 DEPUTY MAYOR LIEBER: Correct.

20 CHAIRPERSON KATZ: And we've also
21 discussed the idea of how would elected officials
22 in the community keep some sort of control over
23 the process as we move forward. Can you describe
24 one or two of the ideas that we've had? Although
25 I know we haven't committed to any, that we have

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to keeping control as we move forward.

DEPUTY MAYOR LIEBER: What we are looking to provide that authority to, again, to the local electeds and in the communities including the Borough Board and the Borough President's Office.

[Pause]

CHAIRPERSON KATZ: So similar to the business terms?

DEPUTY MAYOR LIEBER: Right.

CHAIRPERSON KATZ: So as you move forward and you start working on the project after the developer is chosen, you'd have to come back to the Borough Board for all of the business terms of the contracts.

DEPUTY MAYOR LIEBER: **Yeah, the specific mechanisms are still being finalized but that's generally correct, yeah--**

CHAIRPERSON KATZ: [Interposing]
That's the idea.

DEPUTY MAYOR LIEBER: That's the concept.

CHAIRPERSON KATZ: Can you describe for us... clearly the eminent domain issue is one of

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the biggest issues that we are facing today.
Clearly. Can you just describe in a little more
detail the process, understanding that the
businesses are also going to come up and testify?
So can you just describe in a little more detail
the process by which, and the aggressiveness of
which, but more of the process that you went
through in order to work on contracts with the
present land owners?

DEPUTY MAYOR LIEBER: How much time
do I have?

CHAIRPERSON KATZ: Yeah I know.

It's a big question--

DEPUTY MAYOR LIEBER: [Interposing]
What--what--

CHAIRPERSON KATZ: --but I think.

DEPUTY MAYOR LIEBER: What I would

say is that, you know, as I mentioned, we've got
two kinds of land owners. We have land owners
that lease their land to third parties. And we
have land owners that operate their own
businesses. Our initial focus was on the land
owners, the major land owners that own and operate
their own businesses on their land.

1
2 And what we did initially was met
3 with each of the owners to understand exactly what
4 the uses were onsite, what the nature of their
5 business was, who their employees were, who their
6 customers were and get some sense from them that
7 if they were to choose another location other than
8 Willets Point, where would those locations likely
9 be.

10 We then went out and looked through
11 the portfolio of land that's either City owned,
12 controlled or influenced, as well as looking into
13 the private market to find out what sites were
14 available. So we worked with local brokers to
15 identify and inventory those sites. And then
16 prepared information that we sat down with the
17 businesses thereafter to go through what was
18 available and identify what they liked or that
19 they didn't like about what we were presenting.

20 Again, this isn't their idea.
21 They're not in wholesale enthusiastic about what
22 we're doing. But one thing that became clear--

23 CHAIRPERSON KATZ: [Interposing] I
24 hadn't noticed.

25 DEPUTY MAYOR LIEBER: Really. Well

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2 you can ask Dan, he'll tell you. But, you know,
3 one of the things that became clear to me and, you
4 know, I'm kind of new to this business, but I've
5 financed a lot of businesses and companies in my
6 career. And for many of these businesses the
7 conditions that they're working in and then the
8 conditions under which they have to make decisions
9 about investments in their business are severely
10 compromised.

11 They're, I won't call it
12 landlocked, I'll call their, you know,
13 contaminated locked sites. Many and most of the
14 big land owners are big; their biggest client is
15 the City. And they employ a lot of people. And
16 my job is to create jobs and to generate taxes.
17 And I want to find places for these businesses to
18 be able to relocate so that they can actually grow
19 their business and they can add more employees and
20 they can do more. And they can make more money as
21 well.

22 So we have gone through an
23 exhaustive process from our side, probably not
24 completely satisfactory to them, but we've also
25 asked the land owners to come to us with sites

1
2 that they may have seen or they may become
3 available. And we have actually negotiated with a
4 couple of different third party land owners on
5 behalf of specific major land owners at Willets
6 Point. And we have invested real money in
7 identifying and holding and optioning land on
8 their behalf that they found so that we could find
9 a way to try and relocate their business.

10 So we are bending over backwards to
11 the extent that we can to find suitable relocation
12 businesses. Some of the people that we have made
13 deals with have elected not to relocate. You
14 know, while that's good for remediating and
15 cleaning up the contamination at Willets Point,
16 we'd like to see the businesses stay in New York
17 City with those jobs. But what they're doing is
18 just taking the money and going in somewhere else
19 or finding their own site.

20 For some of these businesses
21 though, it is more difficult though to find
22 appropriate sites. Some of the uses that are
23 involved here are not uses that are entirely
24 welcomed by other communities. In fact in our
25 discussions with many elected officials, we've

1
2 been told that's great, no eminent domain,
3 relocate them, but just don't bring them here.

4 So we have a challenge a little bit
5 in terms of identifying appropriate sites that are
6 available as well as trying to find places that
7 these guys want to go relocate their businesses.
8 We haven't given up. We will not give up. We
9 will continue post-ULURP if we're successful with
10 this application to negotiate with these land
11 owners to come up with a fair solution and a fair
12 price to acquire their properties.

13 And I will also say Council Member
14 that, you know, we have a lot of dialog going on
15 today. And, you know, the land owners have come
16 to us with some ideas that we were not aware of.
17 They know their sites better than we do. They're
18 better at it than we are. And we're working with
19 them to see if we can find a way to transport the
20 businesses and make a deal around other suitable
21 locations. I'm sorry, maybe I'm just longer
22 winded than--

23 CHAIRPERSON KATZ: [Interposing] No
24 that's all right.

25 DEPUTY MAYOR LIEBER: --you wanted

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2 to hear but.

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CHAIRPERSON KATZ: I appreciate it.

I have two, Mr. Chair I appreciate your indulgence, two further quick questions if I can. You're issuing new RFPs? What's the provisions in the RFP going to be about union labor and trades?

DEPUTY MAYOR LIEBER: We are going to specify that there will be prevailing wages. We've been working with the unions around this and we'll work to put together a Project Labor Agreement if appropriate.

CHAIRPERSON KATZ: Thank you. Last question for Commissioner Donovan, if I can. Can you--I don't think you went through--I had to step out during the presentation, the affordable housing component. Did I miss that?

DEPUTY MAYOR LIEBER: I'm sorry, say that again.

CHAIRPERSON KATZ: The affordable housing component. How it stands now?

DEPUTY MAYOR LIEBER: Well where we stand right now with the affordable housing is that we're trying to come up with a plan that's different than plans that we've addressed before.

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2 And in talking with the local community, the local
3 leaders and the elected officials, we're trying to
4 emphasize more affordable housing for lower income
5 workers in the area. So we haven't finalized
6 exactly where we're going to end up on the lower
7 income, the middle income bands, nor the overall
8 levels of affordability. But we're trying to
9 address the specific needs of this community in a
10 way that hasn't been done in prior projects such
11 as Atlantic Yards. Shaun, would you add anything
12 to that?

13 COMMISSIONER SHAUN DONOVAN: Sure.
14 I think as you know in the original proposal we
15 had specified--

16 CHAIRPERSON GARODNICK:
17 [Interposing] Commissioner, could you just
18 identify yourself--

19 COMMISSIONER DONOVAN:
20 [Interposing] I'm sorry--

21 CHAIRPERSON GARODNICK: --before
22 you start.

23 COMMISSIONER DONOVAN: Shawn
24 Donovan, I'm the Commissioner of Housing
25 Reservation and Development. I think as you know,

1
2 Councilwoman, that in the original proposal we
3 specified that at least 20% of the housing would
4 be affordable. That has become a standard for
5 privately owned land throughout the rezonings that
6 we've done with the Council, whether it's through
7 the inclusionary program, the 80-20 program, on
8 privately owned land that is the standard.

9 I think as the Deputy Mayor said
10 earlier we are in serious discussions about trying
11 to go beyond that, beyond the 20%, but in
12 particular, in other projects we've had a mix of
13 income levels where we typically do about 60% of
14 the affordable units as moderate income and 40% of
15 the affordable units as low income.

16 Through discussions with Council
17 Members and the community it's become clear to us
18 that there is an interest in going farther on the
19 low income units. And when we say low income to
20 be specific what we mean is 60% of area median
21 income. And just to be specific about that, for a
22 family of 4, that's about \$46,000.

23 And what's interesting here is for
24 this community, the median income in this
25 community is almost exactly 60% of median. And so

1
2 we feel that it's important that we increase the
3 number of units that are low income and let's say
4 make smaller the number of units that are moderate
5 income because that will more directly meet the
6 needs of the community.

7 That's something that's more
8 expensive on a per unit basis to the City but we
9 think it's the right policy. And it's something
10 we've clearly heard from the community.

11 [Pause]

12 CHAIRPERSON KATZ: We look forward
13 to further negotiations with all of you. I thank
14 you Mr. Chair--

15 CHAIRPERSON GARODNICK:

16 [Interposing] Thank you.

17 CHAIRPERSON KATZ: --for your
18 indulgence.

19 CHAIRPERSON GARODNICK: Thank you
20 very much. And now Council Member Ignizio.

21 COUNCIL MEMBER IGNIZIO: Thank you
22 very much. And I want to just start by pointing
23 out how enormously proud I am of this Council for
24 taking up very meaty philosophical issues. And
25 that's what I seem to be coming up against this

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2 whole week with what's going on the next room.

3 And congratulate the Chairman and Council Member

4 Monserrate for working extremely diligently on

5 this.

6

I think you know, the

7 Administration knows where I am philosophically

8 via the Kelo decision. I think it was wrong. I

9 think it was incorrect. I think my opinion is to

10 take people's land and say I know better what to

11 do with it and then sell it to somebody else is on

12 its face wrong.

13

[Applause from the audience]

14

[Gavel banging]

15

CHAIRPERSON GARODNICK: Folks. I'm

16

sorry. I just have to interrupt you.

17

COUNCIL MEMBER IGNIZIO: Sure.

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CHAIRPERSON GARODNICK: And

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interrupt Council Member Ignizio who might have

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just then been pursuing a course that you might

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have wanted to hear finished to its natural

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conclusion. It's very disruptive when we do that.

23

And I just ask that you please not applaud or boo

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or of that stuff. It's going to be a long day.

25

So I just want to stop it right

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2 now. I want to apologize to Council Member
3 Ignizio for interrupting him but please help me
4 out here today and it will be a much smoother
5 process. Thank you. Council Member Ignizio.

6 COUNCIL MEMBER IGNIZIO: Thank you
7 Chairman. So you may not want to hear my final--
8 my conclusion. So the important part here really
9 is a trust and philosophy that I'm dealing with
10 here. Certainly EDC is an agency that Staten
11 Islanders have had serious problems with trust.
12 In my own district well we have the Home Port, the
13 ferry site, the EDC site.

14 My questions to you, you mentioned--
15 --so I want to get to the meat of the issue which
16 is the eminent domain issue for me. You mentioned
17 there was deals in place and deals in the works.
18 You said there was three deals that you were
19 announcing, three deals that were--but I think you
20 only mentioned two in your testimony. Is there a
21 third?

22 DEPUTY MAYOR LIEBER: There is.

23 COUNCIL MEMBER IGNIZIO: Are we
24 able to hear the third or is?

25 DEPUTY MAYOR LIEBER: We have also

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made a deal with Tom Mina, T-Mina Company.

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COUNCIL MEMBER IGNIZIO: And how many acres is that?

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DEPUTY MAYOR LIEBER: The T-Mina property is 1.4 acres.

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COUNCIL MEMBER IGNIZIO: So the 74-
-I believe correct me if my numbers are wrong

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because you guys know it much better than I do.

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74 have not been spoken to, is that, or have not

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been--

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DEPUTY MAYOR LIEBER: [Interposing]

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No. There's 74 total land owners.

14

COUNCIL MEMBER IGNIZIO: Okay.

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DEPUTY MAYOR LIEBER: And there are

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25 of them that are land owners that own their own

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businesses. The other 24 are the ones that lease

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their property to approximately 235 businesses. I

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say approximately. One of the deals we made just,

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we bought land, we acquired it, we though we had

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one tenant but by the time we got there, we had

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four because a lot of them really aren't there

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legally. So we're only using estimates when we

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talk about the number of businesses 'cause we

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don't really know.

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2 COUNCIL MEMBER IGNIZIO: And the
3 eminent domain issue as everybody keeps talking
4 about, you believe taking it off the table, not
5 putting words in your mouth, but the assumption is
6 if it's taken off the table it basically allows
7 business owners quite frankly to the sky's the
8 limit on what they can ultimately charge the City
9 for to acquire their properties.

10 DEPUTY MAYOR LIEBER: The public
11 purpose here is about the environmental
12 contamination and the remediation and
13 rehabilitation of Willets Point. All you have to
14 do is look at the pictures in front of you. This
15 public purpose is about cleaning up this site,
16 period.

17 COUNCIL MEMBER IGNIZIO: Oh I have
18 an appreciation for that but while this
19 environmental disaster was going on the City was
20 getting income tax, property tax. I think
21 everybody was still paying water bills. So the
22 City is somewhat complicit in the allowing for
23 these businesses to continue and yet they never
24 said you know, what stop paying your property
25 taxes. Stop paying your income taxes. We have to

1
2 have a plan to phase you out. Instead they're
3 coming and saying we're going to take the land.

4 DEPUTY MAYOR LIEBER: We are
5 looking forward about what we need to do as we
6 move ahead, not looking back and saying if I
7 coulda, shoulda, woulda--

8 COUNCIL MEMBER IGNIZIO:
9 [Interposing] No I appreciate that. I mean I
10 think the plan is one which is extremely
11 progressive. What I'm--all I'm saying is you're
12 saying there's an environmental disaster. There's
13 an environmental issue here that needs to be
14 remedied. But the City was complicit in allowing
15 it to continue. And not only allowing it to
16 continue but then to charge people property taxes
17 and income taxes and what not to fill the coffers
18 of the City.

19 So my point is that the way I think
20 that this needs to be gone about is to not have
21 the hammer on top of people that we will just come
22 in and take your land. I mean obviously you're
23 not going to convince me of the philosophical
24 argument that I believe the Kelo decision was
25 wrong. But my interest here and the discussion

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2 here is advancing the negotiated process and how
3 that comes to end up being a, you know, 100% of
4 the situation or what is the strict--what are the
5 real impediments towards getting to that point?

6 DEPUTY MAYOR LIEBER: Well the real
7 impediments, frankly, are we need to have parties
8 that we can negotiate with. And I know that the
9 land owners who are sitting here in the room today
10 are fighting us even to make deals this week.
11 They want to make sure that when we sit here in
12 front of you today, that we have deals that we
13 cannot announce. We are close to the deals, deals
14 that we've made. We've talked to every one of the
15 folks in the first three rows multiple times this
16 week. We are very close to making these deals on
17 a fair, negotiated basis.

18 But they are not returning phone
19 calls, not available, schedule times for the call
20 and then it doesn't take place. We are committed
21 to cleaning up this environmental hazard. And we
22 are committed to doing this on a negotiated basis
23 with each and every one of these land owners.

24 This project though cannot be
25 cleaned up in a checkerboard fashion. You cannot

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2 say we'll do this acre but we won't do that acre.
3 We'll do that acre. We need to do this in a
4 contiguous fashion and we can't have one or two
5 holdouts that keep the whole community from
6 benefiting from this environmental remediation.

7 COUNCIL MEMBER IGNIZIO: And that's
8 the most fair argument that I've had. I think I
9 had this discussion with you not too long ago
10 where I said is there, in the City's estimation,
11 in DEC's estimation, is there a threat to public
12 health in the Willets Point area in its current,
13 the way it is currently?

14 DEPUTY MAYOR LIEBER: You've been
15 there haven't you?

16 COUNCIL MEMBER IGNIZIO: I have.
17 Well I'm--

18 DEPUTY MAYOR LIEBER: [Interposing]
19 Well then do I really need to answer your
20 question--

21 COUNCIL MEMBER IGNIZIO: --not an
22 environmental engineer. I'm not somebody who, you
23 know, I've seen--

24 DEPUTY MAYOR LIEBER: [Interposing]
25 Yeah. Look at what's going into the Bay and the

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2 water, yes.

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COUNCIL MEMBER IGNIZIO: No but I'm asking--

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DEPUTY MAYOR LIEBER: [Interposing] Anyone, no one would be living there, you know, if you were to--you certainly wouldn't put schools and housing there in its current condition.

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COUNCIL MEMBER IGNIZIO: I'm asking, is there a concern or is there a documented concern of a public health threat at Willets Point? That any of you know of?

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DEPUTY MAYOR LIEBER: I don't know if we have a specific documented health threat but I'll check and come back to you.

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COUNCIL MEMBER IGNIZIO: Okay. Thank you very much. Thank you Mr. Chairman.

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CHAIRPERSON GARODNICK: Thank you Council Member Ignizio. Council Member Liu?

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COUNCIL MEMBER LIU: Thank you Mr. Chairman for holding this hearing. I want to thank the members of the Administration for joining us this morning. I think it's going to be a very fun day. We have, just to follow-up very quickly on what you told Council Member Ignizio,

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Deputy Mayor.

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You keep pointing to those pictures back there and talking about environmental cleanup. Environmental cleanup is absolutely important but that's, of course, not the--not even the primary goal of this. And I just want to point out for everybody here that, you know, the conditions that you see on these two photographs are deplorable. You're absolutely right Deputy Mayor.

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But I also want everybody to understand that this is actually not the most representative, these are not the 2 most representative photos that you could have of the entire 62 acre parcel. There are some parts of Willets Point that look nothing like this. I would say that these are 2 of the absolute worst looking blocks or sites at the Willets Point area. So let's just be clear, and this is what we need to do. We need to have an upfront honest discussion about what's happening here.

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I think that your testimony is greatly appreciated Deputy Mayor. And I know you've put a lot of effort into this. There are a

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2 lot of benefits that you've outlined. And I
3 totally agree with that. It is actually really
4 amazing if all of this could be achieved, that
5 this is a smorgasbord of goodies for the City and
6 for the local community. And we should try to get
7 all that.

8 And from the outset I do want to
9 thank in particular the Hotel and Motel Trades
10 Council because I know that they have really
11 stepped up to the plate in a way that few others
12 have. And I'm glad to see that the Administration
13 has embraced them as a full partner in this
14 effort.

15 The question becomes to achieve
16 this vast array of benefits, what the costs are.
17 I think there are two kinds of costs that I see.
18 There are tangible dollar costs. And there are
19 costs that are less easy to quantify, costs to our
20 society and our fundamental principles.

21 The first set of costs Council
22 Member Monserrate has already done a great job of
23 exploring and I just want to confirm my
24 understanding with you, Deputy Mayor, what those
25 tangible costs are. From the beginning of this

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2 project, this was supposed to be cost-neutral to
3 the City.

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5 It was not supposed to cost the
6 City anything. It was not supposed to--not one
7 red cent was supposed to come out of City taxpayer
8 dollars. But of course we now have \$409,000,000
9 laid out in the City budget, the Capital Budget.
10 And is the expectation that that entire cost will
11 be made up in the end by the bids that come in, by
12 the private developers?

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DEPUTY MAYOR LIEBER: That is our
goal.

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COUNCIL MEMBER LIU: Okay. And are
we, right now, at a mode of break even or is the
City expecting to take something, to have a bottom
line result at the end of this entire effort? Are
we looking to break even or is the City looking to
say--

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DEPUTY MAYOR LIEBER: [Interposing]
Well we would like to recover our out of pocket
capital costs here, the \$400,000,000 that we've
described. In addition we want the City to be
able to benefit from the number \$25,000,000,000 of
overall economic impact. That's not a 1 year

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2 number, that's a number that will come over many
3 years. But yes this is designed to generate
4 economic impact and incremental taxes that will
5 benefit all the City as well as recover the
6 capital that we put out to prepare the site.

7 COUNCIL MEMBER LIU: Okay. All
8 right. I mean to me that pretty much explains,
9 answers my question. The upfront capital costs
10 are fully expected by the City to be recouped in
11 the bidding process.

12 DEPUTY MAYOR LIEBER: That's
13 correct.

14 [Pause]

15 COUNCIL MEMBER LIU: Mr. Pinsky can
16 feel free to--

17 DEPUTY MAYOR LIEBER: [Interposing]
18 No, no. He--just confirmed the numbers.

19 COUNCIL MEMBER LIU: So is it
20 confirmed?

21 MR. SETH PINSKY: Yes, Seth Pinsky
22 from the Economic Development Corporation. The
23 hope is to recover the \$409,000,000 through a
24 combination of land, costs and also through the
25 incremental taxes that will be generated.

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2 Obviously in this particular economic environment
3 the number for the land value will be lower.

4 We're hoping that when the project gets built out
5 the number will be higher. We have modeled this
6 and we believe that we can cover our costs.

7 COUNCIL MEMBER LIU: So what I
8 think I'm hearing is that actually the upfront
9 costs will not really be recovered in the bidding
10 process but you've also taken--

11 DEPUTY MAYOR LIEBER: [Interposing]
12 Council Member let me just be clear on this. We
13 have a budget that we've established that we look
14 and review constantly when we look at what are the
15 components of acquisition and relocation as well
16 as the offsite costs here.

17 Council Member Monserrate was
18 asking what if we guessed wrong on some of the
19 costs that would be associated with the onsite and
20 land prep costs expected from the private sector.
21 Our goal here is to recover the \$409,000,000, if
22 we could get more we would, that would be
23 associated with what we're putting into this, from
24 the private sector.

25 If the private sector says this is

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2 going to cost me more, I'm not going to get what I
3 thought, the buffer in that would be some
4 component of the \$400,000,000 that we expend
5 upfront to acquire the land and the relocation.

6 COUNCIL MEMBER LIU: That's fine
7 but I still need to really clarify what Mr. Pinsky
8 talked about because he talked about the
9 expectation of future tax revenue. So there has
10 been a net present value that's been determined
11 based on the expected tax streams, then that's
12 going to be part of offsetting the \$409,000,000
13 upfront capital--

14 MR. PINSKY: [Interposing] That's a
15 part of the return of the \$400,000,000. And we've
16 been very clear that there's \$409,000,000 in the
17 Capital Budget. And that's expected to be spent.
18 We're hoping to get as much of that back as
19 possible, hopefully all \$409,000,000 of that if
20 not more from the acquisition price of the land.
21 On top of that we're also expecting a net present
22 value over the next 30 years of approximate
23 \$1,300,000,000, in incremental taxes.

24 COUNCIL MEMBER LIU: Incremental
25 taxes meaning taxes over and above what the City

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already collects in that area--

MR. PINSKY: [Interposing] Correct-

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DEPUTY MAYOR LIEBER: [Interposing]

That's correct. That's correct.

COUNCIL MEMBER LIU: See, so that's

important to understand because, you know, I think that I think it was always a worthy goal for this not to use any taxpayer money. But we're also talking about a tremendous amount of economic value right now.

And so I would just urge that the

Administration take a look at what more can be done in terms of, you know, one of the biggest outstanding issues here is affordable housing. And affordable housing obviously takes up a lot of the economic value. And so if we're talking about purchase prices that are expected to recoup most of the upfront capital and then over \$1,000,000,000 on a net present value basis of future tax revenues, we should probably invest some more of that in affordable housing. I think that would be helpful.

DEPUTY MAYOR LIEBER: One of the

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2 things that we are still working at are the final
3 formulation around our affordable housing numbers.
4 So we want to make sure that this is consistent
5 with our overall housing plan. And then we will
6 finalize those numbers. There is a cost.

7 COUNCIL MEMBER LIU: There is a
8 cost. I'm hoping, and I have every confidence,
9 that you guys can do it. That you--

10 DEPUTY MAYOR LIEBER: [Interposing]
11 Thank you.

12 COUNCIL MEMBER LIU: --do more than
13 20%. More than 20%--

14 DEPUTY MAYOR LIEBER: [Interposing]
15 I feel relatively comfortable that we may get over
16 20%.

17 COUNCIL MEMBER LIU: Well let's
18 give a cheer for Deputy Mayor Bob Lieber. I guess
19 we're not allowed--no we're not allowed to cheer.
20 I'm sorry Mr. Chairman. Yeah, let's try to get it
21 significantly more than 20%.

22 DEPUTY MAYOR LIEBER: We hear you.

23 COUNCIL MEMBER LIU: Okay. And now
24 let's get to the other issue which Council Member
25 Ignizio already began to address which is what I

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2 consider the intangible, you know, even societal
3 costs that are associated with this project. And
4 that would be the real sticky issue of eminent
5 domain.

6 And you know I've been very upfront
7 with this Administration and your office, Deputy
8 Mayor, that I have grave reservations about this
9 Administration's application of eminent domain.
10 There are cases where sorely needed public works
11 require the use of eminent domain and the
12 Administration has been totally unwilling to even
13 consider eminent domain. And those cases, they
14 generally seemed to involve very large entities,
15 large companies, national, multi-national
16 companies.

17 And in many of the cases where this
18 Administration has had no reluctance in just
19 mentioning eminent domain, those have generally,
20 if not always, involved smaller entities, smaller
21 property owners, some mom and pop, some larger but
22 still small in the grand scheme of the national
23 economic scene and in this case, taking that land
24 for the use, for the purpose of turning it over to
25 a really big guy, a large entity.

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2 And so I think there is a cost to
3 our society and our fundamental principals that
4 cannot necessarily be enumerated in dollar terms.
5 I just think we need to talk about this a little
6 bit. You know, I was hoping that nobody today
7 would use that phrase that Mayor Bloomberg has
8 used I think too often in the past which is--and
9 unfortunately you brought it up yourself, Deputy
10 Mayor, that again in response to Council Member
11 Ignizio's questions, you used the line we don't
12 want one or two holdouts to stop progress.

13 The problem here is you don't have
14 1 or 2 holdouts. You have, according to your own
15 numbers, 88% of the people holding out. And that
16 is a problem. That is a serious problem if you're
17 asking the Council and you're asking for our
18 support to allow the City to take land wholesale
19 from mostly small owners.

20 If it was one or two holders, and
21 I've been very open with you about this, fine. I
22 understand. We should not let one or two holdouts
23 stand in the way of progress. But we shouldn't be
24 taking land like this en mass from mostly small
25 owners.

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2 I've sent you a letter. We've also
3 discussed this last week. We have about a month
4 to go before the final vote, the final deadline
5 approaches. And I think you bring some good news
6 here that if all goes well in the next few weeks
7 you can have 60% of the entire area. It's not
8 really 60% because you're including a large chunk
9 of the area that's already City owned, right. But
10 nonetheless I think you need to make more
11 progress, and progress quickly to make sure that
12 we are not going to authorize eminent domain for
13 nearly every property, right now by your own
14 counts, 88% of that property.

15 If it remains at 88% are you still
16 going to ask us a month from now to approve
17 eminent domain?

18 DEPUTY MAYOR LIEBER: Council
19 Member look, I completely understand your concerns
20 about eminent domain. I'll point out in this
21 Urban Renewal Plan for the first time we're
22 actually trying to address the land owners prior
23 to the certification, prior to the completion of
24 the ULURP process. We are working as aggressively
25 and intensely as we can with these land owners.

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2 And the 60% number I represented to you was 60% of
3 the folks that we are having discussions, serious
4 material conversations with, which we believe will
5 end up in successful conclusions and successful
6 negotiated transactions. We anticipate that we
7 will continue to negotiate with all the land
8 owners to achieve fair outcome for them.

9 COUNCIL MEMBER LIU: Okay. Well
10 that's good. And as I've stated to you before I'm
11 very ready, willing and able to partake in the
12 discussions and help bring resolution because I
13 think we really need to have negotiated agreements
14 with far more than the 12% that exists right now.
15 A month from now, hopefully it's closer to 90%.
16 I'm not saying that that is the marker but it
17 shouldn't be 10% which is what it is right now, it
18 should be closer to 90%.

19 DEPUTY MAYOR LIEBER: You have been
20 very helpful so far in this process. We
21 appreciate that help and look forward to working
22 with you and asking you for more help between now
23 and a month from now.

24 COUNCIL MEMBER LIU: Great. Well
25 thank you very much Mr. Chairman and I will have

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2 additional questions if we get through all the
3 comments.

4 CHAIRPERSON GARODNICK: Thank you
5 Council Member Liu, Council Member Monserrate and
6 then Council Member Sanders.

7 COUNCIL MEMBER MONSERRATE: Mr.
8 Chair, again, before I go any further I have to
9 just, I want to commend the New York City Police
10 Department today who has done a fascinating job of
11 keeping order in these chambers and in the
12 Committee Room. We are in the City Hall today
13 hosting two very important hearings that are very
14 spirited. And I think that they have done an
15 outstanding job. So here's a salute to New York's
16 finest. Thank you for doing a great job. Thank
17 you for all the representatives of Labor and ACORN
18 and the interested parties that are here and in
19 particular HERE Local 6, thank you very much for
20 your participation and advocacy.

21 I want to follow-up on what Council
22 Member Liu outlined with respect to--and also with
23 Council Member Ignizio outlined, I think that this
24 Council has been extremely clear about our
25 concerns about property owners' rights. And I

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2 don't want to belabor the issue any more than it
3 already has, but there has been a lot of
4 discussion about it today here at this hearing and
5 at meetings with individual members and so forth.
6 So I just encourage the Administration to continue
7 steadfast in good faith negotiations. I also
8 encourage the property owners to also engage in
9 those good faith negotiations and hopefully at the
10 end of the day that issue can be effectively
11 resolved.

12 Council Member Liu also spoke about
13 the issue of remediation which is an issue of
14 great importance to me as it results, particularly
15 in regards to the Flushing Bay. You have, in your
16 testimony, outlined and repeatedly discussed the
17 environmental impacts and the necessary
18 remediation that needs to take place.

19 We have gotten complaints from East
20 Elmhurst in particular and Jackson Heights
21 residents about the stench from the Bay and also
22 flooding. So my concern, or rather my question
23 with respect to the remediation is what are we
24 basing this dire need for remediation on? Is
25 there some type of report? Can you explain to us

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2 what testing has been done, even if it's been on
3 City property and what the results of those tests
4 have been?

5 DEPUTY MAYOR LIEBER: Councilman
6 what I would like to do is defer my pedestrian
7 explanation of remediation to our experts. Kevin
8 McCarty is here and will be able to talk about
9 that in more detail. He is our environmental and
10 remediation expert who can give more input on
11 that. I can--if I do it I'm going to give you
12 anecdotal comments--

13 COUNCIL MEMBER MONSERRATE:

14 [Interposing] Is he here?

15 DEPUTY MAYOR LIEBER: Yes.

16 [Pause]

17 MR. KEVIN McCARTY: Good morning.

18 Kevin McCarty from HDR Engineering.

19 COUNCIL MEMBER MONSERRATE: HDR

20 Engineering.

21 MR. McCARTY: That's correct.

22 COUNCIL MEMBER MONSERRATE: You are
23 a private consulter?

24 MR. McCARTY: Yes. An engineering
25 firm working for New York City Economic

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Development Corporation.

COUNCIL MEMBER MONSERRATE: Thank you. Please, in your words as a hired consultant/expert, can you explain to me what the remediation is that needs to be done? We have heard the Administration outline how contaminated Willets Point is. I would like to hear from you on how contaminated it is. What type of testing has been done? And what are we basing this on?

MR. McCARTY: Okay. And I'll try to be brief but it does cover quite a bit of information, a lot of it very technical.

What we've done are look at the specific land uses which we've all discussed today, the automotive shops, the repair, the auto body, the painting, junk yards and scrap yards. And knowing those specific land uses, what we've gained is information from hundreds of thousands of assessments across the country of the typical types of contamination that occurs relatively frequently if not all the time on those same types of businesses.

And a little detail, gasoline stations generally have gasoline leaks and various

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2 other things from the lines and the tanks. Junk
3 yards and scrap yards typically have ethylene
4 glycol which is antifreeze, lead acid from lead
5 acid batteries, oils and various other things.
6 Auto body shops typically have chlorinated
7 solvents and metals from all the painting and
8 those types of operations that go on.

9 We also know that there are no
10 sanitary systems. So all of the waste, both human
11 and industrial waste, we'll call it industrial
12 waste from the facilities, is either sitting on
13 the ground or it goes down the septic tank, the
14 leech pool on the properties. And that's been
15 going on since the property was developed in
16 probably over half a century ago.

17 We have been on three individual
18 sites. We've gotten permission from three site
19 owners, not to do testing, but just to physically
20 walk over the properties. And we have sent out
21 letters to every single land owner to get access,
22 not for testing, but just to physically evaluate
23 our assumptions on the types of chemicals and
24 conditions that we know from the land use that I
25 was just mentioning.

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2 And in discussing with each of
3 those land owners, none of the three even knew
4 where their septic system was, what condition it
5 was in, if it was ever fixed or how big it was, or
6 any engineering understanding of really what it
7 could take. But they will take both the
8 commercial and the human waste that goes out
9 there.

10 So we know all of that goes into
11 the ground. We have a shallow water table as the
12 Deputy Mayor explained. And so it can't go very
13 far without then bubbling back up in the ground
14 when we have a high water table condition, storms
15 and things like that.

16 We've also looked at the storm
17 system and one of the reasons that we're very
18 confident in understanding why you see this
19 continual flooding in especially the entire
20 southern portion of Willets Point is the entire
21 area was built on an old swamp.

22 In the 1800's it was an old swamp.
23 The late 1800's to the early 1900's it was an ash
24 dump. None of this material was compacted. I
25 mean there were a couple of pictures earlier in

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2 the presentation that showed the levels of this.
3 And some of the areas are 50 feet thick. That
4 material over times compacts and settles.

5 The street grid, we'll call it the
6 legal grade was basically set aside in 1936-37.
7 So in that time when the streets were actually
8 constructed, a significant portion of the Willets
9 Point area, the storm system, has actually settled
10 and sunken over two and a half feet. So really
11 what we're looking at is gravity. And gravity is
12 the law.

13 And it's really no working any
14 more. You can't get, the pipes aren't able to get
15 the water out to the Bay. And we won't talk about
16 what's in that water but can't get the storm water
17 to the Bay because at the southern end they're too
18 low. So the water just won't flow through the
19 pipes.

20 So if you were to build up those
21 pipes back to the 1937 elevation to make gravity
22 work and to make the water flow out--

23 COUNCIL MEMBER MONSERRATE:

24 [Interposing] Right.

25 MR. McCARTY: What you'd have would

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2 be roads that would be two, two and a half feet
3 higher than they are right now. And many of those
4 businesses are at street grade. So you'd have
5 them now down in a kind of a pit because you'd
6 have to support the road. You'd either have a
7 vertical wall or you'd have to make the roads
8 narrower--

9 COUNCIL MEMBER MONSERRATE:

10 [Interposing] I want to bring you back to the
11 point, the issue of flooding is a dynamic issues
12 right--

13 MR. McCARTY: [Interposing] Right.

14 COUNCIL MEMBER MONSERRATE: --but
15 there's also flooding in Southeast Queens, there's
16 flooding in East Elmhurst, right, we're not
17 redeveloping either one of those major
18 constituencies in the Borough. My question really
19 was about the remediation and the environmental
20 impact--

21 MR. McCARTY: [Interposing] Right.

22 COUNCIL MEMBER MONSERRATE: --
23 contamination and the need for remediation has
24 been a consistent theme with respect to this
25 project. So my question is what type of testing

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has been done to back up those assertions?

MR. McCARTY: We, and--

COUNCIL MEMBER MONSERRATE:

[Interposing] That's--if you can give us a brief--

MR. McCARTY: [Interposing] Sure.

COUNCIL MEMBER MONSERRATE: --

explanation and present to us any testing that has actually been done, you know, that would be helpful for us to understand the need.

MR. McCARTY: Right. And I apologize for interrupting you. The testing we've done to date is on the City property and the streets which is one of the reasons--this is a long and kind of multifaceted evaluation which is why I was also explaining the storm sewer because that's part and parcel important to understanding the conditions.

The testing we've done is obviously on the City property within the streets to evaluate, and again as I started talking about land use, since we could not get onto the properties, that is where we would assume, and make the assumptions based on a pragmatic evaluation of the property.

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COUNCIL MEMBER MONSERRATE: Right.

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MR. McCARTY: What kind of problems we would expect to find. We also, because we couldn't get onto the properties, we went through the New York State DEC files to get a real assessment and an understanding of what true knowledge is on the books. And we found initially over 50 petroleum spills, many of those spills were reported from significant ponding and puddles where oil and various chemicals were actually floating on the puddles in areas in the streets. So that's an important piece because those are the roadways. But those are periodic discharges and all that waste comes from the facilities.

The testing that we were able to do in the streets was really to find out if those problems that we would expect to find on the smaller individual businesses actually extended into the roads. I would not normally expect to see significant problems from many small businesses because they use small amounts of chemicals and basically they're not wholesale manufacturing of chemicals.

It would have surprised me to find

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2 major plumes in the streets--

3 COUNCIL MEMBER MONSERRATE:

4 [Interposing] Well what did you--did you do a
5 report on this?6 MR. McCARTY: Yeah I did. And I'm
7 kind of explaining--

8 COUNCIL MEMBER MONSERRATE:

9 [Interposing] You're explaining the process and
10 you're explaining a lot of assumptions and I just--
11 --is there a report and what would that report say,
12 since you are the expert that the Administration
13 is kind of--what would that report say?14 MR. McCARTY: We found basically,
15 we found the fill material, the old ash fill under
16 the roadways. We found a lot of various debris in
17 the street. We found low level metals
18 contamination. More so--

19 COUNCIL MEMBER MONSERRATE:

20 [Interposing] Would it be any different than any
21 other industrial zone in this City? Williamsburg
22 or Bronx--23 MR. McCARTY: [Interposing] No I
24 think the streets are fairly consistent with what
25 I would find in an industrial facility that didn't

1
2 have a full discharge in it. It would not
3 necessarily be what I would consider to find in
4 normal New York streets however--

5 COUNCIL MEMBER MONSERRATE:

6 [Interposing] No, understood this is a--

7 MR. McCARTY: --but that indicates
8 you do have an impact in the streets from the
9 facilities albeit not significant plumes which
10 again I said I wouldn't expect to find.

11 COUNCIL MEMBER MONSERRATE: Right.

12 So this is not, definitely not a superfund site.
13 Is it a brown field site? I mean what would you--

14 MR. McCARTY: [Interposing] I will
15 tell you--

16 COUNCIL MEMBER MONSERRATE: --if
17 you had to categorize. Because I'm looking--

18 MR. McCARTY: [Interposing] Okay.

19 COUNCIL MEMBER MONSERRATE: --I'm
20 looking for what--I haven't heard yet something
21 that points to me that really clarifies and states
22 this is a contaminated site, this is what we
23 found. These are the mercury levels. These are
24 the PCB levels. These are the toxins--

25 MR. McCARTY: [Interposing] Right.

1
2 COUNCIL MEMBER MONSERRATE: --and
3 this is why, you know, at what grade--

4 MR. McCARTY: [Interposing] Um-hum.

5 COUNCIL MEMBER MONSERRATE: --or
6 gradation of the sites does need to be this X
7 amount of cleanup, six feet, eight feet.

8 MR. McCARTY: Right. You--

9 COUNCIL MEMBER MONSERRATE:
10 [Interposing] That's what I'm not hearing--

11 MR. McCARTY: [Interposing] This--

12 COUNCIL MEMBER MONSERRATE: --I'm
13 just hearing assertions about it needs
14 remediation.

15 MR. McCARTY: Right. And I would
16 actually have to say that in order to give you
17 absolute specific numbers I'd need to get on the
18 properties--

19 COUNCIL MEMBER MONSERRATE:
20 [Interposing] Right--

21 MR. McCARTY: --I mean that's
22 really where the problem is.

23 COUNCIL MEMBER MONSERRATE: --so as
24 of this point, as of today's hearing--

25 MR. McCARTY: [Interposing] Right.

1
2 COUNCIL MEMBER MONSERRATE: --you
3 cannot give me with specificity scientifically
4 exactly what's contaminated and how contaminated
5 it might or might not be.

6 MR. McCARTY: Well when you're
7 saying how contaminated it might or might not be,
8 that's kind of what I'm saying--

9 COUNCIL MEMBER MONSERRATE:
10 [Interposing] You just testified that you could
11 not do that without getting on the site.

12 MR. McCARTY: Right. I can say
13 what might be there.

14 COUNCIL MEMBER MONSERRATE: Right.

15 MR. McCARTY: Which is what I've
16 explained to you before. I believe fully from
17 looking at the properties that the types of
18 contamination--

19 COUNCIL MEMBER MONSERRATE:
20 [Interposing] I appreciate your testimony. I
21 would like to request on the record whatever
22 report you have done, your compilation of data
23 regarding the concerns, the environmental concerns
24 at Willets Point be forwarded to this Committee
25 and to myself as the local Council Member because

1
2 if it's as bad as some might believe, I'd like to
3 know how bad it is. Thank you very much.

4 MR. McCARTY: Sure.

5 DEPUTY MAYOR LIEBER: Councilman, I
6 just I would add. I think some of that
7 information is included in the EIS study as well
8 about the contamination.

9 CHAIRPERSON GARODNICK: Okay.
10 Council Member Sanders.

11 COUNCIL MEMBER SANDERS: Thank you
12 Mr. Chair for holding this very important hearing.
13 I also want to welcome our Deputy Mayor. Good to
14 see you again Sir and our Speaker Vallone, how are
15 you? And our Borough President Schulman, good to
16 see everyone here. Let me start out by saying
17 that I urge everybody to join hands here. We've
18 got to figure this one out.

19 I urge the City to bargain in good
20 faith. And I urge the community groups and the
21 community owners to bargain in good faith. Since
22 Council Member Liu brought up the issue of eminent
23 domain, let me take it a little further and say
24 that let us not be so quick to get rid of this
25 issue.

1
2 All over, in my own community, one
3 of the areas is the Rockaway's, where there is a
4 poster child for eminent domain, an owner named
5 Rita Stark who has had several properties in
6 Queens that she has hung my community for 30 years
7 out to dry. If ever there was a place that we
8 need eminent domain that place calls for help
9 yesterday.

10 And this idea, we just, it's not
11 the answer all over but certainly in some places
12 it absolutely calls out for it. And the sooner
13 that we move there, for 30 years, I invite
14 anybody, come to the Rockaway's. Come to Mott
15 Avenue. Come down and see a shopping center where
16 there's more than 20, 30 stores that have been
17 abandoned for 30 years in an area where there's
18 26.4% unemployment.

19 Shopping centers, you've got my
20 constituents, my brothers out there on the corners
21 trying to sell stuff and there's empty stores in
22 back of them. The police of course come in and
23 grab them and their goods and there's empty stores
24 all in back of them. Let's not say that the idea
25 of eminent domain needs to be gotten rid of

1
2 totally. There's times and a place for that. And
3 I can make a believer out of anyone. I encourage
4 anybody who doesn't believe in it, come to my
5 community and see what this situation is doing
6 there.

7 Speaking of my community, my
8 friends, I urge everybody, man, we've really got
9 to figure out the best way. My community, I love
10 it dearly, but boy did we mess up on this one. We
11 did some stuff wrong and for 30 years a beachfront
12 community, 400 acres, sat empty. 30 years. Sat
13 empty. I urge everybody, let's get to the best
14 deal that we possibly can and let's go on--

15 CHAIRPERSON GARODNICK:

16 [Interposing] Council Member, Council Member
17 Sanders. Can I ask you to direct a question to
18 the panel--

19 COUNCIL MEMBER SANDERS:

20 [Interposing] Sure. Sure. Well I would be out
21 of--I just admit, I would say that my point is
22 everybody let's get to the table and negotiate.
23 And my question would be out of order Sir because
24 I would ask about eminent domain in my community.
25 But I accept that I'm out of order and let's go on

1

2 with the hearing.

3

4

5

CHAIRPERSON GARODNICK: Well thank
you. We're glad you're here and I will now call
on Council Member Dickens.

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COUNCIL MEMBER DICKENS: Thank you
Mr. Chair and good morning to all that's here, pro
and con. And thank you to the Administration and
EDC. Good morning Commissioner Donovan, Deputy
Mayor Lieber.

11

DEPUTY MAYOR LIEBER: Good morning.

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COUNCIL MEMBER DICKENS: I have
really one short question on the affordable
housing component. And I heard your answer
Commissioner that you gave to my colleague Council
Member Katz. But one thing I didn't hear was is
there a home ownership component to this? And
that's because, you know, for me that's very
important because home ownership stabilizes a
community. And so is there a home ownership
component? If there is one, what is it broken
down, and if there isn't one, why?

23

24

COMMISSIONER DONOVAN: There is a
home ownership component to the project--

25

COUNCIL MEMBER DICKENS:

1

2 [Interposing] You said there is or there is no.

3 COMMISSIONER DONOVAN: There is--

4 COUNCIL MEMBER DICKENS:

5 [Interposing] Um-hum.

6 COMMISSIONER DONOVAN: --a home
7 ownership component to the project. As the Deputy
8 Mayor said earlier we are still in significant
9 discussions about the details of the income levels
10 and the mix of rental and home ownership. And so
11 at this point I can't give you an exact breakdown
12 of what the income levels would be.

13 COUNCIL MEMBER DICKENS: All right.
14 But the homeownership component would be
15 affordable, just like the rental would.

16 COMMISSIONER DONOVAN: Again we--

17 COUNCIL MEMBER DICKENS:

18 [Interposing] I'm not asking for exact details.
19 I'm just.

20 COMMISSIONER DONOVAN: Again, we
21 have not gotten into detailed breakdown of the
22 affordable units between rental and home ownership
23 at this point.

24 COUNCIL MEMBER DICKENS: All right.

25 Thank you Commissioner. All right, Deputy Mayor,

1
2 please, on the business end. I heard you talk
3 about the brokers had been contacted. Will those
4 fees be covered by the City or will that be a fee
5 that will be born by the small owners, that's one?
6 Is there an assistance with business plan and
7 outreach because when a business, a small business
8 relocates, they frequently sustain a loss, an
9 operating loss for several years?

10 DEPUTY MAYOR LIEBER: We would be
11 paying for those costs.

12 COUNCIL MEMBER DICKENS: Meaning
13 brokers as well as the--

14 DEPUTY MAYOR LIEBER: [Interposing]
15 Cornerstone, for example, is the one that we have
16 hired to lead this relocation effort. They were
17 incredibly successful when we used them in Hudson
18 Yards and relocated I think 71 of 73 businesses
19 that they were charge with. And those are costs
20 that we are bearing; the cost of Cornerstone is
21 our cost.

22 COUNCIL MEMBER DICKENS: And M/WBE
23 plan?

24 [Pause]

25 COUNCIL MEMBER DICKENS: Hello?

1
2 DEPUTY MAYOR LIEBER: You want
3 more?

4 COUNCIL MEMBER DICKENS: I want to
5 know what are the parameters on the M/WBE during
6 construction and moving forward.

7 DEPUTY MAYOR LIEBER: Bomi? I'm
8 going to ask Bomi Kim to speak specifically about
9 the M/WBE goals that we've got here.

10 COUNCIL MEMBER DICKENS: Um-hum.
11 They're written into the RFP?

12 DEPUTY MAYOR LIEBER: We'll
13 describe that.

14 COUNCIL MEMBER DICKENS: Um-hum.

15 MS. BOMI KIM: My name is Bomi Kim.
16 I'm the M/WBE Director for EDC. For this project
17 we've been engaged in an extensive work with the
18 formation of Minority Women and Local Labor Force
19 Task Force which was chaired by the Queens Borough
20 President Helen Marshall. We've been involved;
21 the task force members have been together working
22 on this plan for over a year and a half. And they
23 have recommended a set of recommendations that
24 includes specific numerical goals as well as
25 requirements for the developer to engage in

1
2 extensive outreach and to form a capacity building
3 program that will provide technical and financial
4 assistance to the Minority Women businesses, as
5 they prepare to take part in this project.

6 So what will happen is that by law
7 we are requiring the developers to meet the
8 specifics that are outlined in Local 129 which is
9 the City's M/WBE program. And we are also
10 requiring the developers to provide an M/WBE and
11 local labor force plan when they submit their
12 proposals. And we are requiring the developers to
13 like, as I mentioned, extensive outreach plans
14 that will recruit minority women businesses as
15 well as local residents on the opportunities that
16 are available.

17 And the task force's
18 recommendations will be included in the RFP as a
19 reference for the developers to look at. And
20 there will be an extensive monitoring and
21 oversight process that will be put in place.

22 COUNCIL MEMBER DICKENS: Did I
23 hear, and I'm not sure, did hear about a
24 percentage? I wasn't quite sure.

25 MS. KIM: Yes. There definitely

1

2

will be percentages that we will be recommending.

3

But we are requiring the developers to follow the

4

Local Law 129 recommendations.

5

COUNCIL MEMBER DICKENS: All right.

6

And I also--

7

DEPUTY MAYOR LIEBER: [Interposing]

8

And I just--

9

COUNCIL MEMBER DICKENS: --hear

10

that you--I'm sorry, go ahead.

11

DEPUTY MAYOR LIEBER: I was just

12

going to add as a part of the responses to the

13

RFP, part of the criteria that'll be used in the

14

selection is the responses that these developers

15

present.

16

COUNCIL MEMBER DICKENS: Um-hum.

17

DEPUTY MAYOR LIEBER: Along the

18

guidelines that the Task Force has established

19

with Bomi's input.

20

COUNCIL MEMBER DICKENS: And did I

21

understand that you said that you were working

22

with the Queens Borough President?

23

MS. KIM: Yes.

24

COUNCIL MEMBER DICKENS: Is helpful

25

because if so I know that Helen Marshall will

1

2 protect the M/WBE plan. So I'm glad to hear that
3 you are--

4

MS. KIM: [Interposing] Yeah.

5

6 Borough President Marshall has been very
7 instrumental in the Task Force and she also is the
8 chair for the Task Force, so she's been very
involved in this process.

9

COUNCIL MEMBER DICKENS: All right.

10

Thank you so much.

11

MS. KIM: [Interposing] Thank you.

12

COUNCIL MEMBER DICKENS: Thank you

13

Chair.

14

CHAIRPERSON GARODNICK: Thank you

15

16

Council Member Dickens. And I did want to note at
this point that the Queens Borough President Helen
Marshall is with us today. I see her in the
audience, as well as Congresswoman Nydia

17

Velasquez. We're delighted that you're here. And

18

I know that we're going to be hearing from you

19

shortly. Let me just jump in with a few

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questions. And then we're going to get a couple

21

of follow-ups and then we're going to be done with

22

this panel. And we will move on to the local

23

electeds who are here.

1
2 Two questions on the eminent domain
3 point. One was a logical question here about the
4 businesses currently in place with whom you are
5 negotiating and the potential approvals that could
6 be granted by this Council to open the door for
7 eminent domain.

8 The question is can you not begin
9 the process of condemnation before such
10 arrangements are made, RFPs are issued, contracts
11 are signed, and everything is final, so that there
12 could be an assurance to the public and to this
13 Council that there would be no efforts to take
14 anybody's property before the, you know, the ink
15 is dry on any agreements between the City and a
16 future developer that is not determined at this
17 point? You know, many of us are concerned about
18 not doing something that is unnecessary here if
19 the economic climate is such that it does not
20 allow this project to go forward.

21 What is the structure? What is the
22 order? And how can you assure us that that the
23 pieces will be in place before anything else would
24 go forward?

25 DEPUTY MAYOR LIEBER: Well. I'll

1
2 try and answer the question again. As a part of
3 the Urban Renewal Plan, for us to be having this
4 level of negotiation and conversation before
5 approval of ULURP is relatively unique. We are
6 going to continue on with the process of
7 negotiating. This is a process that's going to
8 play itself out over some time, as, you know,
9 subject to the ULURP approval.

10 Then we will begin the process of
11 the planning and the design and the offsite
12 infrastructure costs as well as developing the RFP
13 that goes with that. So we will continue to
14 negotiate with the land owners post the ULURP.
15 And we've even made some of the deals with the
16 land owners so that they will have some time post-
17 ULURP that they are able to relocate their
18 businesses 'cause that can't happen all at once.

19 CHAIRPERSON GARODNICK: I
20 appreciate that you're continuing to have
21 negotiations and that's obviously appropriate and
22 that's what the City should be doing and that's
23 what we encourage the City to do but my question
24 is a specific one which is will the City commence
25 any efforts to condemn property before a developer

1

2 is chosen and before a contract and a deal is
3 signed to be able to accomplish all of those
4 \$550,000,000 in remediation plus the extra, you
5 know, multiple billions of dollars of investment
6 that would need to go into this? We just want to
7 understand that we're locking in that private
8 sector commitment before the businesses are
9 pursued in any formal way. And we want to
10 understand that from you.

11 DEPUTY MAYOR LIEBER: Well what I
12 would say is this is going to be a process that is
13 going to be ongoing. Again we don't want to be
14 out acquiring and committing to acquire properties
15 without knowing that we're going to go ahead and
16 develop this project and have this remediation
17 begin. We don't want to have if, what I'll call
18 stranded capital out there that we haven't been
19 able to, you know, engage in a process.

20 The exact sequencing of when the
21 developers--the RFPs are distributed and when the
22 developer section takes place, I imagine will all
23 be contemporaneous with final negotiations with
24 the existing land owners. And my guess is that
25 that process will expedite itself once we get

1
2 through the ULURP process because I think it's
3 being slowed down, you know, by the process now.

4 CHAIRPERSON GARODNICK: Okay. I
5 realize that that's not a specific answer to the
6 question but I will flag this is a point of
7 concern to this Committee about the order in which
8 these things are happening. And we want you to
9 negotiate in a robust fashion with the folks that
10 are there. We know you're making efforts but this
11 is important to us--

12 DEPUTY MAYOR LIEBER: [Interposing]
13 I understand your issue.

14 CHAIRPERSON GARODNICK: Let me also
15 understand. I mean we have encountered other
16 issues here within the course of my three years on
17 the Council already where the prospect of eminent
18 domain has been raised, whether it was in a
19 Columbia University context or even last week when
20 we authorized the possibility of a new development
21 between 125th and 127th Street which had in both
22 cases though, they were small elements, very small
23 elements, I would characterize them as very small
24 elements of the overall plan.

25 Here as Council Member Liu pointed

1
2 out the predominant issue here is private entities
3 owning what the City wishes to acquire in one form
4 or another down the line. My question for you is,
5 put this in some context for us, historically.

6 Can you share with us some of the precedents that
7 exist for what the City is trying to do here where
8 you're taking or seeking private property for
9 economic development purposes that are not your
10 ordinary roads, bridges, tunnels scenario that you
11 would usually see eminent domain for? Tell us
12 what the context is.

13 DEPUTY MAYOR LIEBER: I think if
14 you would look at the context of the Urban Renewal
15 Plans and where you have the authority, you'd look
16 at Times Square. You'd look at Melrose Commons.
17 You'd look at Metrotech. I mean I think I
18 referenced a number of those earlier in the
19 testimony. Those are all examples consistent with
20 a similar game plan. The projects you represented
21 earlier, recognized earlier, were ones where the
22 City already owned the majority of the land that
23 was around it.

24 CHAIRPERSON GARODNICK: Thank you.
25 Let me direct one question to Commissioner

1
2 Donovan. This is about the affordable housing
3 piece here. Obviously this is a plan which has
4 enjoyed a fair amount of labor support. The
5 affordable housing piece, and I may have missed
6 this in the intro, is that going to be built using
7 union labor?

8 COMMISSIONER DONOVAN: We have
9 reached an agreement as we have negotiated
10 extensively with Labor on this where we have
11 committed to using union construction for all the
12 buildings except for ones that meet certain
13 thresholds of deep affordability. And this is
14 true as well for the discussions that we had with
15 32BJ as well.

16 So it applies both on the
17 construction as well as the maintenance workers
18 there. And the standard there is that a building
19 that would have more than 50% of the units
20 affordable to very low income would not meet the
21 same requirements.

22 I would emphasize though that we
23 have been having very productive discussions with
24 labor about what I would call a B rate around
25 those deeply affordable properties. So our hope

1
2 would be, we have committed specifically to the
3 majority of the buildings that we would use that
4 labor. But we are very interested in advancing
5 those discussions and being able to reach an
6 agreement that would apply to affordable housing
7 that would allow us to meet our affordable housing
8 goals of maximizing the number of units of
9 affordable housing while also using union labor.

10 CHAIRPERSON GARODNICK: Thank you
11 for that. And now I'm going to go back to my
12 colleagues for some final questions. And then
13 we're going to move onto our next panel which will
14 be the local electeds. Council Member Liu and
15 then Council Member Monserrate to finish it up
16 with some follow-ups.

17 COUNCIL MEMBER LIU: Thank you.
18 Thank you very much Mr. Chairman. I'll be
19 relatively brief with these couple of questions.
20 When the City and the Mets came to the Council to
21 ask for support for their new stadium, part of
22 that agreement had to do with the total
23 reconstruction, rehabilitation of the Roosevelt
24 Avenue Bridge between 126th Street and College
25 Point Boulevard.

1
2 Initially there had been some money
3 placed in the capital budget for that project. It
4 has since been deferred, a year, and I just want
5 to get reassurance on the record that that in fact
6 is the intent of the Administration to make sure
7 that that happens on a timely basis.

8 DEPUTY MAYOR LIEBER: That's
9 correct.

10 COUNCIL MEMBER LIU: Do you know
11 what the current budget allocation is for the
12 rehabilitation and reconstruction of the Roosevelt
13 Avenue Bridge?

14 DEPUTY MAYOR LIEBER: Council
15 Member I do not know the specifics but I will come
16 back to that but that is still our intent, yes.

17 COUNCIL MEMBER LIU: Okay.

18 DEPUTY MAYOR LIEBER: We've talked
19 about this before. I know, I don't know what the
20 dollar amounts are.

21 COUNCIL MEMBER LIU: So will you be
22 able to send me a letter on that?

23 DEPUTY MAYOR LIEBER: Sure.

24 COUNCIL MEMBER LIU: Okay. Great.
25 And then finally we have also talked about the

1
2 Administration's commitment from the outset to
3 maintain a strong connection so that Willets Point
4 is a way to bring communities together and not
5 kind of like a walled off community onto itself.
6 And so we've talked about a lot of things.

7 The Administration has thrown cold
8 water on the idea of a new bridge between Flushing
9 and Willets Point, citing its tremendous costs.
10 The community has come back and talked about some
11 other much easier solutions in the form of perhaps
12 a regular ongoing shuttle to bring people back and
13 forth between 126th Street and Main Street. Where
14 are we on that?

15 DEPUTY MAYOR LIEBER: I, you and I
16 had talked about that before and we've agreed that
17 we would provide that transportation service.

18 COUNCIL MEMBER LIU: Okay. Well, I
19 guess we have a month to go until the details are
20 finalized. Thank you very much. Thank you Mr.
21 Chairman.

22 DEPUTY MAYOR LIEBER: Thank you.

23 CHAIRPERSON GARODNICK: Council
24 Member Monserrate.

25 COUNCIL MEMBER MONSERRATE: Thank

1
2 you Mr. Chair. I have a quick follow-up to
3 Council Member Liu's statement regarding the
4 Flushing Bridge. And it's a bridge to somewhere,
5 Council Member Liu. It's not one of those funny
6 bridges.

7 This is a real bridge that needs
8 real repairs. And this Administration made a
9 commitment to the Queens delegation, that means
10 the Council Members from Queens, in our
11 negotiations regarding the new Citi Field. And to
12 date, that has not occurred. I know that it was
13 not under your watch that that earlier agreement
14 was made, however you do represent the
15 Administration.

16 We want to be very clear that a
17 commitment by the Administration to the Queens
18 delegation must be fulfilled and should not be
19 intertwined with this new project. That is
20 already an IOU from a prior project and the
21 constituencies of Flushing and Corona and the
22 Borough of Queens are demanding that the
23 Administration be good on their word and make that
24 happen.

25 DEPUTY MAYOR LIEBER: We recognize

1

2 the commitments that have been made.

3

4 COUNCIL MEMBER MONSERRATE: Thank
5 you. A couple of follow-up questions. An issue
6 that is extremely important to me is the
7 relocation plan for the current businesses, that
8 is the renters, the non-property owners who are
9 there who make a considerable number of my
10 constituents, businesses that are currently
11 employing workers and as such. What type of
12 relocation plan would there be available to them?

12

13 DEPUTY MAYOR LIEBER: Well we would
14 anticipate working with you to develop a plan that
15 is similar in scope and cost with prior plans that
16 we have done. And we have done other programs
17 like this in the Bronx, specifically with the
18 Bronx Terminal Market which we think represent an
19 appropriate model that we can develop a relocation
20 allowance with you.

20

21 COUNCIL MEMBER MONSERRATE: Thank
22 you. And I have one more question and then a
23 statement with respect to the Local Development
24 Corporation. There's been questions raised. The
25 developers that are on the Board of the Local
Development Corporation, would they be prohibited

1
2 from bidding on this project? Being part of the
3 bidding process?

4 DEPUTY MAYOR LIEBER: You know, the
5 answer is I don't know. I'd want to look and talk
6 to the lawyers about that. I'm trying to go
7 through who the lists are and see if there's any
8 current overlap or not. I can come back with more
9 specificity to you on that.

10 COUNCIL MEMBER MONSERRATE: Thank
11 you. And we'll continue our talks and as a
12 parting statement, I want to be very clear where I
13 stand. I have concerns and questions about the
14 economics and the finances of this plan. I raised
15 that publicly with my colleagues and in the
16 chambers. Having said that, if there is a real
17 social benefit that comes out of a large public
18 investment, that I believe, is a good thing.

19 And one of the clearest and most
20 important needs in our communities, particularly
21 in our communities in Queens, but throughout the
22 City, is affordable housing. And we cannot
23 continue to allow our City to be unaffordable and
24 beyond the reach of the New Yorkers who have made
25 this City what it is. So I encourage you again to

1
2 work with us on coming up with a formula and a
3 number that will really show and prove the
4 Administration's commitment to affordable housing.
5 Thank you very much.

6 DEPUTY MAYOR LIEBER: Thank you.

7 CHAIRPERSON GARODNICK: Thank you
8 Council Member Monserrate and Deputy Mayor Lieber
9 and to your entire team. Please folks just hold
10 your applause. I just wanted to thank you for
11 your testimony today. And we look forward to
12 having more conversations with you in the coming
13 weeks.

14 DEPUTY MAYOR LIEBER: I thank you
15 very much for your time and this opportunity and we
16 do look forward to continuing to work with you as
17 we move through this process. Thank you very
18 much--

19 CHAIRPERSON GARODNICK:
20 [Interposing] Thank you very much. I'm going to
21 call our next panel. Our next panel consists of
22 our local electeds, Congressman Joe Crowley,
23 Congresswoman Nydia Velasquez, the Borough
24 President of Queens, Helen Marshall, and Assembly
25 Member Mark Weprin who are all here today to join

1
2 us. And we welcome them. And as soon as you are
3 settled we can go right ahead and get into it.

4 Thank you.

5 [Pause]

6 CHAIRPERSON GARODNICK: Sir. How
7 are you doing?

8 [Pause]

9 CHAIRPERSON GARODNICK: Congressman
10 Crowley, when you're ready, we'll start with you.

11 CONGRESSMAN JOE CROWLEY: Well
12 thank you Mr. Chairman. I just want to make sure;
13 I'm in the right Committee Room, aren't I?

14 CHAIRPERSON GARODNICK: Yes this is
15 the Term Limits Hearing; you're right in the right
16 place--

17 CHAIRPERSON KATZ: [Interposing] I
18 appreciate that very much.

19 CONGRESSWOMAN NYDIA VELASQUEZ: Mr.
20 Chairman? May I inquire about process here?

21 CHAIRPERSON GARODNICK: Yes.

22 CONGRESSWOMAN VELASQUEZ: How do
23 you decide the order of witnesses?

24 CHAIRPERSON GARODNICK: What we
25 would do for the purposes of local elected

1
2 officials is the folks who represent the territory
3 in question would be afforded the opportunity to
4 speak first. Of course the local elected--all
5 elected officials who are here in person, we want
6 to make sure that everybody has an opportunity in
7 this same panel. So that was how it was
8 determined.

9 CONGRESSWOMAN VELASQUEZ: Well that
10 explanation is fair. Since I came here, I was the
11 first one, it's okay.

12 [Background noise]

13 CONGRESSMAN CROWLEY: I think we
14 worked that out. So. But thank you very much Mr.
15 Chairman. Thank you to Councilman Monserrate as
16 well, good to see you here. I know Councilman
17 Dickens was here and I know John Liu as well as
18 Melinda Katz are also on the Committee. And thank
19 you for the opportunity to address you this
20 morning. I will be brief. And thank you for
21 accommodating--

22 [Interposing] [Background
23 question]

24 CONGRESSMAN CROWLEY: I'm on the
25 way to catch a flight as well. So I want to thank

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2

you all and all the members of the Land Use

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Committee for having this hearing this morning,

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turning into this afternoon.

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I am here to provide testimony on

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behalf of myself, a lifelong resident of Queens,

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and a strong supporter of the redevelopment of

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Willets Point. Willets Point in Northeast Queens,

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which I represent a portion of, is a toxic and

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contaminated area amidst a region experiencing

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tremendous growth within Queens County. It's

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surrounded by communities such as Flushing and

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Corona which I know my colleague and friend

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Councilman Monserrate is very, very aware of which

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have reemerged as dynamic centers of economic

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activity in recent years. Yet Willets Point in

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some ways has stagnated.

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More than 4,000,000 people annually

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visit the area immediately surrounding Willets

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Point. They're going to the stadium to watch a

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Mets game, to the Tennis Center for the U.S. Open

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and to Flushing Meadows Corona Park to spend the

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day with their family. However despite its

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location between so many popular attractions

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virtually no one goes outside of those venues to

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2 spend time and their money, either in Willets
3 Point or in the surrounding communities.

4 The reason is that the area is
5 plagued by illegal dumping, petroleum leaks,
6 infrastructure deficiencies and natural challenges
7 such as poor soil conditions and high water tables
8 which causes severe and repeated contamination.

9 Willets Point may be geographically blessed but
10 the only way this community will be able to reap
11 the benefits of being so centrally located is to
12 conduct a comprehensive cleanup and remediation of
13 the area.

14 In 2004 the Willets Point Advisory
15 Committee chaired by Borough President Helen
16 Marshall set the groundwork for redeveloping
17 Willets Point by calling for the creation of a
18 vibrant mixed-use urban community leveraging the
19 areas nearby tourist attractions and traffic and
20 establishing a sustainable and growing community.
21 Since setting out that vision the City has crafted
22 an outline to bring all that to fruition.

23 The City has proposed constructing
24 new affordable housing, new retail and
25 entertainment venues, new parks and playgrounds, a

1
2 convention center, hotel and community space. And
3 under the plan Willets Point will serve as a model
4 for green development. The City will incorporate
5 sustainable principles in the plan and make
6 improvements that will improve all air quality and
7 pollution generally speaking.

8 The redevelopment will also lead to
9 the cleanup and renewal of Flushing Bay and Creek,
10 something that I've personally championed for over
11 a decade now. This project is about the future.
12 It's about the rebirth of a community, about
13 creating green sustainable communities for our
14 children and grandchildren. This is now more than
15 ever about creating good paying jobs, union jobs
16 and putting people back to work at a time when our
17 economy is experiencing tremendous downturn.

18 It is about affording opportunities
19 for women and minority owned businesses as well.
20 And frankly this project could not come at a
21 better time for Queens or for our City and I am
22 committed to seeing it move forward. I know of
23 and appreciate concerns raised about the
24 businesses and property owners and workers who are
25 currently at Willets Point. There is no doubt

1
2 that they should not be forgotten and pushed aside
3 during this redevelopment.

4 The City, I believe, and I will
5 stay on them, is working to ensure that they are
6 part of this process and that they too will see
7 benefits from new opportunities in Willets Point
8 in the future.

9 Again I thank the Committee for
10 this opportunity and appreciate the decisions you
11 have to make. Thank you.

12 CHAIRPERSON GARODNICK: Thank you.
13 And thank you for your presence here.
14 Congresswoman, go right ahead.

15 CONGRESSWOMAN VELASQUEZ: Thank you
16 Mr. Chairman and distinguished members of the
17 Subcommittee. My name is Nydia Velasquez and I
18 represent the 12th Congressional District in New
19 York in the House of Representatives and also
20 would like for the record to show that I am the
21 Chair of the Small Business Committee, that I also
22 represent part of Queens and the many of the
23 workers who work in those businesses come from my
24 District.

25 Mr. Chairman, Shea Stadium just saw

1
2 its last game unfortunately. However the Mets
3 will celebrate next spring when they move into
4 their new stadium, Citi Field, where more than
5 \$250,000,000 from the City of New York is helping
6 them build a state of the art new ballpark
7 complete with more luxury sky boxes. Just a few
8 blocks away the 1,500 workers in 250 businesses
9 who have been the Mets neighbors in Willets Point
10 for decades aren't so lucky.

11 Instead of helping them to upgrade
12 their businesses, the City is getting set to evict
13 them. Why? To build several thousand market rate
14 condos, 1,000,000 square feet of retail and
15 commercial space, and maybe, maybe a convention
16 center, at a cost of at least \$398,000,000 to the
17 City, probably more, even as the City's facing an
18 economic crisis and weakening housing market.

19 It just doesn't make sense. Don't
20 we need to protect manufacturing and blue collar
21 jobs rather than more luxury condos no one can
22 afford? I welcome the witnesses here and the
23 public to come to Green Point and Williamsburg.
24 And you will witness today how landlords are
25 offering special bonuses for people to move in

1
2 because of the economic crisis that we are in
3 today, are not providing for people to come and
4 pay the \$2,500 in rent for a one bedroom apartment
5 in Williamsburg.

6 So Willets Point is a great
7 location for manufacturing, warehouses and
8 automotive businesses for exactly the same reason
9 it is a foolish place for housing. It is bordered
10 by two regional highways. Planes from LaGuardia
11 fly over every few minutes. It is environmentally
12 polluted and there is no plan to clean up or
13 provide access to the contaminated Flushing River
14 on the edge of the community. In a recession who
15 does the City really think is going to pay top
16 dollar for a condo here?

17 Unfortunately the New York City
18 Economic Development Corporation doesn't know a
19 good thing when it sees one. They look at Willets
20 Point and see blight. I see \$1,000,000,000 of
21 business. I see the House of Spices, the largest
22 distributor of Indian food in the country
23 employing over 100 people and 3 generations
24 working at Feinstein Iron Works.

25 They see a burden on the health of

1
2 the City's residents and economy. I see several
3 hundred immigrants, entrepreneurs and workers who
4 have found a place to repair and recycle cars,
5 something we need, but mostly don't want in our
6 own backyards in a collaborative location
7 separated from peoples' homes.

8 This kind of land grab gives
9 eminent domain a bad name. Seriously neglected by
10 the City for decades, Willets Point has been
11 deprived of the most basic services such as
12 sanitary sewers, paved roads, sidewalks, snow
13 removal and trash pickup. In spite of this
14 neglect it has continued to thrive as a vibrant
15 business area. But now that they have big
16 Redevelopment Plans they're putting enormous
17 pressure on owners to sell.

18 The City doesn't want to use
19 eminent domain the owners are told, but if you
20 will just agree to sell your property to us, then
21 we won't have to take it from you. Even if the
22 Economic Development Corporation reaches a deal
23 with a handful of property owners, the vast
24 majority of businesses who mostly rent space and
25 workers will be displaced.

1
2 EDC says it will provide job
3 training but the program defines success as
4 serving only 15% to 20% of the current workers.
5 EDC says it will help relocate the 225 businesses
6 who rent their space but it hasn't even talked to
7 them yet. And as a result of rezonings by the
8 Bloomberg Administration, the land area where
9 manufacturing businesses can locate has shrunk by
10 20% in just a few years.

11 Of course it seems unlikely that
12 any developer will step forward at this moment to
13 build on such a risky site and almost impossible
14 that they could find a bank to lend them money.
15 In which case we will ask to give hundreds of
16 millions of dollars more in public subsidies or
17 perhaps after the businesses are evicted, the site
18 will just sit vacant. Then we will really see
19 what blight looks like.

20 What is the rush? Why are we
21 hurrying to drive out over 1,000 blue collar jobs
22 in the midst of a recession? That doesn't make
23 sense. In order to spend hundreds of millions in
24 taxpayer dollars to build luxury condos that it is
25 unclear anyone wants to buy. The possible end of

1
2 a Mayoral Administration is not a reason to push
3 through a bad plan quickly.

4 Let's save the taxpayer's money and
5 worker's jobs. Send the plan for Willets Point
6 redevelopment back to the minor leagues where it
7 belongs. Instead the City should work with the
8 owners and workers just like they did with the
9 Mets to help them strengthen and improve and grow
10 their businesses.

11 Thank you Mr. Chairman.

12 [Applause]

13 CHAIRPERSON GARODNICK: Thank you.
14 Thank you Congresswoman.

15 [Gavel banging]

16 CHAIRPERSON GARODNICK: Folks
17 please. Sorry, sorry I have to caution you again.
18 We really can't have the applause in here and I
19 appreciate that there are many supporters of the
20 Congresswoman's testimony but we need to keep this
21 hearing in order and that just slows up the
22 process and slows up the day when I have to remind
23 you of that. So please. Thank you Congresswoman.

24 And now Borough President
25 Marshall. Thank you.

BOROUGH PRESIDENT HELEN MARSHALL:

Good morning. I'm Borough President Helen Marshall, the Queens Borough President. We are here today to consider applications that are necessary to bring the Willets Point Redevelopment Plan to fruition. There was a time when Willets Point and its sparse surroundings were conducive to the industrial uses that we see today. However starting with the first World's Fair in 1939, Willets Point and the surrounding area has been steadily growing and transforming into a far different place.

Today the industrial area is surrounded by the U.S. National Tennis Center, Flushing Meadows-Corona Park which includes the Queens Museum, the Theater in the Park, Hall of Science and the recently opened Olympic sized swimming pool and ice skating rink. And pretty soon, Citi Field will be right next door.

In addition to those invaluable assets Willets Point is central to LaGuardia and Kennedy Airports. The area is strategically located within the street and highway system and accessible mass transit. As importantly as it is

1
2 flanked by Corona and Flushing, both of these
3 communities are flourishing, dramatically.

4 The first order of business though
5 must be to take care of the existing owners, the
6 people who own the property and EDC has been
7 working very steadily with them. And I can
8 understand their concerns. They've done very
9 well. Most of those companies are into the third
10 generation and we want to preserve those kinds of
11 businesses.

12 What we're saying is let us, help
13 us, we are going to find a good place where your
14 business can be moved, where you can grow and
15 flourish in a lot better place than you are right
16 now. Willets Point should be a thriving 24 hour
17 community, capable with its surroundings, with a
18 variety of commercial and retail activities and
19 employing thousands of New Yorkers with well
20 paying jobs, providing goods and services for
21 visitors to the existing cultural and recreational
22 areas.

23 The Willets Point Redevelopment
24 Plan would bring that and more. The plan will
25 provide new jobs and economic opportunities during

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2 and after construction. And I want to add that
3 one of my main concerns because EDC is taking care
4 of the main stakeholders, are those people who are
5 renters and most of them are doing automobile
6 repair. There is a good plan for them that I have
7 in mind. And we're working on that privately,
8 okay because we are not allowed to talk to them
9 because they are tenants. And we can't go against
10 their landlords and talk to them until the proper
11 time comes.

12 Upon completion there will be a
13 LEED certified neighborhood--

14 SERGEANT AT ARMS: [Interposing]
15 Quiet please.

16 BOROUGH PRESIDENT MARSHALL --with
17 new retail and commercial opportunities that
18 complement the immediate area, Corona and
19 Flushing. There will be eight acres of open space
20 and that does not and cannot exist in the Willets
21 Point today. There will also be a new hotel, a
22 multi-purpose convention center with easy access
23 to the airports, area highways and mass transit.

24 The new Willets Point will also be
25 a new residential area with a range of housing

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2 opportunities on all income levels. I am pushing
3 for 50%. With the future in mind we also
4 recognize that the existing Willets Point
5 businesses and employees will need help. Business
6 owners will be assisted in relocation, employees
7 will be provided with job skill training and
8 enhancement and also with jobs.

9 LaGuardia Community College is
10 providing the Workforce Assistance Program that
11 will offer various services. Recently I joined
12 the LaGuardia Community College, EDC and Unite
13 Here to announce the New York Hotel Trades
14 Council--Hotel Association of New York Industry
15 and Training Program. They will provide jobs for
16 workers and jobs training for workers.

17 As a Chair of the Willets Point
18 Advisory Committee I organize and work with 34
19 M/WBE and labor experts to create a participation
20 plan to assure that local minority and women owned
21 businesses will be ready and able to participate
22 in the redevelopment of Willets Point.

23 Additionally I, with the Queens
24 Chamber of Commerce and the City of New York, have
25 launched a Keep it in Queens Online Directory that

1
2 will be a one-stop, one-shop connection of Queens
3 based businesses and suppliers to economic
4 development projects. Throughout the Borough this
5 will be useful in Willets Point and for the entire
6 Borough.

7 To this point we have been doing
8 all the preparatory work necessary for the
9 redevelopment of Willets Point. We are now at a
10 crucial juncture. All of the ULURP applications
11 are now before the Council and they have been
12 approved by Community Board 7 and my own office
13 and the City Planning Commission. Through the
14 approval process the City has engaged all parties
15 in an effort to shape this project to best meet
16 their needs. Without listing all of the
17 refinements that have been made, it's important to
18 note that many steps have been taken and more will
19 be done to meet those needs.

20 Only with the City Council's
21 approval can the future vision of the
22 environmentally sound Willets Point, with a
23 thriving 24 hours community, be activated by new
24 restaurants, a hotel, a convention center. And
25 there will not be high expensive condos,

1
2 Congresswoman, these are going to be people in our
3 area who really need apartments and houses. A
4 hotel and a convention center, publicly accessible
5 open spaces and commercial uses providing the area
6 with new workers, residents, goods and services
7 that will come to pass.

8 I strongly urge the City Council to
9 approve this application so that we can continue
10 the forward transition of Willets Point. Thank
11 you for your cooperation.

12 CHAIRPERSON GARODNICK: Thank you
13 Madam Borough President. Please folks. Hold your
14 applause. And now Assemblyman Weprin.

15 ASSEMBLY MEMBER MARK WEPRIN: Thank
16 you. My name is Mark Weprin and I am an Assembly
17 Member in the 24th Assembly District in Queens
18 County. I have submitted testimony. I'm not
19 going to read my whole testimony since a lot of
20 the same points were mentioned by Congressman
21 Crowley and the Borough President. But I just
22 want to emphasize and add my voice as Chair of the
23 Assembly's Small Business Committee and someone
24 who represents the residents of Queens County, how
25 important I think Willets Point is to the entire

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county.

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It was mentioned how--it really is embarrassing the condition that Willets Point is in now. And I too know that these land owners and the property owners deserve to be compensated. And they will be compensated. And if they make a deal they're going to be compensated at a very high level compared to the market value.

Obviously the workers, we need to do everything we can to make sure that they find employment. But that one location is a lynchpin to the economic and cultural vitality of that whole area.

And my colleagues who are up there, especially Councilman Liu and Senator Monserrate, I mean Councilman Monserrate is there. You know, this is a connection between your two communities that could help the economic businesses in your communities enormously. And I'm not telling you something you don't already know.

People don't like to cross that bridge because they're scared of what's going on at Willets Point. It's a frightening sight. In addition, and I know this is close to Councilwoman Katz' heart, the cultural institutions in that

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park are completely underutilized. And we all know this.

The Queens Museum of Art as the Borough President mentioned, the Queens Theater in the Park, the Queens Zoo, the Botanical Gardens, the Hall of Science, all completely underutilized and great locations. This is a chance to create a place, a destination in Queens. Too many people just Queens as just a point to stop and the airport and pass through. That really can be helpful.

And truthfully if there was a vision on this, I know in Baltimore in the Inner Harbor there, they said that area was a blight and nothing could be done with it. It's become a huge tourist attraction because they used the waterfront and make it into a place to go. And it happens to be right next to two stadiums, also.

So there's a lot of similarities there and I think by trying to clean up that waterfront, we can make Willets Point and Flushing Bay into a real destination and create a rise in the tide that will lift all the boats and all the businesses in that area as well as those cultural

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2 institutions which are so important to Queens
3 County.

4 So that's my basic point and I
5 appreciate the opportunity to talk to you all
6 today. Thank you.

7 CHAIRPERSON GARODNICK: Thank you
8 very much. And we appreciate all of your being
9 here. WE do have a comment or a question from
10 Council Member Monserrate before you go.

11 COUNCIL MEMBER MONSERRATE: Thank
12 you very much Mr. Chair. I'd like to thank the
13 four of you for participating in today's hearing.
14 Willets Point is most definitely is probably one
15 of the most important issues facing Queens, the
16 largest potential economic development project.
17 Particularly I'd like to congratulate
18 Congresswoman Velasquez in her eloquent
19 presentation.

20 I think really and perhaps I have
21 to also accept the fact that I have been the
22 loudest bullhorn with respect to certain issues.
23 The issue with Willets Point is really
24 philosophical and ideological about how government
25 places resources for the benefit of people. We're

1
2 going to have our differences. But I think one
3 thing that has really galvanized this body, and
4 I'm an extremely proud member of the City Council
5 for what we have done, is we have raised the issue
6 particularly as it relates to property rights.

7 And I encourage you, all of you and
8 the other colleagues who have signed the letters
9 that I've gotten, to continue to urge the
10 Administration not to invoke what potentially
11 could be a government abuse against our
12 constituents which is the use or misuse of eminent
13 domain.

14 Secondly, though I appreciate the
15 statements, you know, I don't know what the
16 endgame of the Administration was when they
17 originally presented the project. The project has
18 developed. It has a lot of factors that make it
19 better today than it was. Better today than it
20 was, but I'm not saying that we're there yet.

21 But I also have an underlying
22 concern about the constituencies that work every
23 day at Willets Point because they're people who
24 come from my community. They're people of color.
25 They're entrepreneurs. And they're doing the

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2 right thing. And a lot of them are here today at
3 this hearing. Those are our constituents in the
4 Borough of Queens. And we need to ensure that
5 whatever winds up happening at Willets Point, that
6 they are the beneficiaries of something that's
7 positive.

8 I've outlined to the Administration
9 that no one should be a loser in a \$4,000,000,000
10 project. And I encourage you to work with me to
11 achieve that. Thank you very much for
12 participating today.

13 CONGRESSMAN CROWLEY: Could I, just
14 momentarily respond--

15 CHAIRPERSON GARODNICK:
16 [Interposing] Absolutely.

17 CONGRESSMAN CROWLEY: I couldn't
18 agree with you more Council Member Monserrate.
19 And I don't think any of our testimony, in fact I
20 know in my testimony I alluded to the fact that
21 they should not be pushed aside. And that
22 whatever is developed at Willets Point will be to
23 the betterment not only of the broader Queens and
24 broader City audience but to those workers as
25 well.

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2 If there's opportunity, and I know
3 Borough President mentioned the work potentially
4 that will go on with LaGuardia Community College.
5 That's not the end. I mean that's not the
6 beginning or the middle, that's part of more I
7 think that we need to do to ensure and--and I
8 sympathize, as you know, philosophically with
9 those workers as well. I'm not far removed myself
10 from their story. So I do appreciate that. And I
11 do appreciate the hard work that they're engaged
12 in.

13 I've also, though, had the
14 opportunity to visit that site on a number of
15 occasions. It's not a place where I think--I
16 don't think it's a healthy place to be working
17 quite frankly. And I think there were other
18 issues that need to be taken into consideration as
19 well as their wellbeing as well. Maybe we all
20 have to address, and that includes remediation of
21 that site. And the one thing and last thing I'll
22 say is I will work on my elocution for you as
23 well. But thank you Councilman, I don't disagree
24 with you--

25 CONGRESSWOMAN VELASQUEZ:

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2 [Interposing] If I may.

3 CONGRESSMAN CROWLEY: --at all.

4 CHAIRPERSON GARODNICK: Yeah

5 Congresswoman.

6 CONGRESSWOMAN VELASQUEZ: If I may,
7 Mr. Monserrate thank you so much. And Mr. Liu, I
8 know that you have been very much concerned and
9 working hard to make sure that the process is one
10 that is fair. But you know what? I represent
11 Brooklyn. We have gone through rezonings so many
12 times. I've been there when they promise
13 affordable house. Well, we're still waiting for
14 affordable housing in Williamsburg and Green
15 Point.

16 And you know what? This is an
17 Administration that has a poor record when it
18 comes to protecting manufacturing jobs. In every
19 rezoning the losers have been small businesses.
20 So I encourage you to really fight hard on behalf
21 of the small businesses. Yes, Willets Point,
22 everybody talks about Willets Point, how does it
23 look? How there is no infrastructure?

24 Shame on the City of New York and
25 this Administration and previous administrations

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2 who didn't provide the resources that have been
3 provided in other areas. Look at the
4 infrastructure, there's none. This sounds great
5 when you read it. Support local minority and
6 women owned businesses, I've been there too many
7 times and again in any rezoning they are the
8 losers.

9 So make sure that in any agreement,
10 and at the end of the day, that they include, how,
11 what it will be the percentage, going to small
12 businesses. It should be at least 30%. Women
13 owned businesses; it should be at least 5% or 10%.
14 It sounds great but if there are not measurable
15 ways to make sure that those goals are
16 accomplished it means nothing.

17 CHAIRPERSON GARODNICK: Thank you
18 Congresswoman. Borough President Marshall.

19 BOROUGH PRESIDENT MARSHALL: Yes I
20 have to respond to that because I have been asked
21 and I have pulled together a committee of minority
22 and women owned business and unions, and we just
23 had a big press conference on the steps of City
24 Hall this morning on the unity of our unions even
25 working with us. There'll be prevailing wage, and

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2 I know all about that because when I was in the
3 Assembly I was on the Labor Committee. And we
4 established prevailing wages for those workers who
5 were doing all kinds of construction work and not
6 being properly appropriated.

7 Plus I was the Director of the
8 Manpower Center for eight years where I worked
9 mostly--exclusively with the same population.
10 They need all kinds of help but one thing they
11 surely need is they need a job. And we need to
12 make sure that we place them. I'm not at liberty
13 to tell you all the things that we've been doing
14 because it's all part of our future thing. As
15 soon as we get permission we will be working with
16 them.

17 But LaGuardia Community College is
18 not asking them to come to the college. They're
19 brining the bus there that I paid for, where they
20 can help people. They're going to be right on the
21 spot so workers don't have to lose time and they
22 will get help immediately. They have all kinds of
23 help necessary. They have immigration help. They
24 need all kinds of family help and certainly they
25 need places to live and they also have large

1
2 economic problems because they're also not being
3 paid what is normally paid. They get 17% less of
4 pay than people working in auto shops around the
5 City.

6 CHAIRPERSON GARODNICK: Thank you--

7 BOROUGH PRESIDENT MARSHALL:

8 [Interposing] And they're working under, they're
9 working on top of bare earth. Bare earth. No
10 plumbing fixtures, got it? Okay.

11 CHAIRPERSON GARODNICK: Thank you
12 Madam Borough President. I want to welcome one of
13 our colleagues, Council Member Diana Reyna who has
14 a question.

15 COUNCIL MEMBER REYNA: Perhaps it
16 may not be a question. I just wanted to revisit
17 and perhaps continue the comments of what has been
18 already mentioned from Council Member Monserrate
19 who eloquently has been on target with saying that
20 this is bad public policy. And I agree. You
21 know, this is a very respectful and powerful panel
22 right now in front of us.

23 And I just want to point out to
24 you; there is a fundamental problem here when the
25 City of New York says to property owners that have

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2 been property owners, generation after generation,
3 some new property owners, within an area of land
4 that has been neglected purposely and neglecting
5 it has contributed to the undervaluing of this
6 land.

7 So therefore the City's going to
8 take advantage, provide the execution of the power
9 it has for eminent domain, abuse it by taking
10 land, and pricing it at a level that will not
11 merit what these property owners will have to go
12 through to relocate, to start up their businesses
13 all over again, running the risk of trying to find
14 land that right now, industrial and manufacturing
15 spaces do not exist. Do not exist. We've
16 redeveloped them or on their own, have been
17 illegally converted, and this Administration has
18 very little enforcement when it comes to illegal
19 conversions.

20 And number three, property owners
21 are not interested in industrial and small
22 business manufacturing spaces. What they are
23 interested in is making money. Everything has to
24 become in the City of New York, a residential unit
25 in order to get top dollar. Now the market is

1
2 changing. I don't know where we're going to put
3 these waste transfer facilities without retracting
4 or negating on the points of agreement where the
5 SWAM plan, the Solid Waste Management Plan was
6 supposed to bring Borough self-sufficiency.

7 This will violate that point of
8 agreement, that memorandum of understanding, that
9 we negotiated in this Council and fought hard to
10 supply the demand of equity across the City of New
11 York when dealing with waste. I have 16 waste
12 transfer stations in 1 Borough, in one Community
13 Board. That's Community Board 1.

14 And within that industrial park,
15 across the street from 1 of these waste transfer
16 facilities, the, mind you, the biggest waste
17 transfer facility, this Administration is the same
18 Administration that decided to put 400 single
19 occupancy men's shelter across the street. And
20 not too far from that, 2 blocks away, a family
21 shelter of 200 families. So we really aren't
22 dealing with affordable housing.

23 We're not dealing with small
24 business entrepreneurship opportunities. We're
25 not dealing with M/WBE contracting. We're not

1
2 dealing with the securing of the rights of
3 property owners. We're infringing upon the
4 public. And there's this talk about term limits
5 and the extension.

6 To me this is a public policy issue
7 that we should all be rallying around and making
8 certain that we don't make this the precedent for
9 future developments. Because what we're saying is
10 that we're going to open the door wide open for
11 you to do as you please as a government and take
12 away land that has been developed on people's own
13 cost.

14 And I know Chairman I'm taking
15 longer than anticipated but it is very important
16 for me to share that we have to be very careful
17 where we stand on this issue. Right now our
18 rezoning from 2005 in Williamsburg, Green Point,
19 is marketing apartments for a studio at \$886 per
20 month. And you have to earn \$37,370 up to \$43,000
21 for a studio apartment. That does not market to
22 the families in Williamsburg, Green Point. That
23 markets to anyone else other than.

24 In addition to that I have union
25 members already calling that have jobs at Willets

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2 Point. Where is the protection of those union
3 members versus union members that want jobs
4 secured for them in the near future? So this is
5 union versus union right now. We're not talking
6 about a net gain; we're talking about a net loss.

7 So I just want to be clear about
8 the facts. When we're talking about Willets
9 Point, there's much more discussion at hand that
10 has not been revealed to the public. And we have
11 to start educating the public on where this
12 Administration stands when it comes to standing
13 for unions, when standing for worker's protection
14 rights, when standing for affordable housing, when
15 standing for infringing on the rights of property.

16 There's so much here. And in one
17 hearing, it's not enough to begin to discuss this
18 issue. And 12% negotiating with property owners
19 at Willets Point is nowhere near an
20 accomplishment. There's so much long to go,
21 \$1,000,000,000 are reserved for this project
22 alone. And meanwhile we're cutting youth
23 services, senior services, day care services. The
24 list can go on and on.

25 But \$1,000,000,000 are reserved for

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2 this one project. That upon the ULURP action will
3 be released. So there's no telling what
4 negotiations will reach because those property
5 owners will be thinking they're going to get
6 something when in fact we don't really know.

7 CHAIRPERSON GARODNICK: Council
8 Member Reyna. I have to ask you to--

9 COUNCIL MEMBER REYNA:
10 [Interposing] Thank you Mr. Chair. And thank you
11 to this panel. I know that you're not the
12 Administration. But I needed to just express to
13 you my strong opposition on Willets Point
14 redevelopment.

15 CHAIRPERSON GARODNICK: Thank you
16 very much. Folks.

17 [Applause]

18 [Gavel banging]

19 CHAIRPERSON GARODNICK: Thank you
20 Council Member Reyna. We appreciate your comments
21 and we thank this panel for their time and for
22 their patience. And we're delighted to have you
23 here today. Thank you.

24 I'd like to invite the next panel.
25 This is a panel of Dan Scully, Peter Tully, Dan

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2 Feinstein and the former speaker of this body,
3 Peter Vallone, Sr. We're delighted to have you
4 here as always. And as soon as you're settled
5 we'll go right ahead and get started. I
6 understand that there is a PowerPoint presentation
7 involved here. So we'll just get ourselves set
8 and we'll get moving.

9 [Pause]

10 CHAIRPERSON GARODNICK: Mr.
11 Speaker, are you starting us off--

12 FORMER SPEAKER PETER F. VALLONE,
13 SR.: [Interposing] Yes I will--

14 CHAIRPERSON GARODNICK: --okay. Go
15 right ahead.

16 FORMER SPEAKER VALLONE, SR.: --
17 thank you very much. Before you hear from the
18 parties that are mostly affected with what's going
19 on in Willets Point, let me just preface it by
20 saying I just came from the other side of the
21 hall, testifying how important it was for the City
22 Council to remain an independent body and why 12
23 years is far more important than 8 years. I did
24 that as the former Speaker and as a citizen.

25 I'm here today representing Willets

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2 Point Industrial Real Estate Association, as a
3 consultant and lobbyist. But I would be saying
4 the same exact thing today if I wasn't a
5 consultant and a lobbyist because what the
6 Administration has done now, and while I admire
7 and respect Bob Lieber and Seth Pinsky who are
8 trying to make lemonade out of a lemon, let's
9 actually talk about two things that I want to
10 concentrate the City Council on.

11 One is jurisdiction. It took many,
12 many years for the United States Supreme Court to
13 declare the Board of Estimate [phonetic]
14 unconstitutional and to say that only the City
15 Council, only the City Council has jurisdiction
16 over land use. And while the Administration may
17 propose, as it does a budget, this Council has to
18 dispose.

19 I would like to know if there would
20 be any part of this City that hadn't had essential
21 services for almost a half a century, no
22 sanitation, no police, no roads, no sewers, if
23 anyone in any district could have a half a century
24 of neglect and still, still be part of the City.
25 But that's exactly what's happened to Willets

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2 Point.

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This is an Iron Triangle, ideally suited for manufacturing, for industrial work, which is what it's doing. It has provided billions of dollars in revenue and economic activity to the City of New York over the last half a century and still provides hundred of millions of dollars on an annual basis. 10 businesses alone which represent more than half of the property, 10 businesses alone have 1,300 union workers. That doesn't count the dozens and dozens of other businesses outside who are not included in these 10 businesses that have hundreds of more workers.

And what you see is pictures of what appear to be blight but really are neglect. AS a matter of fact, for the first time ever, although we've been asking for it for two years, we heard their engineer say today that they don't know if this is contaminated. They assume it's contaminated. Well it's being used for industrial use now, and you have one of the biggest environmental people in the City of New York Tulley Construction who cleans up environmental

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2 disasters all over the City, who've cleaned up
3 their property.

4

5 The Department of Environment, both
6 State and City say it's fine. They've cleaned up
7 their property. They say it's fine. It's fine
8 for the use that's being used now. You want to
9 change the use, maybe you'd have to change some of
10 the environmental cleanup. But there's no poison
11 in the property where they're located. What they
12 show you is where is hasn't been cleaned up, where
13 you have flooded streets, no sewers, that's not
14 what you see if you wanted to take a look at what
15 the actual businesses are doing there.

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So it's wrong-headed. None of
these people want to leave. All of these people
wanted to clean up, nobody wants it more cleaned
up than the businesses that are there, than the
people that are working there. They've been
crying with the Borough Presidents and with the
Administration all these years, they've been told
that they're part of the future. It's only in the
last two years that they've been told, oh, we were
only kidding. We really don't want to clean you
up. We want a convention center. We want to do

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2 this. We want to do that. We never really were
3 serious about helping you out.

4 So now you have a situation where
5 they're asking the Council to say yes you have
6 land use power but we will, the Executive Branch,
7 we will make this so much better. We will do all
8 kinds--we don't know what you're going to do yet.
9 We don't have a developer. This is not Atlantic
10 Yards where, whether you like it or not, you had a
11 developer who already bought the property and they
12 only used eminent domain for a very small piece.

13 This they're going to use eminent
14 domain for the whole thing. And they're going to
15 change an industrial area and if you read the
16 testimony which I just looked at, in terms of what
17 the Mayor just said. He just said in their
18 testimony "it takes a long time". Let me just get
19 this out here 'cause there was so much testimony
20 but I want to get to the--here it is. It says it
21 took a while to get to this point, s while to get
22 to this point.

23 Since many of the businesses are
24 reluctant to meet with or engage, they didn't want
25 to leave. They don't want to leave so they're

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2 reluctant to meet, is that understandable? Or to
3 negotiate at the outset, but over the last two
4 months, Mr. Council Member Liu you asked this
5 question, over the last two months, we've seen
6 real pick-up, candidly the process of finding a
7 suitable relocation site can be lengthy. Are you
8 kidding me?

9 You just heard some expert
10 testimony, where are you going to find these
11 industrial sites? Where are you going to find
12 another transfer station? Where are you going to
13 find another steel factory? Where are you going
14 to find another--as a matter of fact, most of the
15 steel that you see being used in the City of New
16 York comes from Willets Point? Feinstein Steel.
17 The first people to arrive on 9/11, the first
18 workers to arrive on 9/11 to the dirtiest and best
19 job that could possibly be done to save people was
20 Tulley Construction.

21 [Pause]

22 These are the businesses that
23 they're saying are poisons. You heard their
24 engineers say I don't know. It's assumption. I
25 assume it's poisoned. For what use? For

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residential use? Maybe, you need something

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cleaned up for residential. But this is

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industrial use. And it's fine. Department of

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Environmental Protection is saying so. So what

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are we doing here?

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You're saying to these people, all

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right, look, you have no choice. We're going to

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take your property one way or the other. So sit

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down and negotiate. It's like putting a gun on

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the table and saying let's fairly say what's your

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property worth because you have to go. Where am I

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going to go? Well we don't know. We don't really

14

know. Why don't you go out and find someplace

15

where you can go?

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Could you imagine going to your

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home and telling you, you've got to move 'cause I

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want to put a bigger home here? So why don't you

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go find a place where you'd like to move. But why

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do I have to move? Well because your property is

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bad. Can you prove that? Well yeah, we hired

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people. Well what did they say? We don't know.

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We assume it's bad. That's what you're doing

24

here. It's wrong-headed.

25

And while I admire Mr. Lieber and

1
2 Seth Pinsky for the first time anybody even
3 listened to them, the first time anybody even
4 listened to them, was just in the last year or so.
5 But up until that time it's a disgrace folks.
6 It's an absolute disgrace. So whether I'm paid or
7 not, I can't believe that the Council would say to
8 the Administration oh, hey, okay, take over.
9 You're--forget our jurisdiction. You take it over
10 'cause you know better than us.

11 That's one of the rotten things
12 about term limits. Because when you're gone with
13 the experience you have, perhaps the next group is
14 going to say well really it's up to the
15 Administration to come up with term limits, make
16 the decisions. Anyway. You'll hear from the
17 people that are actually affected now.

18 CHAIRPERSON GARODNICK: Okay.
19 Thank you very much Mr. Speaker. This panel, I
20 just should remind you, we have about five minutes
21 left. So however you wish to allocate it, go
22 right ahead.

23 MR. DAN SCULLY: Well thank you
24 first of all Mr. Chair for having us here. I have
25 prepared a PowerPoint presentation which I think

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2 will alleviate a lot of other testimony, so I'm
3 asking for a little bit of leniency in terms of
4 getting through it. You know, we tried to address
5 all these points sort of as they've been coming at
6 us. You know, in terms of our presentation today,
7 there's several things we really want to talk
8 about.

9 First of all the flaws in the
10 plans. We believe that there's many
11 misrepresentations that have been made regarding
12 the site and regarding this project. We want to
13 talk a little bit obviously about eminent domain.
14 And the Speaker eloquently spoke about the ULURP
15 process and also some alternatives to consider.

16 You know, one of our main problems
17 here with the plan is there is no final plan. You
18 know, we've all seen the wonderful artist's
19 renditions of what downtown Willets Point is going
20 to look like in the future. And of course we're
21 going to have thousands of housing units, retail,
22 hotel, we're going to have a convention center,
23 open space, new public school, LEED certified
24 green buildings. There's going to be something
25 for everybody in this project.

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2 Of course, there's another project
3 that Councilman Liu might be familiar with and
4 this is the Flushing Commons Project. And if you
5 take a look at that picture, it looks sort of
6 similar with the exceptions of the balloons
7 floating around in there.

8 [Pause]

9 This was a \$500,000,000 project
10 that was down in Flushing Commons. And it had a 1
11 acre open space which was supposed to be
12 maintained by the developer. It had 2,000 cars
13 [phonetic] at below market rate in response to the
14 community, 50,000 square foot recreation center, a
15 business class hotel. We've got residential
16 units, 20% of those that were supposed to go to
17 seniors. We have retail, restaurants and multi-
18 screen. We're going to be creating jobs. And of
19 course let's not forget that we're going to have
20 green building here as well.

21 This project was awarded to
22 Rockefeller and TDC Group back in July of 2005.
23 Three years later the status of this project,
24 nothing's happened down there. There's no start
25 date. The developer apparently cannot provide the

1
2 community benefits that it agreed to provide to
3 Flushing. And I'd like to point out that this is
4 a project where the City owned 100% of the
5 property. They had selected a developer
6 beforehand.

7 And we feel that one of the
8 problems with this project was that it basically
9 collapsed under its own weight. There were too
10 many burdens put on the developer. And that's
11 what we see as the second problem with this plan.
12 There is no developer. And without the developer,
13 the EDC sits here and they're making all kinds of
14 promises that it hopes some developer is going to
15 step forward and accept. The developer's going to
16 be required to pay for site remediation. We've
17 heard that's \$500,000,000. There's a fund for
18 \$5,000,000 for traffic mitigation. The Community
19 Board actually asked for a \$300,000,000 traffic
20 mitigation fund.

21 They're going to have to construct
22 a convention center which is traditionally a lost
23 leader. There's no profit in that for a
24 developer. They're going to have to provide a
25 minimum of 20% affordable housing. And they're

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2 going to have to construct and maintain their own
3 streets and sewers. And they're going to
4 construct a K through 8 school. Again, not a
5 profit center for a developer. So, you know, we
6 see this as a real problem in terms of trying to
7 get this project to go forward.

8 And of course the third issue is
9 the cost estimates. You know, we heard testimony
10 today that this project's going to cost the City
11 only \$400,000,000 and maybe we're going to recoup
12 that. But, you know, as late as October 14th, this
13 week, the New York Times reported that there's an
14 end seen to the New York building boom. You know,
15 where are these developers coming from? There's
16 major projects being shut down all over the City
17 and we've already heard testimony that school cuts
18 are coming. We've got police cuts coming. We've
19 got cuts across the board throughout all kinds of
20 City services.

21 Again we heard that there's going
22 to be \$150,000,000 for infrastructure. That
23 infrastructure is supposed to cover a sewer that
24 is going to run from 108th Street a few miles down
25 Northern Boulevard. It's going to have to

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2 intersect the Grand Central Parkway. So they're
3 going to have to dig under the Grand Central
4 Parkway and bring that finally over to Willets
5 Point Boulevard.

6 In addition that same fund is
7 supposed to construct a new entrance ramp to the
8 Van Wick. They've allotted \$250,000,000 for
9 business acquisitions, so a total of \$400,000,000.

10 If you look at this in a realistic
11 sense there's 2,000,000 square feet of privately
12 held property in Willets Point. That means that
13 the EDC has allocated only \$125 per square foot to
14 purchase the land, purchase the fixtures and
15 relocate any of the businesses there. And that's
16 what's required under the eminent domain law.
17 That's not even through negotiation. So that's a
18 minimum amount. So the land acquisition could
19 actually double in cost as we believe a lot of
20 these infrastructure costs will, and we think that
21 the total price tag of this project could reach
22 \$1,000,000,000 to the City.

23 [Pause]

24 You know, we've all heard testimony
25 about the contamination that's at Willets Point.

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2 And this is something that we've argued with the
3 Administration with from the beginning. We've
4 felt that it's a very self-serving statement from
5 them on both the contamination and the flood plain
6 issue that they keep continuing to raise here.
7 And that that's giving them a free hand to say we
8 just can't do anything else but get rid of all
9 these businesses so we can clean it up. But... let
10 me just get through, I'm sorry.

11 As far as the contamination goes,
12 every single presentation I've heard of it
13 referred to as the Valley of Ashes from The Great
14 Gatsby. And in fact, one of the pictures that was
15 shown by the EDC is not Willets Point at all
16 because many of the City's areas have been formed
17 by ash fills or garbage dumps. And this is a
18 known fact by the DEC and by many people. Riker's
19 Island was originally 87 acres. Today it's 130
20 acres. And that's actually one of the pictures
21 that the EDC showed us earlier. It was Ricker's
22 Island being filled in.

23 Jamaica Bay after they got done
24 with Ricker's Island, they went down and created
25 the Jamaica Bay inlet. Ferry Point Park up in the

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2 Bronx, part of Astoria have been all filled
3 projects over the years. So the fact that there's
4 some coal ash in Willets Point is really
5 irrelevant. You know, this is how a lot of this
6 City was built unfortunately. And that comes from
7 The Fat Old Land, Garbage in New York by Benjamin
8 Miller, if you want to know what the source is.

9 The EDC keeps talking about that
10 the requirement to move all these businesses and
11 in fact they're not going to remove any of the ash
12 that's there. That's not the clean-up plan here.
13 What they plan on doing is they're going to find a
14 few small hot spots that exist there today around
15 maybe a tank that happened to be leaking or an old
16 gas station. They're going to clean up those
17 small hot spots and then they're going to take six
18 feet of fill and basically landfill the rest of
19 it. They're going to just cover it right over and
20 that's going to be their answer to remediation in
21 Willets Point.

22 And the problem with that is that
23 the City hasn't considered the fact that you are
24 on a marsh area there. When you put 6,000,000
25 yards of fill on top of a marsh, you're going to

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2 push it down like a big sponge. And what you're
3 going to do is squeeze out anything that's
4 underneath there. There's contaminated water that
5 has been shown under Willets Point. If you push
6 that contaminated water down, there's a very good
7 chance that you're going to contaminate the sole
8 source water aquifer that currently exists under
9 Willets Point. And you can look in the
10 Environmental Impact Statement because it refers
11 to this sole source aquifer and the fact that it
12 is a major concern to the City of New York.

13 CHAIRPERSON GARODNICK: Let me just
14 caution you for a moment. I gave you a little
15 extra time because there are more of you than we
16 expected--

17 MR. SCULLY: [Interposing] Okay.

18 CHAIRPERSON GARODNICK: But just
19 please keep an eye, because we have to be fair to
20 the other folks who are here as well.

21 MR. SCULLY: Okay. I'll try to
22 rush through to the end. You know, we have, and I
23 want to--I think it's very important to address
24 this remediation issue because the administration
25 can't have it both ways. In one sentence they're

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2 telling us that the water from underneath Willets
3 Point is contaminating the Flushing River and in
4 the next breath their own expert gets up here and
5 testifies that soil right next to this supposed
6 contaminated property is not contaminated. And if
7 you review the EIS, there is no contamination that
8 they have found in the soil at Willets Point of
9 the tests that they have done. So either this
10 water is migrating or it's not migrating.

11 You know, we have cleaned up a lot
12 of our properties there in Willets Point. We've
13 worked with the DEC and we have had clean sign-
14 offs from our property after testing.

15 As far as the flood plain goes, you
16 know, suffice it to say that Willets Point is in
17 the same flood plain as World Financial Center and
18 most of the shoreline around New York City. And
19 the idea that we have to raise it six feet to get
20 out of this flood plain is just absurd.

21 The traffic, you know, I think
22 we're going to have further testimony that the
23 traffic is just a disaster there. Now the EIS
24 determined that there are--of the 29 intersections
25 they studied, 12 to 13 will have unmitigatable

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2 impacts associated with them. And throughout the
3 EIS they continually claimed that the
4 modifications cannot fix this traffic problem.

5 I'm just trying to move along
6 quickly for you.

7 You know, in terms of relocating
8 our businesses, you know, there are manufacturing
9 businesses here that want to stay. They want to
10 stay in New York City. We have transfer stations
11 here that cannot be easily relocated. And, you
12 know, this is not for lack of trying. You know,
13 the representation's been made by the EDC that the
14 property owners have basically not negotiated with
15 the City but, you know, this has been on their
16 priority list for four to five years. We've been
17 around for three years now. And, you know, where
18 have these guys been?

19 CHAIRPERSON GARODNICK: Thank you.
20 Thank you for your testimony. I suspect that
21 you're about to get some questions which may
22 elicit some of the rest of what you were about to
23 say--

24 MR. SCULLY: [Interposing] All
25 right.

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2 CHAIRPERSON GARODNICK: --but in
3 fairness, let's go to the questions now. And
4 you'll have a chance to get into what I suspect
5 you want to say next. Council Member Monserrate.

6 COUNCIL MEMBER MONSERRATE: Yes.
7 Thank you very much Mr. Chair and to the Realty
8 Association for your hard work. I have to tell
9 you that my heart has gone out to you since day
10 one, having to fight and advocate for what's
11 yours. And this project has presented great
12 challenges to this Council and to this City. And
13 hopefully at the end of the day we'll be in a much
14 better place.

15 I'm going to direct my first
16 question to the Former Speaker of this very House
17 and institution which I know he did a tremendous
18 job at shepherding out, throughout the years. And
19 Mr. Former Speaker Vallone, I have a question as
20 it relates to this issue of the ULURP process
21 before we know who the developer is.

22 Understanding and I know myself and
23 several of my colleagues have expressed some
24 concerns about this, you have been on the record
25 also expressing concerns, what do you see as a

1
2 potential fallback, what the Body can do having
3 already ULURP'ed this project without picking the
4 developer? How can the Council assure or reassert
5 itself into this process after a ULURP vote?

6 FORMER SPEAKER VALLONE, SR.: Well
7 I think first of all, you know, it strikes me that
8 this is: two wrongs don't make a right. I mean
9 either this is perfect for industrial use or it's
10 not perfect for industrial use. But assuming,
11 assuming you want to make this right, no Council
12 Member, that I know would allow anything to be
13 built in his or her district unless they knew what
14 it was going to be unless there was actually a
15 proposal to do something.

16 Well here you're asking the whole
17 Council, as a Council, as a body, the
18 Administration is coming forward and saying trust
19 us. We're going to do these things. We don't
20 have a developer yet but we do have money put
21 aside. But we're going to figure out something
22 that's going to be really nice here. Well they
23 haven't done that. So I think they're really
24 putting the cart before the horse.

25 If it were up to the Council and it

1
2 really wanted to do something here, or a Mayor
3 that really looked at this thing, they should have
4 worked with these people from the beginning. Give
5 them the sewers. Give them the streets. Give
6 them the basic services that every other part of
7 the City has. This place would have grown up.
8 Council Member Nydia Velasquez, she had it right
9 on point, right on point. This would have grown.
10 This would have been a tremendous, a tremendous
11 point of revenue for the City of New York. That's
12 what should have been done here.

13 Now they've turned it upside down
14 and said look, why don't we just find--keep you
15 somehow in the City of New York. Well they've
16 kept, as Council Member Liu said, it's only
17 something like 8% of these business, who don't
18 want to move in the first place, but if they have
19 to move, if eminent domain is not taken off the
20 table, if you allow this to go forward, they've
21 got to go. They've got to make the best deal they
22 can.

23 So I think that if you're really
24 going to make lemonade out of this thing, then
25 you've got to make sure that, as Council Member

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2 Liu said, that at least 90% of all the businesses
3 here are somehow relocated in the City of New
4 York, in areas where they can adequately serve
5 themselves. And if you have to condemn, you
6 condemn a small portion of it. But I think that's
7 just the wrong way to go. But that looks like
8 it's the only way you can go unless you reverse
9 course, the Council and say look you'd better
10 start all over again. Take that \$410,000,000, get
11 \$100,000,000 of this and give them basic services
12 and work with them and develop this as a good
13 income-earner for our people.

14 COUNCIL MEMBER MONSERRATE: Thank
15 you very much. To the property owners or their
16 representatives, I'm assuming that the ones that
17 are here today have not got to a point where there
18 is a negotiated agreement or an intent for that is
19 that correct?

20 MR. DAN FEINSTEIN: Excuse me.

21 Yes.

22 CHAIRPERSON GARODNICK: Can you
23 identify yourself?

24 MR. FEINSTEIN: Yes. I'm sorry.
25 Excuse my voice, Chairman, Council Members. My

1
2 name is Dan Feinstein. I'm with Feinstein Iron
3 Works.

4 COUNCIL MEMBER MONSERRATE: And so
5 there have been, in the last, let's say in the
6 last few weeks, have any of you felt that the
7 Administration has been fair in their discussions
8 with you or unfair?

9 MR. FEINSTEIN: I would like to
10 make just one comment.

11 COUNCIL MEMBER MONSERRATE: Yes.

12 MR. FEINSTEIN: Deputy Mayor Lieber
13 claimed that members of our group and members,
14 business owners in Willets Point refused to meet
15 with the Administration, did not return phone
16 calls. And I think the insinuation it was an
17 overall belligerent attitude toward the
18 Administration. That could not be further from
19 the truth.

20 We formed our organization three
21 years ago so that this Administration had a venue
22 to speak with us. We hired Council Speaker
23 Vallone's firm so that the Administration had a
24 venue to speak to us easily without having to go
25 through 10 or 15 different companies. We did

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everything we could during the course of this past three years to make it easy for them to include us in the process.

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And that's really all we've asked to have done is include us. We've all met with the EDC and Seth Pinsky and his team. We've all in some what either started negotiations or are in the process of it. But as Speaker Vallone said, this is a 3-year old project. Why is this happening now in the last 4 weeks?

So there's a gun on the table, it's called eminent domain. And we're being told that we really need to relocate because we're no longer the flavor of the month for Willets Point. I think we have all have stated publicly that we don't want to go but you know what, we want to be part of the process. And that's all we've asked. So I think they have a lot more work to do to get to where they need to be. And I think they really need to do it quickly or this Council and this Committee really needs to reject this plan.

COUNCIL MEMBER MONSERRATE: Thank you.

CHAIRPERSON GARODNICK: Council

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Member Reyna.

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COUNCIL MEMBER REYNA: Thank you Mr. Chair. I just wanted to ask a question. As far as the businesses are concerned here at Willets Point, did the Administration ever in its first two years when I know I was very vocal about my industrial park in my District, to protect it, there had to be a commitment from this Administration, and since then they had created what was called an Industrial Business Zone, an IBZ. Did the Administration ever come to Willets Point to evaluate the potential of designated you as an IBZ?

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MR. DAN SCULLY: Not to our knowledge, no.

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COUNCIL MEMBER REYNA: Any other business owner approached with the IBZ intention? You just say it into the record.

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MR. DAN SCULLY: No, we, I'm sorry. As far as I know, the area, no one has ever come down and said, you know, this is a great location to make an IBZ, a business zone, an industrial zone. It's perfect. It's landlocked. We have really no large residential area that our trucks

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2 would come into 24 hours a day, or disturbing. We
3 have immediate access onto the highways so none of
4 our trucks are driving through residential areas.
5 But no, no one has ever come down and spoken to us
6 about it.

7 COUNCIL MEMBER REYNA: Okay. And..
8 turn on?

9 CHAIRPERSON GARODNICK: Just
10 identify yourself.

11 MR. PETER TULLEY: Peter Tulley,
12 Tulley Construction. No I've been in the area
13 since 1955; my family's been in the area since
14 1955. And throughout the years we've been on the
15 Community Boards priority list for improvements.
16 Back in 1991 there was a study that said put the
17 infrastructure in and these businesses, the
18 industrial businesses will flourish. That was the
19 last effort to really approach the area for
20 improvement as an industrial zone. Since then
21 we've been the target of redevelopment.

22 COUNCIL MEMBER REYNA: And so I
23 find it hypocritical that we create an office
24 within the Mayor's Administration called the
25 Office of Manufacturing and Industrial Businesses

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2 to be the vehicle to protect businesses in
3 industrial spaces because they have gone the extra
4 mile of protecting these spaces with designation
5 lines.

6 And yet Willets Point was left out.
7 And we're talking five years ago. So five years
8 ago the notion was already predetermined that
9 Willets Point was not going to have a future in
10 preserving manufacturing and industrial spaces, do
11 you agree or disagree?

12 MR. SCULLY: Well I disagree
13 because I think it actually stretched back much
14 further than that.

15 COUNCIL MEMBER REYNA: Okay.

16 MR. SCULLY: And actually in 1993
17 Claire Schulman came out with a report rebutting
18 the 1991 study that the EDC had done, basically
19 saying that it was shortsighted and that she had
20 better ideas for that area. And, you know, that's
21 going back 18 years ago. You know, just imagine
22 what Willets Point would look today if we had had
23 those sewers put in.

24 COUNCIL MEMBER REYNA: So tell me
25 this much, have you been afforded the opportunity

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2 when the Administration began these hearsay
3 discussions because they weren't really
4 communicating although they said you were
5 belligerent and weren't coming to the table, they
6 claimed they came to you, were you afforded the
7 opportunity to plan together with the
8 Administration and certain stakeholders who had
9 interested, future envisioned for this particular
10 area?

11 MR. SCULLY: Well we had discussed
12 a concept of a compromise. Basically allowing the
13 Administration to develop a portion of the
14 property and allowing our businesses to stay on
15 another portion of the property and relocating
16 those who wanted to be relocated but keeping those
17 businesses here that, you know, have really
18 thrived. And to that point, we allowed, we wanted
19 to sit down with the EDC and had a meeting for
20 them to come and test our properties. So--

21 COUNCIL MEMBER REYNA:

22 [Interposing] Did that meeting ever take place?

23 MR. SCULLY: We had a meeting--

24 COUNCIL MEMBER REYNA:

25 [Interposing] Um-hum.

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2 MR. SCULLY: --and what we
3 basically said was guys we have to set guidelines,
4 what we are testing for, because, you know,
5 there's industrial priority as has been brought up
6 today.

7 COUNCIL MEMBER REYNA: Um-hum.

8 MR. SCULLY: And there's
9 residential property. And there are ways for the
10 two to coexist. And we made that offer to the
11 City and basically they said well we really don't
12 know why you'd want to relocate within Willets
13 Point 'cause we'll just wind up taking that
14 property later on anyway. And that's basically
15 where the discussions broke down.

16 COUNCIL MEMBER REYNA: So the happy
17 median, you would think, is to have you as a
18 Willets Point Industrial Business Zone, that's not
19 designated right now, to be designated to also be
20 a stake holder as a developer to have the
21 opportunity to say okay, it's reasonable. We all
22 want the same goal at the end, building the
23 infrastructure, creating the businesses and having
24 an area that will flourish.

25 MR. SCULLY: Yeah. We want to be

1
2 very clear that we are not for status quo in
3 Willets Point. We have always been pro-
4 development in Willets Point. You know, we feel
5 that Willets Point's best and highest use is as an
6 industrial property. That's been mentioned
7 several times that Willets Point is located right
8 between Kennedy and LaGuardia Airport. And we've
9 heard of company after company leaving New York
10 City because they can't find places to establish
11 their freight establishments. Jet Blue--

12 COUNCIL MEMBER REYNA:

13 [Interposing] Um-hum. Um-hum. Um-hum.

14 MR. TULLEY: --is one of the recent
15 examples. They want to relocate down to Baltimore
16 'cause there's no location for them in the City.
17 And now we're sitting here, we're destroying one
18 of the best opportunities to keep one of those
19 companies here.

20 COUNCIL MEMBER REYNA: And so

21 there's no business expansion opportunity because
22 right now you don't know where you're going to be
23 in the future. Your property perhaps could be
24 disintegrated if not abolished. You know, you
25 have to figure out whether or not your workforce

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2 is going to continue to work, and in this economic
3 climate, god only knows where this workforce is
4 going to find employment.

5 MR. SCULLY: You know, that's very
6 observant because one of the things that I don't
7 think has been brought up about eminent domain is
8 the fact that the City doesn't come in and take
9 your property and you're paid immediately and
10 everything's wonderful and you go away. Eminent
11 domain hangs over an area like a pall. And
12 eventually that area just dies.

13 And, you know, that was one of the
14 points I really wanted to bring up about eminent
15 domain. It doesn't just end at that vote. It's
16 going to continue to deteriorate the businesses
17 that exist there now. And, you know, even the
18 agreements that have been reached are very--
19 they're contingent agreements. There's no
20 guarantees to the businesses that they're going to
21 be moved and, you know, there are a lot of
22 contingencies from what I understand.

23 COUNCIL MEMBER REYNA: And my last
24 question, Mr. Chair, have any of you considered
25 now moving away from New York City as an option?

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2 MR. TULLEY: Well we have no choice
3 in some cases because there is so little
4 industrial space in New York City to relocate to.
5 That's one of the problems that we've had in our
6 discussions with EDC. You look at Flushing; we
7 talked about the Flushing Commons not going
8 forward. You have the Muss Development. You have
9 the Lev Development. You have TDC's got another
10 development on College Point Boulevard.

11 The Muss Development is being put
12 on hold. And that's 150 yards from Willets Point.
13 It's a residential mixed use development that is
14 failing right now. Why would we take industrial
15 space away with all of those problems already out
16 there? And the jobs that industrial properties,
17 you know, give new residents of New York City the
18 opportunity to grow and get trained? It makes no
19 sense. This development, I think at the end of
20 the day will never, ever get built no matter what
21 happens.

22 COUNCIL MEMBER REYNA: I appreciate
23 that Mr. Tulley. And I look forward to working
24 towards making sure that we do nothing short of
25 designating this area as an IBZ for the future and

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2 making that the law. Thank you.

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FORMER SPEAKER VALLONE, SR.: Add

or conclude, unintended consequences for the

Council Members. Tulley Construction had entered

into an arrangement and almost went into a lease

with Federal Express to move as many as 1,000

trucks, new business, into the Willets Point area.

As soon as they found out there were no sewers

they said thank you but no thank you. Now guess

where they're going. They're going into

Northwestern Queens, in Con Edison property, and

will have to pass through god knows how many

streets before they get to their terminal. I

don't know of anything more annoying than truck

traffic in our City. And I mean--

COUNCIL MEMBER REYNA:

[Interposing] May I--

FORMER SPEAKER VALLONE, SR.: --

Willets Point is located, they don't go through

the streets, they go right onto the highway--

COUNCIL MEMBER REYNA:

[Interposing] Not to mention asthma rates going

up.

FORMER SPEAKER VALLONE, SR.: --

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2 there was a--exactly right.

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CHAIRPERSON GARODNICK: Thank you
4 very much Council Member Reyna. Let me just jump
5 in with one quick question and then we're going to
6 finish up with Council Member Monserrate. The
7 subject of if you build the infrastructure, they
8 will come, or they would have grown, the
9 Administration makes the point that it would have
10 been impossible to add some of the systems
11 underground, under the existing situation because
12 the water table is too high. Can you address
13 that? Explain why that is right, why that is
14 wrong from your perspective?

15

FORMER SPEAKER VALLONE, SR.: The
16 quick answer to that is right where we're sitting
17 is exactly the same situation. Battery Park,
18 exactly the same situation, over one-third of the
19 City of New York, exactly the same situation.
20 Somehow or other we seem to have worked it.

21

MR. TULLEY: I mean that is my
22 work. That's what I do, sewers and water mains
23 and infrastructure. And I'm sure you've seen my
24 trucks throughout the City. And there's
25 absolutely no issue with putting in the

1
2 infrastructure here. The ground can be de-
3 watered. There's ways to do it. It's not an
4 issue. And it is typical; we're doing a Westside
5 Highway right now. And that is actually a part of
6 the City that was part of the Hudson River at one
7 time. It's all fill.

8 CHAIRPERSON GARODNICK: Okay thank
9 you. Council Member Monserrate--

10 MR. MICHAEL B. GERRARD:
11 [Interposing] Can I add just one word about
12 contamination.

13 CHAIRPERSON GARODNICK: Go ahead
14 and identify yourselves.

15 MR. GERRARD: My name is Michael
16 Gerrard. I'm an environmental attorney
17 representing the large businesses. There's been a
18 lot of discussion of contamination. There are
19 processes for designating what are the most
20 contaminated sites. There's a Federal process
21 called the National Priorities List. There's a
22 State process, the State Superfund List. In both
23 of those, there are systematic looks at what are
24 the most contaminated sites.

25 Willets Point is not on any of

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2 these lists. It has never been nominated for any
3 of these lists. The official Federal and State
4 entities that are in the business of identifying
5 the most contaminated sites have not looked at
6 Willets Point. There are other Superfund sites in
7 the City of New York but this isn't one of them.
8 The City is proposing to destroy the community in
9 order to save it.

10 The only places where this kind of
11 thing has been done, where entire communities have
12 been torn down, are areas that are highly
13 contaminated like Love Canal. There's been no
14 suggestion that Willets Point is anywhere near
15 that. And if it were, the City would not want to
16 take title to it because of the liability risks
17 that they would encounter if they were to acquire
18 it. So the independent verification of
19 contamination at this site is completely lacking.

20 CHAIRPERSON GARODNICK: Thank you
21 very much. And Council Member Monserrate.

22 COUNCIL MEMBER MONSERRATE: Yeah,
23 actually that was the line of questioning I wanted
24 to speak about, the environmental issue that they
25 have raised, the dire need for remediation that

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2 the Administration outlines and asserts. I don't
3 know if you were here for my line of questioning
4 to their environmental expert.

5 And basically, I asked them if any
6 tests had been conducted that can conclusively
7 demonstrate to us, scientifically, that in fact
8 this is an area that is an environmental problem
9 and necessitates immediate remediation. Based on
10 your knowledge, you're basically asserting that
11 that is not the case, is that correct?

12 MR. GERRARD: That's right. It's
13 not the case. There is the kind of surficial
14 contamination that you find in any industrial area
15 and that is routinely cleaned up without any great
16 difficulty.

17 COUNCIL MEMBER MONSERRATE: Have
18 any of you conducted any testing of your own
19 sites?

20 MR. SCULLY: Absolutely. You know,
21 we, within the past I'd say four to five years, we
22 had purchased some property, that was
23 approximately four acres of property that did have
24 open spills on it. We removed, you know, 6,000
25 yards of soil under the EDC's guidance, we

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2 installed ground monitoring wells at their behest
3 and we've been monitoring the water for the past
4 few years on a quarterly basis.

5 And, you know, the assertion that,
6 you know, this contamination is floating all over
7 the place and you clean up this site and because
8 the site next door is contaminated, it's going to
9 recontaminate you is completely unfounded. And as
10 a matter of fact the HRD and Kevin McCarty's own
11 testimony talks to that. He said I tested the
12 streets and we didn't find any contamination.

13 Well if the water's contaminating
14 all of the property then why didn't he find any
15 contamination out there? And if you look in the
16 EIS, it specifically says they did not find any
17 contamination in the soil.

18 COUNCIL MEMBER MONSERRATE: Thank
19 you. One final question, you referred to a 1991
20 report. Who commissioned that report?

21 MR. SCULLY: Claire Shulman. WE
22 had gone to her as the Borough President at that
23 point because we've been looking for these sewers
24 and looking for help with the streets and she
25 commissioned that report.

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2 COUNCIL MEMBER MONSERRATE: And
3 what did that report say?

4 MR. SCULLY: Basically it said
5 that, you know, the best developers for this site
6 are the property owners. And it went further to
7 say that, you know, for massive redevelopment were
8 to try to take place, that it--usually those types
9 of developments collapse under their own weight
10 because there's too many special interests
11 involved. And that goes to our assertion all
12 along that the property owners are the best
13 developers of this property. You know, all we
14 need is help from the City.

15 COUNCIL MEMBER MONSERRATE: Thank
16 you. Thank you very much Mr. Chairman.

17 CHAIRPERSON GARODNICK: Thank you
18 Council Member Monserrate. And thank you
19 gentlemen for your testimony today. And we have
20 your PowerPoint and it will be part of the formal
21 record.

22 I'd like to welcome New York State
23 Assembly Member Nettie Mayersohn, the 27th
24 District, who is here, come on up, it's all you.

25 And then we're going to move onto a

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2 panel from labor. And then we're going to move
3 expeditiously through everybody. Assembly Member,
4 we're glad you're here. Welcome.

5 ASSEMBLY MEMBER MAYERSOHN: Okay I
6 have--

7 CHAIRPERSON GARODNICK:
8 [Interposing] Hit the button on the microphone
9 before you start.

10 ASSEMBLY MEMBER MAYERSOHN: Okay--

11 CHAIRPERSON GARODNICK:
12 [Interposing] Perfect.

13 ASSEMBLY MEMBER MAYERSOHN: --
14 that's better. All right. I have represented
15 Willets Point for better than 20 years. And I'm
16 asking the Council to support what I consider to
17 be a long overdue development. For too many years
18 this very valuable piece of property has been a
19 source of grief to the surrounding communities.

20 The negative impact on the
21 environment is obvious. You just have to walk
22 through the junkyard, the garbage and wade through
23 piles and pools of stagnant water to understand
24 why Willets Point is one of the most undesirable
25 locations in the Borough.

1
2 And I was so pleased that someone
3 finally noticed. In all the years that I have
4 been the Assemblywoman, I have never heard from
5 anyone at Willets Point on what we can do to
6 improve the property. But finally the Mayor
7 noticed and I am delighted. And I thank him for
8 stepping up to the plate and making a real effort
9 to turn this blight on our environment and on our
10 community into a positive, income producing
11 development for the Borough and the City.

12 The Mayor's plan will provide
13 housing, jobs, recreational facilities and will
14 enhance the neighborhood community. These
15 improvements will not only provide a significant
16 windfall for the City at the time when it's
17 desperately needed, it has the potential to impact
18 positively on the lives of thousands of Queens'
19 residents.

20 And I'm truly sorry that all this,
21 for these past 20 years, all this has been
22 happening at Willets Point and there was never a
23 real attempt to do something about it. Well now
24 the Mayor's prepared to do something about it.

25 [Pause]

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2 And speaking as someone who has
3 lifetime connections to organized labor, I
4 congratulate the City on their agreement with the
5 union, ensuring reasonable wage and benefit
6 standards for all of the new jobs being created.
7 If this plan is examined in the context of the
8 surrounding Flushing, College Point and Corona
9 communities, the benefits are going to be
10 substantial.

11 I'm hoping this development will
12 move forward quickly. But let me say, we're very
13 mindful of the impact on the businesses in the
14 Willets Point area. I want them to be treated
15 fairly but the important thing that this project
16 go on. That this is a terrible area, this is an
17 area that really could bring in proceeds to the
18 City and we should be moving quickly on it. And
19 if I can be helpful in any way in moving things
20 along, I am very available.

21 But my goal is to get this project
22 moving. It's going to be a boon for the
23 community, for the Borough and for the City. And
24 it has to be a top priority for all of us. And I
25 look forward and I hope to continue working with

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2 the Mayor, Borough President Marshall, EDC and my
3 good friend, former Borough President Claire
4 Shulman, to ensure that this very, very important
5 project is successful. Thank you.

6 CHAIRPERSON GARODNICK: Thank you
7 very much Assembly Member. We're glad you're
8 here. And thank you for those words. I'm now
9 going to call Stuart Appelbaum, the President of
10 RWDSU on behalf of a number of different unions
11 today. Welcome. Nice to see you. And as soon as
12 you're ready, you can go ahead and get started.

13 [Pause]

14 MR. STUART APPELBAUM: Good
15 afternoon Chairman Garodnick and members of the
16 Subcommittee on Planning and Dispositions. As
17 Chairman Garodnick said, my name is Stuart
18 Appelbaum. I'm President of the Retail, Wholesale
19 and Department Store Union which represents
20 approximately 100,000 members including 45,000
21 members in New York.

22 I'm also a Vice-President of the
23 New York City Central Labor Council, AFL-CIO, a
24 federation of 400 affiliated local unions
25 representing well over 1,000,000 working men and

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2 women in New York City. On behalf of the Central
3 Labor Council Executive Board and its affiliates,
4 I am testifying before the City Council today to
5 express the City labor movement's strong support
6 of the Willets Point Redevelopment Plan.

7 Standing behind me, and sitting
8 with me, are representatives of the City's labor
9 movement. representatives of the Teamsters, the
10 Operating Engineers, the Carpenters, the Laborers,
11 UFCW Local 1500, Unite Here, Building and
12 Construction Trades Council, SEIU Local 32BJ,
13 Painters, and the RWDSU. This past summer the
14 Central Labor Council reached historic agreements
15 with the New York City Economic Development
16 Corporation to secure broad labor standard
17 agreements on the Willets Point project that will
18 require the selected developer and contractors to
19 pay prevailing and living wages, hire workers from
20 State certified apprentice programs, encourage
21 expanded and enhanced retail uses, and discourage
22 suburban models of big box stores.

23 These agreements were critical to
24 labor's support on this project, our goal being to
25 ensure that workers and families in the

1
2 surrounding communities can participate in and
3 benefit from the economic activity and job
4 creation. Forward thinking economic development
5 projects such as the Willets Point Redevelopment
6 are destined to become a major engine for economic
7 growth for Willets Point and neighboring
8 communities, creating thousands of construction
9 and permanent local jobs and business
10 opportunities.

11 The Redevelopment Plan will include
12 thousands of housing units serving a mix of
13 incomes and demographics, new retail and
14 entertainment facilities, a new high quality
15 hotel, New York City's first outer borough
16 convention center, office space, open space, parks
17 and playgrounds and a new public school. At a
18 time when our City and country are facing tough
19 economic realities and incredible turmoil on Wall
20 Street all City workers are fearful and stressed
21 about losing their jobs and finding new ones as
22 well as about the diminishing returns and values
23 of their retirement accounts and 401(k) plans and
24 the home foreclosure and credit crisis.

25 The New York Building Congress this

1
2 week announced some startling forecasts about the
3 future of New York's building boom, reporting we
4 are in serious slow-down jeopardy and predicting a
5 major decline in construction projects, spending
6 and jobs. With news like this, supporting real
7 deal projects like Willets Point are more
8 important than ever.

9 A strong economy needs a strong,
10 healthy workforce. Economic development that
11 results in permanent jobs that keep people in
12 poverty accomplishes nothing. We will work
13 enthusiastically with the Bloomberg Administration
14 to ensure that the development at Willets Point
15 supports policies that require higher standards,
16 raises opportunities, builds communities and
17 encourages businesses to invest in their
18 workforce. By striking the right balance between
19 the concern of workers, business and the
20 community, the Willets Point Redevelopment Plan is
21 a victory for Queens and potentially a victory for
22 the entire City.

23 I leave you with one clear message
24 as it relates to Willets Point. And that message
25 is build, baby, build. I urge each and every one

1
2 of this esteemed City Council to support Willets
3 Point so we can protect workers' futures as we
4 build the City's. Thank you.

5 CHAIRPERSON GARODNICK: Thank you
6 very much Mr. Appelbaum. Before you go anywhere,
7 I know we have some people standing behind you, so
8 just be patient for a moment. We have a couple of
9 questions, one from Council Member Diana Reyna,
10 and Council Member Monserrate. Council Member
11 Reyna.

12 COUNCIL MEMBER REYNA: Thank you
13 Mr. Chair. I just want to find out; does any of
14 the leadership here at this panel represent the
15 union members that are already working with
16 permanent jobs secured at Willets Point?

17 [Pause]

18 [Background noise]

19 [Gavel banging]

20 COUNCIL MEMBER REYNA: You do?

21 MR. PAUL FERNANDEZ: Yes.

22 COUNCIL MEMBER REYNA: Can you
23 please have a seat? And you do.

24 MR. STEVE MCGINNIS: Yes.

25 COUNCIL MEMBER REYNA: Please have

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2 a seat before the mic.

3 [Pause]

4 COUNCIL MEMBER REYNA: Is there a
5 statement you'd like to share with us concerning
6 the union members that are present and deserve
7 representation here today?

8 [Pause]

9 MR. FERNANDEZ: That right now,
10 those workers work at--

11 CHAIRPERSON GARODNICK:
12 [Interposing] Let me interrupt you. Let me
13 interrupt you for a second. Just identify
14 yourself.

15 MR. FERNANDEZ: I'm sorry. My name
16 is Paul Fernandez; I'm with the Building and
17 Construction Trades Council of Greater New York
18 which is the organization, the umbrella
19 organization that represents the construction
20 unions in New York City.

21 And the best outcome for members of
22 the construction industry in our view, including
23 folks who work out of offices and a yard that is
24 located at Willets Point today, would be to
25 redevelop that site so that they can have the

1
2 opportunity to create many, many more thousands of
3 construction jobs at that site than would ever be
4 the case if we allowed that site to remain as it
5 is today.

6 COUNCIL MEMBER REYNA: So you are
7 not representing in favor of the 300 union members
8 and aside from the 300 unionized members, the
9 total 1,600 workers that exist there now to
10 organize them for union wages, to be able to have
11 a fair shot at stable employment that is already
12 secured?

13 MR. FERNANDEZ: We can only speak
14 for what's going on in the construction industry.
15 I can't speak for other--

16 COUNCIL MEMBER REYNA:
17 [Interposing] I asked who is here representing the
18 members of the union

19 MR. APPELBAUM: [Interposing] I
20 think--

21 COUNCIL MEMBER REYNA: --that pay
22 dues.

23 MR. FERNANDEZ: She's making the
24 assumption that...

25 MR. APPELBAUM: I think that I'd

1

2 like to respond to that if I could because we in
3 the labor movement see ourselves as representing
4 workers in New York both members and non-members.
5 And that is--

6

COUNCIL MEMBER REYNA:

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8

[Interposing] And so let me just ask this much,
are they not working in New York City?

9

MR. STEVE MCGINNIS: My name's

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Steve McGinnis [phonetic] of the Cooperatives
Union. You're making the assumption that if this
goes forward they'll be unemployed. I don't think
Tulley Construction is going out of business if
they have to move--

15

COUNCIL MEMBER REYNA:

16

[Interposing] Answer this question then--

17

MR. MCGINNIS: --I mean it's hard

18

to answer because--

19

COUNCIL MEMBER REYNA: --if they

20

move out of New York City--

21

CHAIRPERSON GARODNICK:

22

[Interposing] Sorry. Sorry. I have to jump in
for one moment. Council Member Reyna, Mr.

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24

McGinnis, let's just have a---

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COUNCIL MEMBER REYNA:

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2 [Interposing] I understand but--

3 CHAIRPERSON GARODNICK: --orderly
4 back and forth. Because--

5 COUNCIL MEMBER REYNA:

6 [Interposing] I just want to make sure that we're
7 representing the 300 union members. So just let's
8 stay there. Are they not union paying members to
9 the union?

10 MR. MCGINNIS: Correct. And I mean
11 that--

12 COUNCIL MEMBER REYNA:

13 [Interposing] And. Correct. Yes?

14 MR. MCGINNIS: Yes.

15 COUNCIL MEMBER REYNA: Okay. If
16 Tully Construction moves out of New York City and
17 that workforce cannot move with them, will they be
18 employed?

19 MR. FERNANDEZ: You know you're
20 making presumptions that--

21 COUNCIL MEMBER REYNA:

22 [Interposing] I'm just asking a question.

23 MR. FERNANDEZ: --you're making--
24 you're asking with presumptions.

25 COUNCIL MEMBER REYNA: That's fair.

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MR. FERNANDEZ: That's fair.

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CHAIRPERSON GARODNICK: Go ahead
and answer that.

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MR. FERNANDEZ: So our, you know,
you know, Tulley Construction is a regional player
out here, so we have, you know, they work all
around the region. Those members will continue to
be employed if Tulley moves to, you know--Tulley's
working on a number of different proposals within
the City and they're looking at other options out
there.

But those workers will be
represented. They--or they'll work for one of our
other employers. That we're not losing them as
members if, if Tully moves. They continue to
represent them. We always represent our members.
We continue to represent them whether they're
working at Willets Point or they're working in
another part of Queens or Brooklyn or the Bronx.

COUNCIL MEMBER REYNA: There was
another--

MR. APPELBAUM: --Council Member--

COUNCIL MEMBER REYNA: --
construction project--

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2 MR. APPELBAUM: --could I respond
3 to that question also--

4 COUNCIL MEMBER REYNA: --of course.

5 MR. APPELBAUM: We represent
6 workers in this City. We see ourselves as
7 representing all workers including the workers who
8 may not be members of unions yet. And I hope that
9 we'll have your support in trying to organize
10 people who are not in unions to become members in
11 the future.

12 In terms of the people who are
13 members now of a union, we see our responsibility
14 as to all members including them. And what we
15 think we are accomplishing through this project,
16 and we're very, very proud of the standards that
17 were reached, is to raise the standards for
18 workers, all workers who work in New York,
19 including any that may be members of unions now.
20 We think that we are providing the best
21 representation to them.

22 COUNCIL MEMBER REYNA: I just--

23 MR. APPELBAUM: [Interposing] You
24 disagree--

25 COUNCIL MEMBER REYNA: --find it

1

2 very hypocritical--

3 MR. APPELBAUM: --but that is our
4 view.5 COUNCIL MEMBER REYNA: To represent
6 the future versus the present employment that's
7 here right now. And in reference to other
8 projects, Flushing Commons is a stalled project
9 since 2005. Were there any agreements met there?
10 Through your unions? Flushing Commons.

11 [Background noise]

12 CHAIRPERSON GARODNICK: If you're
13 going to answer the question then you're going to
14 have to identify yourself and speak into the
15 microphone please.16 MS. CAMILLE RIVERA: I'm sorry.
17 This is Camille Rivera; I'm the Assistant
18 Political Director for 32BJ. That project is not
19 happening at this moment. I mean that's not a--

20 COUNCIL MEMBER REYNA:

21 [Interposing] It was--

22 MS. RIVERA: --that's not an
23 agreement that we were able to work on.24 COUNCIL MEMBER REYNA: Let me give
25 you a prefix as to why I'm asking the question.

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There was a comparison made.

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MS. RIVERA: This is a precedent setting agreement by the way. That we have--

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MR. APPELBAUM: [Interposing] This is a--

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MS. RIVERA: --excuse me, I'm sorry. This is a historic agreement where for the first time we have prevailing wage language for building surface workers, construction trades, you name it, so that we could be able to--so that members that--people that live and work in Queens can afford to live there. I mean this is a huge deal.

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COUNCIL MEMBER REYNA: At the cost of other union members. I just want to point that out.

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MS. RIVERA: I think that's a misrepresentation--

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MR. FERNANDEZ: [Interposing] Not in construction. That's not a correct statement. With all due respect I think you have a very serious misunderstanding of how the construction industry works. Construction workers who get their payroll out of an office do not work at that

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2 site necessarily. And in fact in most cases they
3 work at other sites.

4 You have dozens of large
5 construction employers in this City whose
6 principal offices are outside of the City,
7 employing thousands of people in the City. You
8 have other companies that have their addresses in
9 Manhattan that send thousands of workers every day
10 out into Brooklyn, Queens, Bronx and Staten
11 Island. The idea that because an employer is
12 currently located at Willets Point that that is
13 the only place that that company is employing
14 people is dreadfully misinformed.

15 COUNCIL MEMBER REYNA: Well I'm
16 dreadfully disappointed that they don't have an
17 opportunity to secure their jobs--

18 MR. FERNANDEZ: [Interposing] They
19 do. They do have it. They have that opportunity
20 because there are several union leaders all of
21 whom represent them that are speaking here today.

22 COUNCIL MEMBER REYNA: Against
23 them.

24 MR. FERNANDEZ: Not against them,
25 for them, to have the kinds of growth in

1
2 construction that will allow them to have future
3 employment opportunities in the construction
4 industry. Let me say something that's very
5 important.

6 We have 130,000 construction jobs.
7 The Building Congress reports that Stuart
8 referenced earlier in his testimony, says that
9 we're going to lose as many as 30,000 of those
10 jobs in the next 2 years. In construction the way
11 that you calculate a construction job is 1 full
12 year of employment. That means that if we want to
13 keep 130,000 construction workers employed in this
14 City for the next 10 years, we need to create
15 1,300,000 new construction jobs. We cannot do
16 that if we don't take sites that are available for
17 development and develop them.

18 COUNCIL MEMBER REYNA: There are
19 plenty of redevelopment sites that are not
20 unionized.

21 MR. FERNANDEZ: That's correct.

22 And--

23 COUNCIL MEMBER REYNA:

24 [Interposing] That's what's--

25 MR. FERNANDEZ: --that's why this

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2 site is so very different because for the first
3 time in history--

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COUNCIL MEMBER REYNA:

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[Interposing] And so--

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MR. FERNANDEZ: --for the first
time in history.

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COUNCIL MEMBER REYNA: Mr. Chair.

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MR. FERNANDEZ: --for the first
time in history--

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CHAIRPERSON GARODNICK:

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[Interposing] Yes. I'm sorry.

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COUNCIL MEMBER REYNA: I just
wanted to find out--

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CHAIRPERSON GARODNICK:

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[Interposing] Sorry, sorry folks.

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MR. FERNANDEZ: --if you want to
ask a question then you ought to wait for the

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answer.

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[Gavel Banging]

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CHAIRPERSON GARODNICK: Sorry. I'm
sorry. Let me interrupt you both. I'm sorry.

23

[Background noise]

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CHAIRPERSON GARODNICK: I'm sorry.

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COUNCIL MEMBER REYNA: I agree.

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CHAIRPERSON GARODNICK: Mike,

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please let's just take a break for a sec. What I

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want to have is an orderly exchange between you.

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This, it's, these are important questions.

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They're important answers as well. Let's just do

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it in an orderly fashion. Mr. Fernandez, did you

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finish your answer? Do you want to finish that

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and then Mike, if you want to go ahead and sit

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down and identify yourself, be my guest. Please--

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COUNCIL MEMBER REYNA:

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[Interposing] Mr. Chair.

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CHAIRPERSON GARODNICK: --wait.

13

Ma'am.

14

COUNCIL MEMBER REYNA: I think my

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line of questioning is done--

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CHAIRPERSON GARODNICK:

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[Interposing] Fine. That's--

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COUNCIL MEMBER REYNA: --I just

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CHAIRPERSON GARODNICK: --well--

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COUNCIL MEMBER REYNA: --accurately

21

ask if there was anyone in this panel that was

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representing the members of unions that exist now

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at Willets Point.

24

CHAIRPERSON GARODNICK: I think you

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1

2 have that answer--

3 MR. FERNANDEZ: [Interposing] The
4 answer is yes.

5 CHAIRPERSON GARODNICK: --I think
6 you have the answer to that question. Was there
7 anything else that you want to--

8 MR. FERNANDEZ: [Interposing] Yes.
9 The Councilwoman said that there are sites around
10 the City that are being developed that are no
11 utilizing union labor and construction. That's
12 absolutely correct. We think that's a disgrace.

13 The difference is that this site,
14 for the first time in the history of the City that
15 we're aware of, has had a comprehensive agreement
16 with the Administration that the RFP to develop
17 this site will include strong labor standards, not
18 just for construction but for every other worker
19 at that site, unlike the sites that you referenced
20 that are currently being developed without union
21 labor throughout the City. That makes this
22 proposal to develop Willets Point far better than
23 anything else that's out there today.

24 CHAIRPERSON GARODNICK: Thank you.
25 Thank you very much. And with that, Council

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2 Member Reyna, we now turn to Council Member
3 Monserrate, in whose District this property sits,
4 he asked me to add.

5 COUNCIL MEMBER MONSERRATE: Thank
6 you very much Mr. Chair, to my good friends in
7 labor, good afternoon. Glad to see you here
8 advocating your position. I want to be very clear
9 that because there's been some misinformation
10 among some folks in labor, in some locals in
11 particular, about what my position has or has not
12 been.

13 Let me very clear and on the record
14 that philosophically and ideologically I don't
15 believe that the City should engage in any project
16 or urban redevelopment unless labor is at the
17 table and there's a project labor agreement that's
18 acceptable in representing and defending working
19 class people in our City. So anyone who has a
20 doubt about where I stand let me clarify that for
21 the record. One.

22 Two, when Labor first came to me
23 and said on Willets Point the Administration isn't
24 engaging in negotiations and discussions, I was an
25 advocate for those discussions and for those

1
2 negotiations. I want to be very clear and on the
3 record and publicly. And the media is welcome to
4 quote me on what I am saying today.

5 I also understand that there are
6 various issues here at play. We have a very real
7 issue of eminent domain and the potential abuse of
8 government in invoking that. We have a very real
9 issue of the amount of public monies that are
10 financing this project. We have a very real issue
11 which many of you have expressed to me that after
12 the Administration signs off on a deal and the
13 City Council votes to ULURP, the actual project
14 happens and a lot of their commitments to labor
15 jobs doesn't happen. And we know that that is an
16 issue.

17 So we should also be taking this
18 opportunity to ensure that the Administration
19 hears this message. And that is, if at the end of
20 the day all these other factors are reconciled and
21 resolved, the Administration has an obligation to
22 keep their commitment to this Council and to
23 Labor.

24 A few panels ago I outlined a
25 similar situation in which I as the representing

1
2 Council Member for the Shea Stadium area, there
3 was a commitment from the Administration to our
4 delegation in Queens that there would be a
5 \$50,000,000 investment into the Flushing Bridge.
6 Well it's three years later and it still hasn't
7 happened. You know what they're promising us now
8 on Willets Point? They're saying we're going to
9 give you the bridge that we promised you three
10 years ago. And we'd fix it on the Shea deal;
11 we're going to give you the same promise today.

12 So in the spirit of what we're all
13 attempting to do and I think that we're all
14 partners in what we are attempting to do, we want
15 good, effective, responsible development, but we
16 also want the Administration to keep their
17 commitments which they haven't done in her
18 District, in Council Member Yassky's District and
19 in other projects.

20 So that I want to make that clear
21 because I don't think that in any way, shape or
22 form, those of you here today representing working
23 people in our City, we should be very clear that
24 we are not adversarial, and this is not an
25 adversarial conversation. It is in fact one that

1
2 is looking for a constructive dialog that will
3 ensure that the Administration do the right thing
4 by working class people and they fulfill their
5 commitments. I just wanted to make that clear
6 with respect to labor.

7 The question that I have, after my
8 opening statement to Labor, is I'm going to put
9 all the issues of affordable housing which I've
10 staked out my position, eminent domain, relocation
11 of the workers and the businesses, all those
12 issues to the side because we have a very limited
13 amount of time in this hearing.

14 I want to ask you one question that
15 really concerns me which is the financing of this
16 project. And if you have any opinion or input on
17 the viability of this project, both short term and
18 long term. In other words do we acquire the type
19 of financing from the financial sector now to be
20 able, in fact, to do this project? And is it one
21 that you as Labor representatives believe there
22 will be a positive benefit to this? I don't know
23 if anyone wants to respond to that.

24 MR. FERNANDEZ: Well I think that
25 answer...

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[Pause]

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MR. FERNANDEZ: I think the answer with respect to construction is that this is going to be a long term development. And that if we don't take the planning steps at this point in time that will allow us to emerge from the problems that we're facing now financially, not only in the country but around the world, then we will not be in a position to develop this property at the point and time when some of those investments are going to occur.

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This is a development that's going to take, you know, close to a decade probably from start to finish. So the idea that the current market crisis is going to necessarily constrain development going forward, I think is not the correct view. We need to put the pieces in place so that when we have the ability to make those investments down the road that we'll be able to do that.

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I also think that it's very clear that we would have the ability to get a number of proposers for this site that would be able to put together financing to have the development go

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2 forward.

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CHAIRPERSON GARODNICK: Thank you.

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And we have one final from Council Member Reyna

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and this is the last one. We have lots of people

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to testify. So I ask her to keep it brief.

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Council Member Reyna.

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COUNCIL MEMBER REYNA: I just want

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to understand, the agreement that was reached, who

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was it struck with or signed on the dotted line

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with, between whom? Who are the principals?

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MS. RIVERA: I mean in terms of the

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actual agreement of the Labor Standards?

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COUNCIL MEMBER REYNA: Um-hum. The

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project labor agreement.

16

MS. RIVERA: That's... do you want to

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answer?

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MR. FEINSTEIN: Yes. The agreement

19

was signed by Gary LeBarbara, the President of the

20

New York City Central Labor Council and Deputy

21

Mayor Lieber.

22

COUNCIL MEMBER REYNA: Okay. And

23

right now as it stands, this is a term limited

24

Administration. There is no developer that has

25

been mentioned. Who will honor this particular

1
2 Project Labor Agreement if term limits is not
3 extended and the Administration is not the same?

4 MR. FERNANDEZ: The standards would
5 be included in the Requests for Proposals--

6 MS. RIVERA: [Interposing] Yeah.

7 MR. FERNANDEZ: --and they would
8 therefore be contractually binding just as any
9 contract that the City enters into, lives on
10 beyond the term of any elected official.

11 COUNCIL MEMBER REYNA: Okay. Thank
12 you very much.

13 CHAIRPERSON GARODNICK: And the
14 last one from me is, can you make a copy of that
15 agreement available to this Committee and to the
16 local Council Members here?

17 COUNCIL MEMBER REYNA: Thanks.

18 CHAIRPERSON GARODNICK: Great.
19 Thank you very much and we thank you for your
20 testimony today. Let me call up the next panel.
21 We appreciate it. Thank you. The next panel--

22 [Audience noise]

23 CHAIRPERSON GARODNICK: --nope.
24 Folks.

25 [Gavel Banging]

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2 CHAIRPERSON GARODNICK: There's not
3 going to be any commentary here. The next panel
4 is a panel in opposition. Andros Charidemou, so
5 forgive me if I'm doing a disservice to your name,
6 Arturo Olaya, Julia Sandoval, Marco Neira and
7 Joseph Ardizzone. Let me see who we have here.
8 Who didn't hear me? Arturo Olaya is here? Mr.
9 Olaya.

10 [Pause]

11 CHAIRPERSON GARODNICK: Sir, you're
12 seated and ready to go. When you're ready, please
13 identify yourself. You're going to have three
14 minutes. And please forgive me when I...

15 MR. ANDROS CHARIDEMOU: My name is
16 Andros Charidemou, the owner of Cyprian Truck and
17 Auto Repair d/b/a Shea Truck and Auto Repair. My
18 location is 127-48 North End Boulevard, Flushing.
19 My partner, Charalambos Georgiou and I, have been
20 stabilized in business for 29 years. Our business
21 is a truck and car repair shop and a Sonoco
22 franchise.

23 We built this land and created this
24 business not to sell or to give to New York
25 Economic Development but to pass on our children

1
2 and our grandchildren. The New York City Economic
3 Development Corporation is full of lies and empty
4 promises. And I have physical evidence to prove
5 that.

6 They want to take it our land, to
7 destroy our business. This is our only business
8 that we have to put food on the table and pay the
9 bills and our mortgage. I live; we live in the
10 greatest country of all. I believe in the
11 Constitution, I believe in democracy. I believe
12 that... I'm sorry. I believe the great words of
13 John F. Kennedy; ask not what you can do for you
14 and what you can do for your country. I believe.
15 I became a good citizen. I never fell and cried.
16 I pay my taxes. I raise my family. I sent my
17 three kids to college and I will be the same to my
18 five grandchildren if you let me.

19 Now is my wartime. My own
20 government opened my chest and allowed the
21 vultures, the New York City Economic Development
22 Corporation, to rip my heart. By doing so it
23 ripped all of my beliefs, my rights, my family
24 rights, my freedom. They are going to rip my
25 dreams, the dreams that every American citizen has

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a piece of land, home and business.

I watched the last president debate; the only thing Obama and McCain agree on was to help the people not to lose their house and to help them to support them for their dreams.

And financially (sic) so that this American dream, this is, you have the right, you have your rights to have your rights and depend in our hands. We have our home. We have our business. Do not take it from us. Ladies and Gentlemen of Council, protect the Constitution. Protect the democracy. Protect the rights for your people and don't forget we are your people. Thank you.

CHAIRPERSON GARODNICK: Thank you Sir. Please go ahead.

MS. JULIA SANDOVAL: My name is--

CHAIRPERSON GARODNICK:
[Interposing] Hit the button on the microphone before you start.

MS. SANDOVAL: Ready?

CHAIRPERSON GARODNICK: Perfect.

MS. SANDOVAL: My name is Julia Sandoval. And I'm a Willets Point worker for 14

1
2 years. I'm representing the small business and
3 the workers in Willets Point. I want to tell you
4 something about Willets Point. Willets Point is a
5 working center; it's a working area with 1,500
6 workers. We have mechanics, welders. We have
7 body workers, electricians, glasses; all these
8 people work there to support their families.

9 You already know how many years
10 people are working there, from 67 down, I'm only
11 14 there. We're serving the community with better
12 prices, with good jobs and good services. That is
13 Willets Point but now somebody just came and wants
14 to take it from us. They want to throw us out of
15 there. Don't thinking about our families, our
16 kids. I have two professions of kids because of
17 me. I am the mother and father for my kids but
18 because me working there hard as a man, but now
19 I'm going to have to stop because of them.

20 The thing is that these people that
21 wants to take that out of us, they're rich. We're
22 not. We are hard-working people. We are hard
23 working people but they're rich. They've got
24 power. It is exactly, family just fight, with
25 Bill Gates, with the guy from the computers. How

1
2 am I going to fight him? He's rich. I'm a hard
3 working woman. That's it. Thank you.

4 CHAIRPERSON GARODNICK: Okay.

5 Thank you very much.

6 [Applause]

7 CHAIRPERSON GARODNICK: Folks.

8 [Gavel banging]

9 CHAIRPERSON GARODNICK: Folks

10 please. Again. I really--there's a lot of people
11 here to testify and it takes time for us to stop
12 and for me to remind you we need to be fair to
13 everybody. Sir. You're up if you're ready.

14 MR. MARCO NEIRA: Yes I'm ready.

15 CHAIRPERSON GARODNICK: Thank you.

16 MR. NEIRA: Good afternoon

17 everybody. My name is Marco Neira. I'm part of
18 the Association of Willets Point Small Business
19 and workers. I've been in the Willets Point for
20 23 years. I'm a hard worker and I'm trying to
21 build another future for my kids but when I had
22 those dreams I think that dream is down because
23 the City is coming to throw us out of that place
24 where we have the food to bring to our tables.

25 My question to the City is, they

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want to send us to school to get started, and who's going to pay for the food and for the rent for the time we're going to have training? We didn't never have answer. The City all the time lied to us, giving no answers. Just only lie and lie to us.

We pay taxes every year and we have to suffering with the roads, with the electricity, with the sewers. Why we have to suffer with that, if the City had the responsibility to fix all these things with the taxes we pay?

That is something like no--we don't understand why the City all the time lied to us, lied to us, to the middle class. Why they don't treat us like a human rights? Thank you.

CHAIRPERSON GARODNICK: Thank you Sir. Please.

MR. ARTURO OLAYA: Yes thank you. My name is Arturo Olaya. I'm the President of the Committee for Defense of the Small Businesses and Workers at Willets Point. I would like to see all the Council Members sit down here and listen to us. You know, I'm sorry when we, is the time that we talk, there is nobody to listen, you know,

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2 there's three Councilmen right here but I would
3 like to see all of them here because we are the
4 real victims at Willets Point.

5

6 The small businesses and the
7 workers, we are the real victims. Everybody is
8 going to have money to go about. We don't have no
9 money to go. Then what's going on at Willets
10 Point? The City come and say all the time that
11 they negotiating with us. Mr. Jonathan, EDC, they
12 playing game with us. They always call us and say
13 yeah we're going to talk with you but one month
14 before there's going to be a hearing or to get
15 approval that the Board of Seven [phonetic] or
16 don't--they call me Arturo don't go and do a
17 protest to Helen Marshall, to start the protest.

17

18 We're going to go and talk with you
19 next month. But they never appear. They don't
20 go; they always come to lie to us. The City is
21 saying that they have a relocation for us.

21

22 They're going to relocate us but it's unlawful to
23 talk to us because the landlord and the contract.

23

24 But they don't consider it unlawful that it says
25 that the risk that they have for 1,700 workers,

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250 shops and our family to put it in the risk of

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2 eminent domain.

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At Willets Point everybody is scared of the politicians right now because politicians, especially Mr. Michael Bloomberg, is pushing the people with the eminent domain. They say it's like putting a gun on their head to sell the property and then I agree with the owners.

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We like small business, we never see in 15 years at Willets Point, and I never see the City doing nothing right there. And they sometimes, we need money, to collect money, they go and send inspectors right there to collect money from parking tickets or you have a garbage on the street or you have a car parked right on the sidewalk.

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They never built a sidewalk right there. They never sweep. The never do up our roads. They never do sewers. They neglect us and they call us scrappy shops. But one thing the people have to know, we are human beings that they need and deserve respect for our human rights and our human labors. Okay. Okay.

24

25

One more thing is this, these unions that come over here and ask for our jobs,

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2 they want the food from our tables to put it in
3 their tables. They going to feed our families
4 when they take our jobs? Are they thinking? And
5 our families and our babies, we have over here
6 some of the babies.

7

8 Nina [Speaking in Spanish to bring
9 a baby over]. This is the expression of the
10 babies--come here, come here. Let's show what you
11 wrote. Let's show what you wrote. And we need
12 that the City act, the Councilmen act like human
13 people and do what it says right there. A
14 government of the people, by the people and for
15 the people, and we are the people here.

16

[Audience applause]

17

MS. SANDOVAL: That's right.

18

MR. OLAYA: Show what they are.

19

CHAIRPERSON GARODNICK: Thank you.

20

Thank you very much.

21

[Gavel banging]

22

CHAIRPERSON GARODNICK: Thank you

23

very much. And we see what they say.

24

MR. OLAYA: No, I would let--I

25

would let you see. Can you show and see what,
while you showing that..

1
2 CHAIRPERSON GARODNICK: You want to
3 read that to us?

4 MR. OLAYA: Yes please.

5 TANA: Hi my name is Tana and me,
6 my brothers and sisters did this poster 'cause we
7 don't want Bloomberg and Helen Marshall. So we
8 wrote Mr. Bloomberg, us like kids do not accept
9 for Willets Point to be for sale. What's going to
10 be the future of the kids and family? We depend
11 on Willets Point. Willets Point is not for sale
12 Mr. Mike.

13 CHAIRPERSON GARODNICK: Thank you
14 for that. And can you describe what we're looking
15 at--

16 [Audience applauding]

17 CHAIRPERSON GARODNICK: --folks,
18 please with the applause. You have to stop with
19 the applause. But I do want you to describe what
20 we're looking at here 'cause I--

21 MR. OLAYA: [Interposing] This is
22 the business that we represent at Willets Point.
23 We exist. We exist. These people think that we
24 are not exist. We exist. We are the reality of
25 Willets Point and we don't have opportunity at

1
2 Willets Point to have a totally [phonetic] or to
3 have nothing because the City is abusing of us,
4 abusing of the landlords and abusing of the whole
5 area--

6 CHAIRPERSON GARODNICK:

7 [Interposing] Okay.

8 MR. OLAYA: --and I wish that you
9 do not approve this project.

10 First of all we want to stay there
11 and grow up. And make a plan for us to grow up
12 right there and we can develop Willets Point.
13 That would be the first choice. But if you cannot
14 do it, let's give us a relocation and
15 compensation, indemnization (sic) and pay for the
16 advertising and show to the people that we really
17 have a government by the people and for the
18 people. Thank you.

19 CHAIRPERSON GARODNICK: Thank you
20 Sir, very much. And Mr. Ardizonne, is that your
21 name, sorry?

22 MR. JOSEPH ARDIZONNE: Yes my name
23 is Joseph Ardizonne and I'm at Willets Point
24 Boulevard, 12696. I just want people to know the
25 employees in the businesses of Willets Point

1

2

Boulevard rely on the wisdom of this panel.

3

4

5

6

7

Thousands upon thousands of lives will be affected if this abuse of eminent domain is allowed to take place. The case, it will be overburdened, it will overburden the present as well as the future generations of this State.

8

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Economic Development has a tremendous power if they're allowed to take privately owned property and turn it into City owned property. Economic Development was put together to develop City owned property. They have thousands of square miles of City owned property to develop. I can't see why they're intending to displace businesses, homes, families and the right of the average worker to support their families.

18

19

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25

They're going to be able to pass on debts to the average citizen. Many of these projects cost all the average citizens a tremendous amount of money, tax money. They have to prepare things for the developers. Sometimes they even give them tax-free. Developers, developed areas do need services. These services should not be passed on to the surrounding areas.

1

2

This is wrong. Everybody should pay their own way as best they can.

3

4

5

6

7

8

There is no sewage treatment plant in this area. There is no means of getting the human waste to the sewage treatment plants. How are you going to build without a sewage treatment plant? It is illegal in the first place.

9

10

11

12

13

14

Also along the Van Wick Expressway, we're going to have to put a bulkhead to clean out the sewage that is now in Flushing River. I asked Economic Development where were they going to put this bulkhead. They haven't got the slightest idea. That's a travesty.

15

16

17

18

19

20

They don't even have a developer. That's a travesty. How can anybody make a decision on a plan that doesn't exist? It's a plan that's going to be put together in the future. I feel sorry for everybody on this Board. How are you going to make a decision on nothing?

21

22

They also have the Emperor's Clothes.

23

24

CHAIRPERSON GARODNICK: Sir, I'm going to have to ask you to wrap it up--

25

MR. ARDIZONNE: [Interposing] Okay.

1
2 CHAIRPERSON GARODNICK: --whatever
3 you were just about to say, let's just get to the
4 end.

5 MR. ARDIZONNE: The Emperor's
6 Clothes do not exist. Take it upon yourself. I
7 feel very sorry for everybody on this panel.
8 Thank you--

9 CHAIRPERSON GARODNICK:
10 [Interposing] Thank you. And let me--before you
11 go, before you go. I just wanted to make a
12 comment. First, I want to thank you for being
13 here 'cause your testimony is incredibly helpful
14 and important. And I speak for myself and I'm
15 sure that I speak for many if not all of my
16 colleagues, when I say that the City needs to do
17 right by you. And they need to treat you fairly
18 as you've asked today. And that's going to be an
19 important point for us as we take a look at this
20 and go forward.

21 So I just want to let you know that
22 we hear you. You may not see everybody in this
23 room right now. Everything you've said is part of
24 the record. And this will be part of everything
25 we do going forward. So I just wanted to make

1
2 that point to you. We have a question from one of
3 my colleagues. Let me let her ask that question.
4 And then you guys, you can add whatever you were
5 going to add. Council Member Reyna.

6 COUNCIL MEMBER REYNA: Thank you
7 Mr. Chair. I just wanted to ask to the business
8 owners here of the truck and auto repair shop, the
9 two gentlemen--

10 MR. OLAYA: [Interposing] Yes.

11 COUNCIL MEMBER REYNA: --or just...

12 MR. OLAYA: Yes.

13 COUNCIL MEMBER REYNA: Do you pay
14 taxes?

15 MR. OLAYA: Yes we always pay
16 taxes.

17 COUNCIL MEMBER REYNA: For how
18 long?

19 MR. OLAYA: For 15 years that I'm
20 over there. I'm in business in this country for
21 25 years and I've always paid taxes.

22 COUNCIL MEMBER REYNA: And you Sir?

23 MR. NEIRA: I'm paying taxes for 23
24 years, since I came to the country and I started a
25 business so I'm paying since start.

1
2 COUNCIL MEMBER REYNA: And since
3 you've been paying taxes representing your
4 business have you received the appropriate City
5 services that your taxes ensure you the right to
6 have?

7 MR. NEIRA: Never. Never. The
8 only thing we'd receive from the City, just fines
9 for the garbage, violations for the water and all
10 that stuff.

11 MR. OLAYA: The City only sweep
12 Willets Point at the time the Mets is going to
13 play. The only at this time, the machine goes
14 right through 126th Street, is the only time they
15 use it. That's it--

16 COUNCIL MEMBER REYNA:
17 [Interposing] So. It's fair to say that because
18 the Mets play right next to you that that's the
19 only time, when the Mets are playing, that you
20 receive the courtesy of your City tax paying
21 dollars of sweep streets.

22 MR. OLAYA: Only one. Only one.
23 Right in front of Mets, that's it. The other, the
24 rest is going to be like that, and he chose, what
25 he chose right here, the picture they bring is

1
2 what they made, it's their negligence, it's that
3 what it made, the City made Willets Point look
4 like Hades by negligence and on purpose to get the
5 property down the value.

6 COUNCIL MEMBER REYNA: Do you have
7 paved streets?

8 MR. OLAYA: Well we have what?

9 COUNCIL MEMBER REYNA: Paved
10 streets?

11 MR. OLAYA: Well nowhere. I, I
12 consider that we have some paved somewhere is
13 because probably the owners or the people put
14 cement or put--

15 COUNCIL MEMBER REYNA:
16 [Interposing] In front of your business, do you
17 have paved streets and sidewalks that people can
18 walk on--

19 MR. OLAYA: [Interposing] Only at,
20 the sidewalk, we was building--

21 COUNCIL MEMBER REYNA:
22 [Interposing] Um-hum.

23 MR. OLAYA: --and the paved road
24 it's right there but they never did it. It's only
25 one street or two that they did it because they're

1
2 just starting this project to push it and they
3 want probably one road, that it examine you, that
4 that way they can say yeah we just giving them
5 something.

6 COUNCIL MEMBER REYNA: Do you have
7 sewer connections?

8 MR. OLAYA: Oh no. No.

9 MR. NEIRA: No.

10 MR. OLAYA: Nothing. I would like
11 to say something else before I leave. EDC comes
12 in here and said they negotiating with us, or
13 there is Cornerstone Realty Company is negotiating
14 with us, relocation.

15 They came 15 days ago. They sent
16 an old lady with another lady and they came up
17 right there and dropped these flyers in every
18 shop. That was the only thing they did and that's
19 what they consider negotiating--

20 COUNCIL MEMBER REYNA:

21 [Interposing] Mr. Chair can I see that?

22 CHAIRPERSON GARODNICK: Well we can
23 ask the Sergeant at Arms to bring that over to
24 you.

25 COUNCIL MEMBER REYNA: Thank you.

1

2

MR. OLAYA: I can get you a copy.

3

This is--LaGuardia Community College came to

4

Willets Point and parked a mobile truck right

5

there in front of 1089 126th. They bring--I didn't

6

bring the flyer, but they bring another flyer

7

showing to us that we can be from a mechanic, to

8

change out transmission or work on a motor in the

9

automobile to change to be a cook, salad man or

10

bus boy.

11

They say they going to have train

12

the people in English like second language, the

13

way you can go and fill out applications and after

14

that at the end of the letter is says and we do

15

not guarantee you're going to get work after this.

16

It says if you asking LaGuardia Community College,

17

because we did go and we enter into the truck and

18

ask him what they have for us.

19

And what they have for us is

20

nothing that belongs to us because we are only

21

concerned to automobile repair. And they say,

22

they put a picture, a respectable, the--mechanic

23

turning to be a cook or a salad man or a bus boy.

24

That's what they offer.

25

They have all these; the EDC has

1
2 tricks that they doing, that way the Councilmen
3 think they're doing the right thing. But they're
4 not doing the right thing with nobody because--and
5 right in front of my shop is one of the landlords,
6 the first ones that signed the deal and the guy
7 told me, they put me, a gun in the head with the
8 eminent domain, I have to make a deal. If not,
9 they're going to rob my property.

10 COUNCIL MEMBER REYNA: And did he
11 have representation? Legal representation?

12 MR. OLAYA: Who?

13 COUNCIL MEMBER REYNA: That
14 gentleman?

15 MR. OLAYA: Yeah. He belongs
16 before to these gentlemen, the association, but
17 what happened when the City make a deal with them,
18 then they tell him, you have to shut up and don't
19 belong to this association no more. This is what
20 is happening.

21 COUNCIL MEMBER REYNA: So that's
22 part of the agreement.

23 MR. OLAYA: That's the agreement.
24 And the woman says if we don't pass through this
25 project, you have nothing--

1

COUNCIL MEMBER REYNA:

2

[Interposing] Right.

3

MR. OLAYA: --but they already

4

damaged the business in Willets Point. We, all of

5

us, suffering because everybody in the City

6

consider Willets Point closed. We have to stay in

7

here for one day, and who's going to pay for the

8

rent? Who's going to give us back the money we're

9

losing right now? The City?

10

COUNCIL MEMBER REYNA: I completely

11

understand what you're saying as far as

12

contributing to saying that a business no longer

13

exists. We have La Marketa on Moore Street in

14

Brooklyn and for a year they kept announcing how

15

they're going to close it. Slowly but surely they

16

didn't sign permits for businesses to continue

17

their businesses in the Marketa, and so customers

18

less and less began to appear to purchase, and lo

19

and behold less than a dozen businesses remain.

20

And this is all due to EDC's action--

21

MR. OLAYA: [Interposing] Yes.

22

COUNCIL MEMBER REYNA: --to

23

relocate and shut down operations when it's

24

convenient for them, to be able to say that they

25

1

2 have better ideas and better way to do business.

3 So I appreciate your testimony.

4 And it gives and shed some light of truth as to
5 how you're being treated as a property owner, as a
6 tax payer, as a business owner. And we hope that
7 we can certainly share your thoughts and factual
8 information with our colleagues to be certain that
9 they understand what is happening and how this is
10 an injustice. Thank you.

11 MR. OLAYA: Thank you--

12 CHAIRPERSON GARODNICK:

13 [Interposing] Thank you Council Member Reyna.

14 Thank you all for your presence here today--

15 MR. NEIRA: [Interposing] Thank you
16 very much.

17 CHAIRPERSON GARODNICK: --I'm going
18 to call the next panel which is a panel in favor.
19 Claire Shulman of the Flushing Willets Point
20 Corona LDC, Bruce Bender, Al Pennisi and Spencer
21 Ferdinand.

22 I do want to just make a point now
23 that we have about 15 panels still to go. That's
24 about 60 or 70 more people wishing to testify so I
25 just want to ask my colleagues to keep their

1
2 questions to a minimum. Perhaps not at all, or
3 one at the maximum. But we're ready to get
4 started, the next panel. After this one will be
5 Jake Bono, John Fodera, Susan Fodera, G. L. Soni,
6 and Jerry Antonacci. So just, you're on deck.
7 And I see here we have--let's see, we're missing
8 one. Okay.

9 Ms. Shulman, welcome. It's nice to
10 see you and your name has been invoked a few times
11 today. So we're glad you're here and look forward
12 to hearing from you. So please be my guest and as
13 soon as you're ready.

14 MS. CLAIRE SHULMAN: Thank you
15 Councilman Garodnick and Councilman Monserrate.
16 Thank you for your endurance. We do appreciate
17 it. As you said my name is Claire Shulman. And I
18 am President of the Flushing, Willets Point,
19 Corona Local Development Corporation.

20 In just the past few weeks many New
21 Yorkers have had their lives turned upside down by
22 the current economic turmoil that we are all
23 facing throughout the country. With the economy
24 in disorder it is more crucial than ever that we
25 move forward with the plan to develop Willets

1
2 Point. In such turbulent economic times we must
3 do everything we can to promote initiatives that
4 will spur job growth and new business. We've
5 faced many times like this before and we all know
6 that the way to reenergize our economy is through
7 projects such as this one.

8 For those of us who represent New
9 Yorkers who live outside of Manhattan, we know
10 that our Boroughs are hit hardest during times of
11 fiscal crisis. But thanks to a great deal of hard
12 work over many years, Queens stands ready to serve
13 as a catalyst for job growth and urban renewal,
14 not just for our Borough but for all of New York
15 City.

16 Urban renewal in this case is about
17 more than economic development. It's about
18 cleaning up one of the most contaminated areas in
19 the region and turning it into New York City's
20 first green neighborhood. I think it would be the
21 first green neighborhood in the country. The
22 environmental benefits of this project to our City
23 and to the families in the surrounding
24 neighborhoods is undeniable.

25 We can all agree that we need to

1
2 clean up Willets Point and the Flushing River and
3 Bay. This project will revitalize the Flushing
4 waterfront and create a place where families can
5 enjoy open space and recreation in what is now a
6 blighted and polluted area. We will clean up the
7 contaminated site but that is just the beginning.
8 Willets Point will be a model of environmentally
9 sustainable development. The creation of open
10 space, parks, trees, a bicycle/pedestrian
11 connection to Flushing Bay, will have a direct and
12 profound impact on the daily lives of the people
13 living in and around the area.

14 This will be an enormous
15 accomplishment and set a standard for others to
16 follow throughout the City. The economic benefits
17 of this project are clear. Situated at the heart
18 of so many cultural institutions and recreational
19 facilities, in close proximity to mass transit and
20 our airports, Willets Point right now is the
21 epitome of an unrealized potential. The
22 development project will directly support
23 approximately 18,000 construction jobs and create
24 more than 5,300 permanent jobs. A redevelopment
25 at Willets Point is projected to generate

1
2 \$25,000,000,000 in economic activity over a 30
3 year period.

4 In addition of over 5,500 units of
5 housing, will be created, many of which will be
6 affordable. The development will connect Corona
7 and Downtown Flushing, vibrant and otherwise
8 thriving communities whose growth has been stifled
9 by the blighted area currently dividing them. We
10 will create a center of commerce that links these
11 two communities while adding desperately needed
12 convention space as well as a hotel.

13 Now is the time to make Queens a
14 destination for business and commerce. Having had
15 the privilege of serving in a Borough-wide post
16 for many years, I can tell you that rarely has one
17 plan encompassed so much hope for our future. And
18 lest we forget, the Economic Development
19 Corporation has worked hard, not only to describe
20 the project but to assist the businesses and
21 workers in Willets Point to relocate and prosper.
22 And I commend the City for its efforts and for all
23 of their hard work.

24 The redevelopment of Willets Point
25 comes at a critical time for the City's economy.

1
2 The creation of New York City's next great
3 neighborhood will help keep our economy moving but
4 we have to act now. Willets Point is our future
5 and it is how we will turn our economic, our
6 economy around, both in Queens and through the
7 City--

8 CHAIRPERSON GARODNICK:

9 [Interposing] Ms. Shulman.

10 MS. SHULMAN: --and when the
11 economy is troubled it is time to plan.

12 CHAIRPERSON GARODNICK: I need to
13 ask you to wrap up our point--

14 MS. SHULMAN: [Interposing] I will.
15 And, you know, when the economy reverses itself
16 all this planning can put the shovel in the
17 ground. And so I ask the City Council to consider
18 this plan very carefully because it has enormous
19 impact in both the Borough of Queens and the City
20 of New York. Thank you very much.

21 CHAIRPERSON GARODNICK: Thank you
22 very much. And before we go to the next witness
23 here, we just have some questions for you.
24 Council Member Reyna has to run out in a sec, so I
25 just wanted to give her a chance to ask you a

1

2 question. Council Member Monserrate, and then
3 we'll go on. So Council Member Reyna.

4

COUNCIL MEMBER REYNA: Thank you
5 Mr. Chair. Borough President Shulman, I want to
6 just address a question to you. The LDC you sit
7 on is--what's the name of it?

8

MS. SHULMAN: The Flushing, Willets
9 Point, Corona Local Development Corporation.

10

COUNCIL MEMBER REYNA: Okay. So
11 there was a question raised because there was a
12 complaint through the City Clerk's Office, is
13 whether or not you are a registered lobbyist. Is
14 that--

15

MS. SHULMAN: [Interposing] I am,
16 yes, right now, yes. I'm registered both with the
17 City and with the State.

18

COUNCIL MEMBER REYNA: You're
19 registered with the City and the State. And why
20 are you being considered a lobbyist?

21

MS. SHULMAN: Because I suppose I'm
22 an advocate for the project.

23

COUNCIL MEMBER REYNA: Okay. But...
24 well okay. Thank you.

25

CHAIRPERSON GARODNICK: Thank you

1

2 Council Member Reyna. Council Member Monserrate.

3 COUNCIL MEMBER MONSERRATE: Thank

4 you very much. Ms. Shulman I have a couple of

5 questions regarding the LDC. How much City

6 funding has the LDC got or funding from the

7 Economic Development Corporation?

8 MS. SHULMAN: We have received,

9 what the arrangement was, is that the members of

10 the LDC would submit X number of dollars to be

11 matched by the City, dollar for dollar, to the

12 tops of \$250,000. And we have so far received

13 from the City, \$250,000.

14 COUNCIL MEMBER MONSERRATE: You

15 received from the City, \$250,000 which means that

16 you've raised another \$250,000 from private

17 sources--

18 MS. SHULMAN: [Interposing] Yes.

19 We've raised probably more than that, yes.

20 COUNCIL MEMBER MONSERRATE: Is

21 there any other City funding forthcoming, due,

22 projected?

23 MS. SHULMAN: I wish there were but

24 there isn't.

25 COUNCIL MEMBER MONSERRATE: You

1
2 wished there were but there isn't. Okay. And how
3 many lobbyists have you retained? Has the LDC
4 retained--

5 MS. SHULMAN: [Interposing] We have
6 hired Parkside and Glover Park.

7 COUNCIL MEMBER MONSERRATE: And
8 Glover?

9 MS. SHULMAN: Glover Park.

10 COUNCIL MEMBER MONSERRATE: Okay.
11 Thank you very much. There was a statement made
12 by some of the business owners that you
13 commissioned the report when you were the Borough
14 President in 1991, do you have any recollection of
15 that?

16 MS. SHULMAN: It's over 15 years
17 ago, but I guess that's so.

18 COUNCIL MEMBER MONSERRATE: You
19 guess so--well. Do you remember what the report
20 said?

21 MS. SHULMAN: Well I think what I
22 heard the testimony was that we did study the
23 project and concluded that--and I really shouldn't
24 say, what I will do is find that study and give it
25 to you.

1
2 COUNCIL MEMBER MONSERRATE: Do you
3 have any--

4 MS. SHULMAN: [Interposing] Because
5 I really don't recall it. I don't recall the
6 language. I think it was a positive report for
7 the area in Willets Point but I will give you the
8 study.

9 COUNCIL MEMBER MONSERRATE: Okay.
10 And when you commissioned the report, what was
11 your initial intent, like what was your desire
12 when you--

13 MS. SHULMAN: [Interposing] Well I
14 think what happened as I heard today is that
15 members of the Willets Point business community
16 came to my office and asked for assistance and we
17 issued--we issued a study and got a report. And,
18 you know, the truth of the matter is it was very
19 difficult for the City because I did not have the
20 power to build the sewers or the streets as you
21 well know.

22 COUNCIL MEMBER MONSERRATE: Right.

23 MS. SHULMAN: But the information
24 we received and it's a very long time ago, is that
25 in order to build sewers you had to raise the

1
2 property and raise it significantly, in which case
3 the businesses that existed would be left in a
4 hole.

5 COUNCIL MEMBER MONSERRATE: Right.

6 MS. SHULMAN: Right. I, you know,
7 I'm not an engineer but that was the information I
8 received and it was a very difficult thing to do.
9 That's, you know--

10 COUNCIL MEMBER MONSERRATE:

11 [Interposing] Right. I guess--

12 MS. SHULMAN: --I will give you the
13 study.

14 COUNCIL MEMBER MONSERRATE: Yeah.

15 I would like to review it only because, you know,
16 I've heard, I have heard the position of the
17 property owners and the realty association and I
18 guess their contention is that the position from
19 the 1991 report is diametrically opposite to your
20 position today. And--

21 MS. SHULMAN: [Interposing] Well,
22 you know, when you--

23 COUNCIL MEMBER MONSERRATE: --and I
24 was thinking there might be a reason. We change
25 our minds in government and we amend things

1

2 routinely, right? This is what we do. I was
3 wondering what was the reason for the change.

4

MS. SHULMAN: Well it looked like,
5 to me, it was very difficult to do infrastructure
6 without cleaning up the property and the, you
7 know, our reports were that there were
8 environmental problems. In order to do it because
9 of the tidal, you know, the tides coming in and
10 out and the water table being so high that it was
11 very difficult to do the infrastructure at Willets
12 Point without clearing the land and cleaning it.

13

And the future of Willets Point was
14 a great question and a big challenge to everybody
15 in government because of where it was located.
16 It's an exquisitely important location between two
17 airports and eventually as you study the project,
18 some of your ideas do change and you're quite
19 right, that was a very long time ago.

20

While I was Borough President there
21 were people that came to my office looking to
22 develop Willets Point I remember that Universal
23 Studios came, Donald Trump came, some fellow from
24 Japan came, a bubblegum king of some--right, I
25 mean, my memory serves me--

1

COUNCIL MEMBER MONSERRATE:

2

[Interposing] Right.

3

MS. SHULMAN: --everybody had an

4

idea of doing something there because of the

5

location. And so it was always a question is what

6

will happen to Willets Point. And so now this

7

Mayor has decided to go forward with developing

8

Willets Point. And that's why we're here today.

9

COUNCIL MEMBER MONSERRATE: All

10

right Mr. Chairman. Thank you.

11

CHAIRPERSON GARODNICK: Thank you.

12

Gentlemen, sorry to keep you waiting, please go

13

right ahead.

14

Mr. ALBERT PENNISI: Council

15

Members, my name is Albert Pennisi, I'm the

16

President of the Queens Chamber of Commerce.

17

Queens Chamber of Commerce's number one priority

18

has been to bring a convention and exhibit center

19

and hotel to Queens County. The proposed

20

redevelopment of Willets Point would allow for

21

this vision to become a reality.

22

Willets Point is one of the last

23

pieces of land of 60 plus acres available for

24

developing in Queens, and its development will

25

1
2 promote economic growth, serve the market's need
3 for convention and exhibit center, that is larger
4 than Queens hotels can currently provide. The
5 overall plan for Willets Point should serve the
6 needs of the Queens' business community and the
7 City of New York.

8 A convention and exhibit center
9 would provide Queens County and the City of New
10 York tremendous benefits by hosting large trade
11 shows, consumer shows, cultural events and
12 visitors from the City of New York, and yes,
13 nearby cities in the United States. The location
14 borders on major highways, it's one mile from
15 LaGuardia Airport, ten miles from JFK Airport and
16 a two hour flight from many major cities.

17 A convention and exhibit center
18 must be supported by a premier hotel on site. A
19 hotel would accommodate New York City and visiting
20 guests from outside the region. A hotel is
21 critical to the support of a convention and
22 exhibit center on site.

23 This is an extremely important
24 financial benefit to the businesses of Queens and
25 the City of New York in these trying and difficult

1
2 economic times. Development of Willets Point is
3 projected to create from 18,000 to 20,000
4 construction jobs and approximately 5,000
5 permanent jobs and generate over \$5,000,000,000
6 over 30 years.

7 We do however recognize that this
8 redevelopment must be pursued with an awareness
9 that businesses currently operate at this
10 location. The Economic Development Corporation
11 must provide relocation, financial and technical
12 assistance to ensure the shortest possible and
13 least disruptive business relocations. New York
14 City has selected LaGuardia College to work with
15 displaced workers.

16 We support and applaud statements
17 by Mayor Bloomberg and Queens Borough President
18 Helen Marshall regarding the creation of a
19 dedicated business relocation and workforce
20 assistance plan for the businesses currently
21 located in the area. This relocation effort must
22 be intensified by the Economic Development
23 Corporation.

24 We are pleased that what began as a
25 Queens Chamber of Commerce Feasibility Study has

1
2 now grown to a point where there's a Master Plan
3 that includes our hotel and conference and exhibit
4 center concept. In closing, the Chamber of
5 Commerce strongly urges the City of New York to
6 approve the Willets Point redevelopment. Thank
7 you.

8 CHAIRPERSON GARODNICK: Thank you
9 very much. Sir.

10 MR. SPENCER FERDINAND: Good
11 afternoon, my name is Spencer Ferdinand. I'm the
12 Executive Director of the Queens Economic
13 Development Corporation. We represent the County
14 of Queens in terms of expanding jobs and
15 development opportunities.

16 We strongly support the development
17 of the Willets Point project for a number of
18 reasons. As has been said before today and
19 certainly now with my colleague from the Queens
20 Chamber, in terms of strategic development which
21 is one of the reasons I wanted to talk here today,
22 Willets Point is strategically located, making it
23 a very good site for development, the uses of
24 which are proposed in terms of the hotel
25 development site and the conference center fit

1

2 into the Queens economy.

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4 The Queens economy, if you look at
5 it separately from the City of New York, is really
6 the most diverse Borough economy that the City
7 has. And given the financial crisis that's going
8 on now, it's, for the most part, free of the
9 financial sector. It's supported by a lot of
10 construction activities, healthcare activities as
11 well as retail and hotel.

12

13 As the Borough that has both
14 airports, tourism and transportation are a very
15 large part of what we do. And the use that's
16 being proposed for Willets Point is really
17 consistent with the economy of Queens and would
18 help Queens which in turn would certainly help the
19 City of New York. So we're supporting it in terms
20 of the strategic development that we see for
21 Willets Point.

22

23 Also in terms of the proposed
24 development from EDC of developing Willets Point
25 as one project, we think that's also a very
strategic approach. Willets Point is the way that
it is now because it really can't be developed
individually by each of the businesses that are

1
2 there. It needs to be developed as a single,
3 total package. And that's what's being proposed
4 by EDC and being supported by us.

5 So in conclusion, we think that the
6 Willets Point project supports the strengths of
7 the Queens economy and is a good project for us.
8 Thank you.

9 CHAIRPERSON GARODNICK: Thank you
10 very much. Thanks to all of you for your
11 testimony today. We're now going to call the next
12 panel which is Jerry Antonacci, G. L. Soni, sorry
13 if I'm doing that wrong, Susan Fodera, John Fodera
14 and Jake Bono. Please come join us.

15 Let me just ask, obviously this
16 hearing is now five hours old. If you have heard
17 already what you planned to say, if you could just
18 make a point, you know, I agree with so and so, I
19 think that would move things along more
20 expeditiously, just a suggestion. And also on
21 deck, just so you can be ready, Gene Kelty and
22 Chuck Aphelion, Community Board 7 in Queens. So
23 folks you're here.

24 MR. GERALD ANTONACCI: Go first?

25 CHAIRPERSON GARODNICK: Sure. Go

1

2 right ahead. Thank you.

3

4 MR. ANTONACCI: Hi. My name is
5 Gerald Antonacci and I am the President of Crown
6 Container a landowner and a business owner. I
7 would like to thank you for the opportunity of
8 letting me speak. I would like to start out by
9 saying that I am against this land grab with
10 eminent domain attached to it. I am opposed to
11 Bloomberg-ism, and just wish to get the services
12 that I paid for, for the last 32 years.

12

13 I have faith that the Council will
14 do the right thing and keep the American dream
15 alive. After all, it is our right to own land and
16 to have a dream. I ask you just not for all the
17 land owners in Willets Point but for all the land
18 owners in the City. I hope that the pressures
19 from the ones affected outweigh the pressures from
20 the ones looking to gain.

20

21 I think the time has come in our
22 City to stand up and say no to eminent domain. We
23 have endured years of neglect and have been
24 throwed to the curb and spit on. To be slapped in
25 the face now after how we have survived with no
help of the City would be wrong and an insult.

1
2 Remember this City is at fault for
3 every picture and for every reason they have given
4 you about what's wrong with Willets Point. Show
5 me a picture and I'll ask you if they knew about
6 it why didn't they do something to fix it. You
7 know, Mr. Lieber said Willets Point is a hole in a
8 doughnut. They created that hole. When you ask
9 the question to yourself, why it got like that,
10 you can't come up with an answer.

11 The answer was up on the screen
12 when they showed you the picture of their new
13 plan. I have a picture in my head of 16 years
14 ago, of a meeting at Fodora Foods when Claire
15 Shulman told us that she had better plans for
16 Willets Point.

17 Like I say, pictures don't lie. I
18 think when Claire Shulman was talking about the
19 study that was done 16 years ago, in the words of
20 Roger Clemens, she misunderstood. The last time I
21 sat in this room I looked up and I saw a quote
22 from Lincoln, from the Gettysburg Address. And I
23 ask you for the sake of the City and this country,
24 did Lincoln say a government of developers, by the
25 rich, for profit or did he say a government of the

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people, by the people, for the people.

I ask you to think of what he meant before you make your decision. And after you do, I believe you will stand up once and for all and strike dead this dreadful thing called eminent domain. Thank you.

CHAIRPERSON GARODNICK: Thank you very much Sir.

MR. JAKE BONO: How you doing? My name is Jake Bono. I'm a third generation worker and my family owns a business and land at Willets Point.

I am completely 1,000% against the project and potential abuse of eminent domain at Willets Point. My family's land is not for sale. It was for sale many decades ago, that is when my grandfather and great uncles purchased it. Maybe Bloomberg's father should have purchased it back then. Then he wouldn't have to be here today to steal it. I say steal it because that's the new twist on an old law called eminent domain.

Eminent domain under the Constitution and Fifth Amendment was not intended to be used for this purpose and in this way. This

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2 is a giant land grab and a violation of our rights
3 under the Constitution and Fifth Amendment. The
4 Mayor instead of playing a grandiose game of
5 Monopoly with his friends at our expense, the men
6 and women at Willets Point, should try ordering
7 the streets, sewers and services to be delivered
8 immediately at Willets Point, to Willets Point.
9 We've only been paying for them for the last 75
10 years that we've been in business.

11 I say to the union reps and the
12 workers who we hope to get the highest wages and a
13 full line of jobs for the next 100 years, what's
14 more important to you, a handful of pay stubs from
15 a job at Willets Point or to know that your house
16 and your property you worked so hard for could
17 never be taken from you and your family?

18 I say also to those who look for
19 affordable housing, who we totally support their
20 efforts for low income housing, just not on our
21 land. How about the person who betters their
22 situation from affordable housing to one day own a
23 home? Are you worried that some day that person
24 may lose their house to the virus, eminent domain?
25 The disease of eminent domain being used

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2 wrongfully to benefit private parties in unmoral,
3 unconstitutional and must end with the Council's
4 vote of no.

5 Our land today, yours and your
6 children's tomorrow. I have a great confidence in
7 America where my many great-uncles, cousins, all
8 past owners and workers at Bono Sawdust, along
9 with my father, President and owner of Bono
10 Sawdust today, fought for these freedoms in every
11 war from World War II to Viet Nam.

12 I know that you the Council will
13 not let us get stripped of our rights and our
14 land. The EDC is sure to label us unreasonable,
15 greedy, standing in the way of progress, and hold-
16 outs. This is not the case. This is our land and
17 it's not for sale. In America, you're supposed to
18 be free to do with your land as you please. Thank
19 you and please vote no.

20 CHAIRPERSON GARODNICK: Thank you
21 Sir.

22 MR. BONO: Push the button.

23 CHAIRPERSON GARODNICK: Please hit
24 the button on the microphone and you'll be all
25 set.

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MR. G. L. SONI: My name is G. L. Soni; I'm the owner of House of Spices. We opened this business over 40 years ago in Queens, Jackson Heights. I opened it with my brother, my wife and my brother and sister-in-law. 1970 we opened a retail store in Jackson Heights, then we moved to Woodside, then we moved to Richmond Hills. Then we moved to Bronx, on the Brooklyn Boulevard and 149th Street at our 49,000 square feet.

We wanted to expand and manufacture things right in New York City, so that I have a upper hand against the imports and give better product to the United States. At that particular time, New York City brought us to Willets Point Boulevard, here we get some ideal benefits, tax re-bonds, we get real estate abatements, we get redirection the energy.

And I have a conversation from even Bloomberg that we are doing a good job. We added almost 30 to 40 jobs. We employ right now 110 employees in Willets Point. I have 230 to 240 employees all over the United States. We are 9 warehouses all over the United States. Even State of Texas we have a warehouse in Houston, almost

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2 65,000 square feet. Even the State of Texas has
3 come to us to move them, move to Houston, give
4 them all kind of facilities; there are almost six,
5 seven years ago.

6 We have a delegation from
7 California also. We have a warehouse in Los
8 Angeles as well as San Francisco but I am a New
9 Yorker, I want to stay in New York. I came to
10 the United States in 1964 with \$8 in my pocket.
11 Now if you want to see a real American success,
12 American story coming true, that's me, House of
13 Spices.

14 And we are always with telling the
15 City that we would like to stay here but if you
16 want us to move we will move, as long as a good
17 relocation plan is devised. We offered to look
18 into two different locations. We have been
19 talking.

20 While I really want you to think
21 how you negotiate with a party across the table,
22 with an unseen weapon on your table, looking right
23 in your eyes, where the other party has a clear
24 power and nine wise men of the United States
25 Supreme Court has given them the permit, go. It's

1
2 only the House of Spices or Diamond [phonetic] or
3 anybody in the Willets Point association, do not
4 obey or go along with what you want to do, just
5 pull the trigger. Let them bleed to death,
6 nothing will happen to you. And that is a real,
7 real pressure. And that is not a real
8 negotiation.

9 We have been negotiating. I think
10 City has tried. We thought we were very close but
11 we were not close. Now today I just heard, I
12 think around three, four hours ago, EDC telling,
13 to reply to one of the Council Members that if the
14 business loses money, we'll reimburse them. I
15 just can't believe that. That's a real joke.
16 When we asked the EDC, our employees are our
17 strength, and they would like to go, move with us,
18 we have a location in Bronx, okay--

19 CHAIRPERSON GARODNICK:

20 [Interposing] Sir. I'm going to ask you to just
21 to warp it up; we're over your time by a
22 considerable amount. I just need you to wrap up--

23 MR. SONI: [Interposing] Okay.

24 Anyway I feel when we're negotiating, the
25 negotiating team ought to do something but I think

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2 there are not given the power nor the facility
3 from somewhere up above.

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5 CHAIRPERSON GARODNICK: Thank,
6 thank you--

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8 MR. SONI: [Interposing] That is
9 what I really feel.

10

11 CHAIRPERSON GARODNICK: Thank you.
12 Thank you very much. The Foderas. Go right
13 ahead.

14

15 MS. SUSAN FODERA: I'm Susan Fodera
16 from Fodera Foods. I just wanted to say quickly
17 before I read this, that on the issue of eminent
18 domain, I just wanted to say something that Bob
19 Lieber said or suggested. He said that if eminent
20 domain were not on the table that the negotiations
21 on our part would be sky-high.

22

23 And I just wanted to point out that
24 we're business people. And we negotiate for a
25 living. We negotiate with our vendors. We
26 negotiate with our customers. And we know how to
27 place value on what we sell and what we do and
28 what our property is worth. We know how to get
29 independent appraisals.

30

31 So I question why the fear of

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2 removing eminent domain from the table? I mean,
3 when we walk into negotiations, we're walking into
4 sell us your business or sell us your business.
5 Where the fair and equitable in that? Why the
6 fear or removing eminent domain from the table?

7

8

That's, you know, it was my
question to him when he kind of--

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CHAIRPERSON KATZ: [Interposing] I
was going to say, the hearing is really us asking
question.

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MS. FODORA: No, I know. I
understand that. And I just felt compelled to say
that.

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CHAIRPERSON KATZ: We'll take that
as a rhetorical statement.

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MS. FODERA: It was meant to be a
rhetorical question, how's that. Okay. And now.

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We've been property owners of
Fodera--we represent Fodera Foods, a third
generation of Fodera Foods which was started in
1935. Our business is not a chop shop, it's not a
junk yard and it's not an eyesore. It's a
wholesale bakery products distribution facility
that operated in a clean, well-maintained historic

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2 building with a lush green front lawn.

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In its efforts to justify the need to level the community the City's been waging a campaign to portray Willets Point as a gritty area of chop shops and auto related industries in the shadow of the new Citi Field Stadium, riddled with crime and illegal activity as well as being highly contaminated.

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I've never heard of razing a neighborhood due to illegal activity. It would seem to me that we have law enforcement to handle that. As for widespread contamination, the City has yet to show data that supports this or, you know, and I think that also came through today.

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Representatives from the EDC and their consultant told us that they did not find widespread contamination. On the contrary they found localized pockets of contamination that could be remediated without removing existing businesses.

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I find it difficult to accept that in 2008 we don't have the technology to identify and remediate the environment without leveling an entire community.

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2 Finally the City claims that the
3 area needs to be leveled because it resides in the
4 100 year flood plain and must be razed. Many
5 communities in New York City reside in the 100
6 year flood plain yet none of them needed to be
7 razed sacrificing their livelihoods in the
8 process.

9 Willets Point is a portrait of the
10 American dream. The businesses of Willets Point
11 represent a microcosm of the surrounding
12 communities of Flushing, Corona and Jackson
13 Heights and provide the people of these
14 communities with professional upwardly mobile
15 employment opportunities.

16 Fodera Foods as well as the
17 businesses of our neighbors have stood the test of
18 time and continue to be successful in spite of the
19 uncertain economic environment--

20 CHAIRPERSON KATZ: [Interposing]
21 Quick question for you. Are you Mr. Fodera?

22 MR. JOHN FODERA: Yes.

23 CHAIRPERSON KATZ: Are you
24 testifying also?

25 MR. FODERA: Very briefly.

1
2 COUNCIL MEMBER KATZ: Okay so then
3 you're going to have to wrap up--

4 MS. FODERA: [Interposing] I am.

5 CHAIRPERSON KATZ: --if you don't
6 mind, so thank you.

7 MS. FODERA: I'm done.

8 COUNCIL MEMBER KATZ: I thought you
9 combined your time but go ahead.

10 MS. FODERA: I can go on or not? I
11 share Mayor Bloomberg's belief that Willets Point
12 can be New York's next great neighborhood, but not
13 his vision. The property owners of Willets Point
14 are ready, willing and able to continue to grow
15 and develop in Willets Point with the
16 implementation of the necessary infrastructure and
17 the support and protection of our property rights,
18 we will not only be New York's next great
19 neighborhood, we will be American's next great
20 neighborhood.

21 Given the opportunity we will be
22 able to expand and implement our development
23 projects long on hold. We have the ability to
24 invest in ourselves and in Willets Point. With
25 infrastructure in place the area will attract

1
2 quality business and development. A new Willets
3 Point will emerge, nitty, gritty and pretty.

4 Willets Point will be a model of
5 sustainable--

6 CHAIRPERSON KATZ: [Interposing]
7 Mrs. Fodora--

8 MS. FODORA: --and responsible
9 development.

10 CHAIRPERSON KATZ: --I need you to
11 wrap up--

12 MS. FODORA: [Interposing] That's
13 it.

14 CHAIRPERSON KATZ: --it is--I
15 appreciate it though. Thank you very much. Mr.
16 Fodera.

17 MR. FODERA: Okay. Yes. My name
18 is John Fodera, Jr. for Fodera Foods. And I just
19 want to begin by saying when I think I have a bad
20 day; I look at what this Council has been through
21 today, all this testimony and your patience. So I
22 thank you.

23 CHAIRPERSON KATZ: That's just an
24 everyday occurrence here--

25 MR. FODORA: [Interposing] Every

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2 day.

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CHAIRPERSON KATZ: Term limits,
Willets Point, no problem.

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MR. FODERA: I'd like to just say
I'm thankful to be an American. And I'm also
thankful for being a New Yorker. I want to say
that I believe that we have an opportunity here to
make a tremendous difference. I think we're
seeing something taking place not only here in the
City but in our national and international level.
Sometimes things get so big, too big to fail.
This project may be one of them. It may be
something that creates more problems than it
solves.

I believe the things that made this
nation great were the things that were small, that
were indigenous and grew from there. What we need
is just the help, as you've heard so many times
before, just give us the basics. We will do the
rest.

As for our brothers and sisters in
Labor, it's not that we have anything against
them, we don't. We've wanted to expand our
facility. We want to expand our business. We

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want to grow. But we've had this cloud; this storm cloud of eminent domain for so long hanging over us it's prevented that.

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Finally I want to just say to the Council that you have a tough decision to make because you have strong sides on both sides. And for us I feel it's almost like we are depending on you to be the brake in this situation, to allow something small to grow from indigenous.

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I'm going to take something and I'm going to try to quote it as best I can from the movie Contact. At the end, I think it's called Occam's Razor. And it says something to the effect that when you've exhausted all the more complicated alternatives, sometimes you come back to the simplest. And that's the right one. And for us the simplest would be give us the basics, the infrastructure. We'll do the rest. I promise you. Thank you again.

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CHAIRPERSON KATZ: We thank you for your time for coming down here today. We know it's been a long day and I thank you for the empathy. Thank you.

25

Next we have Gene Kelty, Chair of

1
2 Community Board 7, and Chuck Aphelion, also of
3 Community Board Seven. And they are for the
4 project.

5 [Pause]

6 CHAIRPERSON KATZ: And while
7 they're coming up, next we will have, I gather
8 this is empty? Brad Lander from Pratt Center,
9 Monsignor Healy, Ericka Stallings, John Furlong
10 and Elena Conte. If you can just be prepared to
11 come on up that'd be great. Mr. Kelty, always
12 good to see you.

13 MR. GENE KELTY: Good morning--

14 CHAIRPERSON KATZ: [Interposing]
15 Please.

16 MR. KELTY: --afternoon Council
17 Members. Are we ready?

18 CHAIRPERSON KATZ: We're ready.

19 MR. KELTY: Okay. My name is Gene
20 Kelty, I'm Chairperson of Community Board 7 in
21 Queens and I'm here to present testimony before
22 you regarding the Willets Point redevelopment. On
23 June 30th the Community Board had a public hearing
24 regarding the issues, the meeting went on well
25 into the night where a presentation was conducted

1
2 by Economic Development Corporation, a question
3 and answer period and a full board comments and
4 comments made by the public.

5 By the early morning hours at 12:30
6 A.M. the Chair of the Committee presented the
7 Committee Report and made the following motion: to
8 approve the Willets Point redevelopment as
9 presented with the following stipulations. The
10 first two are mandatory.

11 And I've got a copy of it and I'm
12 just going to kind of shorten it to move us along.
13 Postpone disposition of the property the City
14 requires at Willets Point until a final plan and
15 developer are chosen to allow CB 7, the Borough
16 President input and final approval. A mitigation
17 fund to include 10% of the development costs
18 excluding land acquisition costs, parking
19 requirements at 100%, a public school should be
20 included in the urban renewal plan.

21 Where Board 7 doesn't approve of
22 the use of eminent domain we realize that it is a
23 component of the urban renewal plan. We insist
24 that EDC diligently exhaust every method of
25 negotiation and not abuse the method of property

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2 acquisition and issue advance notices with
3 supporting documentation to Community Board 7
4 prior to any action of eminent domain.

5 That EDC must keep their promise of
6 unconditional efforts for business relocations,
7 workers relocations and job retentions. We upped
8 the ante on the affordable housing to 30% of--with
9 an income eligibility of \$45,000 or below. And we
10 also asked that half of that would be for senior
11 citizens.

12 There was a question regarding HPD
13 because they said we sat on an adjoining community
14 board that we said that we thought that the other
15 50% of the housing should be given to Boards 3 and
16 4 and not given to the general citywide because
17 they were just as impacted as we. The overall
18 site should also conform to the LEED-ND
19 certification standards.

20 The redevelopment of Willets Point
21 for us, for workforce, shall include the following
22 priorities. This came in after we made the
23 recommendation. They were concerned about
24 displaced Willets Point workers, women and
25 minority businesses, local businesses and union

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2 labor. The motion was re-read again with the
3 addition of the friendly motion. A roll call vote
4 was taken. 21 board members vote for approval, 15
5 board members voted for opposition, 2 board
6 members abstained for conflict of interest.

7 It should be noted that there was
8 extensive discussion on the items; approximately
9 12 committee meetings were conducted over the year
10 with 7 in the last 2 months. And I would like to
11 make sure that the members of the City Council
12 understand that the Community Board voted in favor
13 of this project with 12 conditions. And
14 furthermore on the early stages and reading it
15 throughout, it was understood that businesses
16 should not be relocated out of Willets Point and
17 put into the College Point area and that the site
18 should not be mitigated in phases.

19 I thank you and if you have any
20 questions. I'll be glad to answer them.

21 [Pause]

22 CHAIRPERSON KATZ: The one thing I
23 wanted to as you is you'd have the affordable
24 housing, the preference available to the three
25 Community Boards, correct?

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2 MR. KELTY: Well what happened was
3 I think when the action came up, it was the first
4 time I think that HPD said that they had this
5 thing where we shared the Board, Boards 3 and 4,
6 and Board 7. This project is totally in Community
7 Board 7's area, so we're entitled to 50% of the
8 site.

9 Since I've been on the Board for 24
10 years, it's very inappropriate to be very greedy
11 on stuff, and I felt the best way to go is to try
12 to show a willingness to work with our adjoining
13 Community Boards. And I said that I wouldn't mind
14 sharing like 10% to 15% of it. That opened the
15 door for City Housing to come back and say well we
16 don't know if we can do that, it may come out of
17 your 50%.

18 So when I had to protect our Board
19 I said no. Then I want the 50% to go back and
20 then we also upped the number to 30% instead of
21 20, and then we also said that we had a lot of
22 seniors. But we also felt that the other 50% that
23 the housing said has to go out to the general
24 public of the five Boroughs, we felt that that's
25 not fair, since Queens is being impacted,

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2 especially the two adjoining Boards which is 3 and
3 4, they should be given a consideration for the
4 other 50%.

5 CHAIRPERSON KATZ: All right.
6 Thank you. And Chuck, do you have testimony or
7 you? Yeah.

8 MR. CHUCK APHELION: Yeah I'm going
9 to add. Hi I'm Chuck Aphelion [phonetic]. I'm
10 the Vice-Chair of Community Board 7 and I was also
11 the Chair of this Committee throughout the ULURP
12 for Community Board 7.

13 I'm going to just highlight some of
14 the things that Gene brought out, just to address
15 it. I'll start with the housing issue as Gene was
16 saying. Initially the City was asking for 20%, we
17 asked that a minimum of 30% affordable housing be
18 included and that City Council would address that
19 as they go forward.

20 We also addressed the senior
21 affordable component. There's a great need for
22 senior housing in our Community Board so we ask
23 that half of that element be a senior component.
24 And as Gene said as per the HPD regulations, we
25 wanted half of our--half of the designation to go

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to Community Board 7.

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There are a couple of other issues that I'd like to just address to see what has been done, what needs to be done, and what help we need from the Council if this is to be approved. The K-8 public school is an 850 seat school which is now included as the Urban Renewal Plan. And it's going to be provided on site, that's something that's already been done.

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Gene addressed the fact that although we do not approve the use of eminent domain for the redevelopment, the Board recognized that it was a component of the Urban Renewal Plan and it is part of this action. And we made it mandatory to the Economic Development Corporation that we wanted them to diligently exhaust every means for negotiation in the property disposition or acquisition method rather. And we asked that supporting documentation be given to the Board before any action of eminent domain takes place.

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Another action which seems to be working along very nicely and aided tremendously by the Borough President is the promise of unconditional effort of business relocation,

1
2 worker relocation and job retraining. And I think
3 you'll hear later on from the people at LaGuardia
4 that are getting involved with this project.

5 They've worked very closely with the Borough
6 President in making sure that anybody on this site
7 as a business owner, a worker or a job retraining
8 process is in place.

9 There are a couple of things though
10 that we still feel are very important and haven't
11 been completely addressed and need to be
12 addressed. And they are very important to the
13 fact that the Board made a conditional approval.

14 One is that the disposition of the
15 property that the City acquires which is as of
16 right now, they're asking for conveyance, be
17 postponed until a developer is chosen. In other
18 words, as part of this ULURP action if you do
19 approve it, we'd like the action of disposition to
20 be held in abeyance so that the Borough Board, the
21 Queen's Borough Board which consists of the
22 Borough President, all the Queens Council Members
23 and the representatives from Community Board 7
24 would have a final look-see at the plan when that
25 final plan gets tweaked.

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2 So that's very key to us and that
3 was a condition that gave us the opportunity to
4 say yes to go ahead, that we'd have another look-
5 see when it came back.

6 The other was the mitigation fund.
7 We asked for a mitigation fund because of the fact
8 that they showed many issues that needed
9 correction but didn't have answers for--I'll wrap
10 it up. And we knew that there would be things
11 that would be discussed down the road as the plan
12 was finalized.

13 We asked for a 10% contingency be
14 put in place. To date the Mayor's Office has
15 given \$5,000,000 to this mitigation fund. And we
16 feel that's very tiny in comparison to some of the
17 issues concerning the traffic, the infrastructure,
18 the Van Wick, things of that nature. So we still
19 insist on a mitigation fund of 10% of development
20 cost, excluding the land.

21 Those are two issues that if the
22 Council were to go ahead and approve it, we ask
23 that the Council very sincerely and very seriously
24 address those issues before any approval is given.

25 CHAIRPERSON KATZ: I thank you

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2 both. And the Deputy Mayor did say we were going
3 to address those issues, especially keeping
4 control by the Borough Board and we will see what
5 happens on the negotiations with that. I thank
6 you both for your testimony.

7 MR. APHELION: Thank you.

8 MR. KELTY: Thank you.

9 CHAIRPERSON KATZ: Next, can we
10 have the next panel? Brad Lander, Monsignor
11 Healy, Ericka Stallings, John Furlong, Elena
12 Conte.

13 I'm going to just ask, as they're
14 coming up to the stand, there is 11 more panels
15 scheduled. Many people, it's great that everyone
16 is testifying and we love community participation.
17 But if you have to say what has already been said,
18 we are not opposed to simply having you put on the
19 record, I'm for it. I'm against it, because of
20 eminent domain, because of the affordable housing,
21 whatever it is. And we would be happy to record
22 your vote on that. So just FYI.

23 [Pause]

24 CHAIRPERSON GARODNICK: Okay Mr.
25 Lander, are you ready?

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MR. BRAD LANDER: I'm ready.

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CHAIRPERSON GARODNICK: Go right ahead.

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MR. LANDER: Chairman Garodnick, Chairwoman Katz, thanks so much for this opportunity to... thanks so much for this opportunity to testify on Willets Point. I'm Brad Lander the Director of the Pratt Center for Community Development and a member of the Queens for Affordable Housing Coalition like the rest of the folks up here.

We've come before you on many major rezoning and development plans in recent years when we believed the interests of low and moderate income people and their needs for affordable housing, good jobs, more open space and schools and community centers and the overall planning needs of the City were being ignored in pursuit of the goals of new luxury condos and new office buildings. And in many cases you've succeeded in making those plans better or at least a bit less wantonly serving the developer interests primarily.

But Willets Point is a special

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case. First because the project begins with a more fundamental harm, the proposed displacement of 1,700 blue collar jobs at a moment in our City's economic history when we need jobs for working people that are not dependent on Wall Street, more than we need more condos, second because the original plan here was relatively ill conceived. Third because the project sits between a whole range of working class immigrant neighborhoods which it's largely ignored.

And finally because it's very difficult to believe, given the state of the credit and housing markets, that anyone's going to finance, build, buy or rent the market rate condos, office space or convention center being proposed in the very near future.

So we therefore urge you, unless some significant steps are taken, to reject this project. And we'll give you three of the things that we think really just have to be fundamental requirements.

First as you've heard is to do right by existing workers and businesses. You've heard a lot about relocation, training and

1
2 placement efforts. We think one additional
3 fundamental commitment is that any business that
4 chooses to ought to have the right to stay on site
5 until a developer is not only designated but has
6 full financing in place and the approvals that
7 they need to make the project happen. We think
8 that's unlikely to happen for years.

9 It really would be a travesty to
10 displace the businesses that are there, see
11 nothing happen for years to come because we've
12 misjudged the timing of the market. If we're not
13 going to be able to make this happen for five
14 years, let's let the businesses stay for five.
15 This is something EDC's done before and they ought
16 to do here.

17 Second, as you'll hear much, much
18 more about on the rest of the panel, we need to
19 make most of the housing affordable to a range of
20 low, moderate and middle income families. Queens
21 has been dramatically short-changed of affordable
22 housing units and particularly low income housing
23 units under the Bloomberg Administration's new
24 housing marketplace.

25 The Borough has 24% of families in

1
2 the City who makes less than \$50,000 a year. It's
3 gotten less than 4% of the new housing marketplace
4 units designated for those families. So 20%
5 here's not enough. 30% here's not enough. This
6 is the 1 place honestly because the Administration
7 isn't including low income units at Hunter's Point
8 South, that's Queens other redevelopment, where
9 there's an opportunity to right an injustice
10 that's been done. And it's important that at
11 least half the units be affordable to a range of
12 families. And you'll hear much more about that.

13 Finally on the issue of good jobs,
14 you've heard a lot about the construction jobs,
15 some pieces about the workers. I challenge you to
16 find in the MOU that was discussed, one mention of
17 a priority for placement or training for community
18 residents of the neighborhoods surrounding the
19 project for the permanent jobs that will be the
20 main jobs there. Yes they'll be prevailing wage
21 and that's great. There's not one thing in that
22 agreement about it. And, you know, without it I'm
23 not sure it's worth the paper that it's written
24 on.

25 Thank you very much for this

1

2 opportunity.

3 CHAIRPERSON GARODNICK: Thank you.

4 Sir.

5 MR. JONATHAN FURLONG: Yes. Thank
6 you for the opportunity to testify today. My name
7 is Jonathan Furlong and I'm the Community
8 Relations Associate at Habitat for Humanity, New
9 York City. And we are also a proud member of the
10 Queens for Affordable Housing Commission.

11 In addition to building homes,
12 Habitat NYC is a leading advocate for affordable
13 housing with the goal of ensuring that every New
14 Yorker has a decent, affordable home. We work to
15 achieve this by creating a social movement in the
16 housing crisis plaguing New York City and by
17 calling on elected officials to make affordable
18 housing a priority.

19 Should the Council approve this
20 plan, Habitat urges the City to make two-thirds of
21 the housing units included in the Willets Point
22 plan affordable to working families in Queens,
23 especially with a focus on affordability for
24 residents with the greatest need.

25 As my colleagues next to me can

1
2 attest the housing needs in Queens are tremendous.
3 Queens registered the second highest increase in
4 the percentage of residents spending 50% of their
5 income for housing and that was a 27.4% increase
6 from '99 to 2006.

7 Queens has the highest rate of
8 severe crowding in the five Boroughs, and the
9 neighborhoods and communities of Elmhurst and
10 Corona around the Willets Point site have the
11 highest percentage of severe crowding. Between
12 1990 and 2000 Queens experienced the largest
13 population growth of any other Borough with its
14 total population increasing 14.2%. Over the next
15 20 years the Borough is expected to absorb the
16 largest share of growth in the metropolitan
17 region, making the shortage even more acute.

18 So as Brad was saying, we really
19 see Willets Point as a tremendous opportunity to
20 build affordable units for families that need them
21 the most. Right now the project will create 4,400
22 units of market rate housing in neighborhoods
23 where the median income is \$41,000 a year. 20% of
24 families pay more than half their income in rent,
25 and there is the highest rate, again, as I said,

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of overcrowding in the City.

The income limits for the subsidized units as part of this development are simply not affordable to families living in the immediate area. And again, in closing should this plan be approved, we want to see at least 1/3 of the units be affordable to very low income families, earning less than \$25,000 a year, at least 1/3 of the units should be affordable to low, moderate and middle income families. In this current form however, we can't support a plan that excludes so many people.

And in closing I also just wanted to commend Councilwoman Dickens who earlier this morning raised the need for home ownership and thousands and thousands of families every year apply to Habitat homes and obviously we can't, you know, supply everybody with an affordable place to live so this is a great opportunity here. Thank you.

CHAIRPERSON GARODNICK: Thank you.

And I'd like to applaud you because that was a long time ago. So you've been here for much of the day. We appreciate that.

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MR. FURLONG: Thank you.

CHAIRPERSON GARODNICK: Go right ahead Sir.

MONSIGNOR HEALY: My name is Monsignor Healy; I'm the pastor of Our Lady of Sorrows Parrish in Corona. I was just thinking as I was sitting here for the past few hours that we have 1,700 children under 14 associated with parish activities and programs, Head Start, Pre-K, a big Catechism Program, our parish school, and their families. And we're just a part of Corona. We're probably the closest neighbors to the project, the Willets Point project.

I would say that 3% or 4% maybe of these 1,700 children's families would qualify to live in your affordable housing, percentage that you have--affordable seems to be a misnomer. And I think that that has to be a big consideration in your planning. That we're asking for one-third. People have given you statistics. I invite you to come to Corona. I would give you a cup of coffee, it's good Spanish coffee, just to see the people that are there that the situation that the apartments that are shared by two, three, four

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2 families. And these are good hardworking people
3 that we want to be able to stay in the City.

4 I ask you to please give that
5 affordable housing real significance as my
6 comrades here have suggested. Thank you.

7 CHAIRPERSON GARODNICK: Thank you
8 very much Monsignor. I accept your invitation.
9 So just reach out to my office and I will come out
10 there for a cup of coffee. It would be my honor.
11 Thank you.

12 MS. HANNAH WEINSTOCK: Hi. Hello.
13 Can you hear me? I'm Hannah Weinstock from Queens
14 Community House and Queens for Affordable Housing.
15 I work with immigrant families in the Jackson
16 Heights, Corona, Elmhurst area. I want to
17 piggyback on what the Pastor said that the City is
18 offering 20% affordable housing but they haven't
19 clarified the income ranges on that. Affordable
20 housing can go up to, you know, as we see in
21 Hunter's Point South, where they're saying
22 affordable housing up to families making \$160,000
23 a year.

24 So to say something's going to be
25 affordable actually means nothing for the families

1
2 in that neighborhood. Even, you know, they're
3 saying we'll do low income housing, you know, that
4 the low income, if they'd even do the low income
5 housing is for families earning \$50,000 a year.
6 For the people I work with, have family incomes of
7 \$25,000 a year and less.

8 And I included a packet for the
9 record with 8 to 10 stories of members that we
10 work with. You can see what their incomes are,
11 what their rents are. You know, earning \$900 a
12 month, \$800 rent. You have the norm is now not 1
13 person per room, but 1 family per room, 20 people
14 living in a basement, unsanitary conditions.
15 That's the only way that they can pay the rent.
16 People paying 90% of their income on rents and
17 these are not Manhattan rents, these are Queens'
18 rents.

19 People are not earning money. The
20 economic crisis is coming. It's already really
21 bad. Job losses and salaries are going to
22 continue to get worse. At the same time that food
23 prices, electricity and rent, even with the
24 economic condition, continue to skyrocket. And
25 people are in really desperate situations.

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2 People, those that are lucky to live with family
3 get into really overcrowded conditions. Those
4 that don't have family are becoming homeless.

5 And I would like to ask our
6 representatives if they would rather build
7 homeless shelters or if they would rather build
8 affordable housing. Would they rather see more
9 people freeze to death in the streets next to
10 empty luxury condos or would they rather invest in
11 the future of working families and the health of
12 our City's workforce?

13 The fact that the Bloomberg
14 Administration has not included substantial low or
15 moderate income housing which is not the same as
16 "affordable" housing, in the two major development
17 planned for Queens, Willets Point and Hunter's
18 Point South, despite each of them involving major
19 public resources, shows just how far removed this
20 Mayor is from the reality of working New Yorkers.

21 I also want to say that my heart
22 goes out to the workers who are working there
23 right now. I don't represent them but they're
24 very similar to a lot of the people that I work
25 with. You know, job training is not the same as a

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2 job especially with the economy going the way it
3 is right now. And I know the unions have talked
4 about future jobs but these people need to eat
5 today, tomorrow, the next day and the day after
6 that. And five years from now is not going to cut
7 it for these families.

8 So again I want to reiterate our
9 position that development can be a good thing but
10 only if it is done right. This development should
11 only go forward if it includes majority low income
12 for families earning \$25,000 or less, and moderate
13 income, families earning up to \$60,000. Housing
14 as well as relocation or a spot on the site for
15 the current businesses and compensation for the
16 businesses and workers. Thank you.

17 CHAIRPERSON GARODNICK: thank you
18 very much. Yes.

19 MR. RICHARD LEE: Good afternoon.
20 My name is Richard Lee. I am the Advocacy
21 Associate for Asian Americans for Equality. I
22 would like to thank the Council for giving us this
23 time to express our concern with the Willets Point
24 development.

25 You see Queens is in the middle of

1
2 an affordable housing crisis right now. According
3 to a prominent report by NYU'S Furman Center, the
4 number one most overcrowded community is Community
5 District 4 which is Corona and Elmhurst. And the
6 number 2 in the entire City is Jackson Heights.
7 And the 3rd most overcrowded community in the
8 entire City is Sunnyside/Woodside.

9 CHAIRPERSON KATZ: Hum.

10 MR. LEE: And Flushing's Community
11 District 7 is actually the 12th most overcrowded as
12 well as the most populated community in the entire
13 City. So we have all these communities that are
14 surrounding Willets Point that are being
15 overcrowded. If you go into some of these
16 communities what you're going to see is that
17 families are doubling up and tripling up in a lot
18 of these spaces because they can't find affordable
19 places to live. Some even are living in illegal
20 conversions that so many people have been hearing
21 about, living in the boiler room, the attic,
22 because there's not enough affordable housing
23 spaces available to stay in their communities.

24 The affordable housing component of
25 the Willets Point plan is currently 20% which is

1
2 about 1,100 units of housing but the question is
3 who is this really affordable to. Earlier today
4 we heard HPC Commissioner Shaun Donovan and Deputy
5 Mayor Lieber say that they might even lower this
6 component down to for families making \$45,000 and
7 over but that's still have of the people that are
8 going to be excluded from this place. Shaun
9 Donovan even said that average median income of
10 the place is \$45,000 a year.

11 So a lot of these people who
12 actually need housing in these communities that
13 surround Willets Point are actually not able to
14 apply for these affordable housing units. So I'm
15 just wanted--what I want to reiterate what
16 everyone has been saying so far that we really
17 need to explore more affordable housing options,
18 but not only more, but deeper affordability so
19 that the common family of a Police Officer and a
20 nurse could live along side a family of a
21 construction worker and a dish washer. And that's
22 it. Thank you.

23 CHAIRPERSON GARODNICK: Thank you
24 very much. Let me just ask, there's a nice group
25 of people standing behind you. Maybe you could

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just tell us which group they're affiliated with or who they're here to support. Just so that we know.

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MONSIGNOR HEALY: They came with me. They're the Queens Congregation United for Action. They're members of my parish--

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CHAIRPERSON GARODNICK:
[Interposing] Okay.

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MONSIGNOR HEALY: --as well.

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CHAIRPERSON GARODNICK: Thank you very much. Those are the folks I'm having coffee with in other words--

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MONSIGNOR HEALY: [Interposing]

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Yes.

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CHAIRPERSON GARODNICK: Okay.

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Thank you. And are you on this panel too?

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MS. MARILYN MAYS: Yes.

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CHAIRPERSON GARODNICK: I'm sorry.

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Please go right ahead. What's your name?

21

MS. MAYS: My name is Marilyn Mays.

22

I'm a resident of Queens.

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[Pause]

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MR. LANDER: --Stallings. And

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she's taking Ericka Stallings place. Great.

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2 Thank you very much.

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MS. MAYS: I'm sorry. I'm sorry, I'm Marilyn Mays. I'm a resident of Queens. And I'm not going to go through my entire testimony because I know it's been a long day. But I'd just like to reiterate what all of these people have said.

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The affordability for housing in Queens is just not there and I mean to say 20% of this would be acceptable is just like saying 10% of it would be okay. Affordable housing is an essential asset in my community right now. I mean I live in a unit that is supposed to be affordable and right now they're trying to take that away.

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Every day we see more affordable units being lost and nothing being given back. And the more we keep seeing this, developments go up but we don't get any profit out of that, I mean, they're asking New Yorkers to give \$400,000,000 of taxpaying money to this development. What are we going to get out of it?

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You know, we need to really take a step back and look at this plan and see how is it affecting the working class people? How is it

1
2 really affecting the workers at Willets Point?
3 And how is it affecting Queens as a whole, New
4 York as a city, period. I mean it's just not
5 doable with what they're asking us to do. And we
6 really need to add more affordable housing to this
7 component.

8 CHAIRPERSON GARODNICK: Thank you.
9 Let me ask a question. If you said it before I
10 apologize. The median income in this Community
11 Board in question.

12 MR. LEE: \$45,000.

13 CHAIRPERSON GARODNICK: \$45,000?
14 Okay.

15 MS. WEINSTOCK: For a family,
16 right? It's about that.

17 MR. LANDER: \$45,000 that's for a
18 family of 4.

19 MR. LEE: Right.

20 CHAIRPERSON GARODNICK: \$45,000 for
21 a family of 4. All right. And the proposed
22 income bands that you think are appropriate for
23 this affordable housing, where, you noted it
24 before as to what you proposed, I don't know.

25 MS. WEINSTOCK: We proposed 1/3 for

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2 families making \$25,000 and less, which is what we
3 consider low income. And 1/3 for moderate income
4 which would be the next band up, \$25,000 to say
5 \$60,000 or something like that. So.

6 CHAIRPERSON GARODNICK: Okay.
7 Thank you, and I--just one question for Mr.
8 Lander. In your testimony you pointed out that
9 you thought that there should be a commitment that
10 the businesses who want to can stay on site until
11 the developer that would displace them is
12 designated. I ask that question I think at the
13 outset of the hearing to Deputy Mayor Lieber. My
14 impression was that he didn't really answer the
15 question or was unwilling to answer the question.
16 I didn't know if you had any reaction to that.
17 So--

18 MR. LANDER: [Interposing] Yeah. I
19 thought the same. I mean he asked about--he
20 answered a question about how this would be
21 staged, in what order things would happen. And I
22 mean there's some, you know--but there are places
23 where they've allowed, where it's taken a long
24 time to go from Council approval to real projects,
25 you know. Sometimes it's 1 year, sometimes it's

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2 20 years.

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If that's going to be the case here, why not let them stay until there's a point at which we have clarity that it can go forward. Well that could be a month to month lease, that could be choosing not to do the condemnation action until the moment in time necessary if it's an owner, or they could give them month to month leases from EDC if it was on sites that they had already taken.

CHAIRPERSON GARODNICK: Got it.

Thank you very much and thanks to all of you for being here and welcome to City Hall. Very nice to have you here. Yeah, did you want to add one thing--

MR. FURLONG: [Interposing] Just one point.

MS. MAYS: I forgot to tell you which organization--

CHAIRPERSON GARODNICK:
[Interposing] Pull that microphone a little closer to you.

MS. MAYS: I forgot to tell you which organization I was representing, ACORN.

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2 CHAIRPERSON GARODNICK: You're from
3 ACORN. Okay. All right. Thank you very much.
4 Okay the next panel is Marcia Bystryn, James
5 Cervino, Mary Barber and Kevin McCarty. Come on
6 down.

7 [Pause]

8 CHAIRPERSON GARODNICK: Okay.
9 Thank you very much. Let me tell you who's on
10 deck. Who's on deck? This is a pro. Okay, next
11 on deck is Maria Esther Romero, are you here?
12 Maria Esther Romero? She left. Hannah Weinstock.
13 Are you here, oh, okay, we got you. Sorry.
14 Mario--here. Mario Velasquez. Are you here?
15 Sara Lazo, nobody here, okay. Got it. I will
16 sort out the next panel in a moment. Let's get
17 started with this one. And Ms. Bystryn, go right
18 ahead.

19 MS. MARCIA BYSTRYN: Sure. Good
20 afternoon. My name is Marcia Bystryn. I'm the
21 President of the New York League of Conservation
22 Voters, a statewide organization that works to
23 make the environment a top priority for our
24 elected officials as well as the public. I'd like
25 to thank the members of the Subcommittee and

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2 Chairman Garodnick for the opportunity to address
3 you today.

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5 On behalf of the more than 12,000
6 members of the League throughout New York City,
7 I'd like to voice our support for the
8 transformation of Willets Point. And I'd like to
9 explain why.

10

11 First is waterfront access, Willets
12 Point is located on Flushing Creek and Flushing
13 Bay, two bodies of water that have tremendous
14 potential for recreation and enjoyment. But
15 there's currently no waterfront access for the
16 public. The Redevelopment Plan would welcome the
17 public back into the neighborhood and grow a new
18 constituency that will become advocates for these
19 neglected natural resources.

20

21 Second Willets Point is a vast
22 brown field site that should have been cleaned up
23 years ago. We all know about the lack of sewers
24 which is a concern because of the pollution and
25 smells in this area from the combined sewer
26 overflows. More importantly there is widespread
27 petroleum contamination with additional potential
28 contamination from paints, cleaning solvents and

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automotive fluids.

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We still haven't undertaken a full environmental study of all the properties on Willets Point but the simple fact of the matter is that every day that contamination is allowed to sit in the soil and ground water is another day that Flushing Creek and Flushing Bay are made worse.

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Third and finally the proposal for Willets Point reflects a new way of thinking about urban planning and smart growth. The neighborhood is close to the Number 7 train, so residents can rely on mass transit rather than their cars to get to work. If they do need to drive there is quick access onto the expressways so people can get in and out quickly without straining traffic in downtown Flushing, Finally there are the many environmentally friendly practices like green buildings and energy conservation measures that you have already heard about today.

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If we bring all of these advantages together into a single project we can recast the Iron Triangle as the Green Triangle, and a 21st Century model for good design and sustainability.

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2 Thank you.

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CHAIRPERSON GARODNICK: Thank you.

4

Go right ahead.

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MS. MARY BARBER: Hi. Good

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afternoon. My name is Mary Barber and I'm with

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the Environmental Defense Fund. As an

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environmental organization whose expertise and

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focus is on developing a clean and sustainable

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City, the Environmental Defense Fund is generally

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supportive of the current Willets Point in order

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to accomplish a thorough cleanup of the highly

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contaminated lands that are the result of years of

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neglect.

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Additionally as Marcia pointed out

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the Willets Point cleanup will directly affect the

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Flushing Bay and River, further restoring New York

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waterways. We strongly urge the City Council to

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ensure that these cleanup commitments are

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fulfilled.

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This plan represents an exciting

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opportunity to develop and urban sustainable

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community from the ground up. It's appropriate

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that the plan emphasizes green building, open

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space and pedestrian friendliness. Moreover at a

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2 time of such economic turmoil and fluctuating gas
3 prices new developments must offer residents
4 alternatives to driving. To that avail it is
5 critical that Willets Point does not become
6 another car dominated community. The New York
7 City region has the dirtiest air in the nation
8 after Los Angeles. Adding more vehicles on the
9 road will only worsen the problem.

10 The Willets Point EIS predicts a
11 significant increase in automobile traffic
12 surrounding the development. The City must think
13 creatively about how Willets Point can mitigate
14 that traffic burden by becoming a less car
15 dependent community. This could mean creating
16 easy mass transit access by making sure the MTA
17 opens up the nearby LIRR stop, not just on game
18 days or working with the MTA to add inter and
19 intra borough bus lines, depending on where the
20 people in Willets Point are actually working.

21 If the City can determine where its
22 residents are working it would be possible to
23 determine where improved transit options would
24 allow more residents to switch from car to
25 transit. The City has begun to develop a car

1
2 sharing program for Willets Point. Programs like
3 these have the potential to greatly reduce the
4 number of cars per person in Willets Point.

5 Generally one shared car can
6 replace between seven and ten privately owned
7 cars. Car sharing programs such as Zip Car offer
8 a cheaper alternative to driving for those who
9 need a car only infrequently or on weekends. We
10 call on the City to make sure Willets Point has
11 desirable mass transit options for its residents.

12 The EDF does not want to see any
13 increases in the number of planned parking spaces
14 within the development. We realize the number of
15 parking spots has been reduced from the original
16 plan. We fully understand that at that end of the
17 day residents have to get to work. But if Willets
18 Point residents were to be given desirable mass
19 transit options, they may choose to leave their
20 cars at home.

21 Finally it's essential to ensure
22 there is a complete cleanup of the contaminated
23 land in Willets Point and that there is minimal
24 runoff into the nearby waterways. EDF remains
25 committed to working with the City Council to

1
2 ensure that a thorough cleanup of the site that
3 also includes green buildings, waterway protection
4 and public transportation options tailored to the
5 community. Thank you.

6 CHAIRPERSON GARODNICK: Thank you
7 very much. And before we go on I just want to
8 acknowledge the presence of two colleagues, Tom
9 White and Helen Sears, and we're delighted to have
10 them with us. Of course John Liu has been here
11 already but since he's there too and I figured I
12 would acknowledge him as well. So go right ahead.

13 DR. JAMES CERVINO: Good afternoon
14 ladies and gentlemen. My name is Dr. James
15 Cervino. I'm a Marine Pathologist and Cell
16 Biologist at Pace University as well as a
17 scientist at Woods Hole Oceanographic Institute.
18 I'm here today to present the scientific facts put
19 before me as well as my own observations and data
20 from research at site locations in the Flushing
21 River. Before I explain the data I want the
22 Council and the people to understand one thing.
23 That my comments are based on scientific facts
24 backed up by the peer reviewed literature, not by
25 newspapers.

1
2 I base my facts from The Journal of
3 Cancer, The Journal of Cell Biology and The
4 Journal of Molecular Biology. So for that moment,
5 what I want to do is start with a few chemicals
6 that I found to be of high concentration that I am
7 concerned about.

8 Based on the report that was
9 provided to me and comparing that with the
10 research that I conducted in the Flushing River, I
11 find four very important chemicals that I'd like
12 everyone to know about. Two of them are called
13 benzopyrene and benzoanthracene [phonetic]. These
14 are DNA binding chemicals that cause cancer
15 mutations in humans. The levels of benzopyrene
16 and benzoanthracene are extremely high and can be
17 linked to cancer.

18 You know, as a molecular biologist
19 I am concerned about contact to human cells, not
20 from an engineer's standpoint or a geologist's
21 standpoint where they'll argue pathways of
22 exposure of it's highly probable that these
23 chemicals are found buried below the surface are
24 going to make it to the surface.

25 Well that's not true. If you go

1
2 down there on any rain day or following heavy
3 rain days, you'll see puddles of water and my bet
4 is if you test that contaminated water, the water
5 mains or any of the pipes that are breaking, or
6 any of the leechate coming from below, it is
7 making its way to the surface. So there are
8 contaminants at the site.

9 There is one particular contaminant
10 that is known to be linked to many auto immune
11 diseases and that's lead. The number of lead from
12 sample boring on 38th Avenue, B-44, is at 3,000.
13 The DEC and the EPA recommend 500 and below. So
14 this number needs to be immediately addressed as
15 well as that site and that area needs to be
16 cleaned up immediately, regardless of how long
17 this project can take place. And there are a few
18 others such as mercury which we all know causes
19 lowering of IQ of newborns.

20 And finally I received a grant a
21 while ago to set up a kayak launch which I have
22 not used. And thanks to John Liu we received that
23 grant for a kayak launch. And before I use those
24 funds to set up that launch, my wife went into a
25 kayak and before she went into that kayak I wanted

1
2 to sample the water. I found high concentrations-
3 -and she was pregnant at the time. I found high
4 concentrations of lead and mercury. Yes I've done
5 a qualitative analysis and I need to do more
6 quantitative analysis. However this site needs to
7 be cleaned up and I am in favor of the EDC's plan
8 to clean up this site and remediate it
9 immediately.

10 CHAIRPERSON GARODNICK: Thank you.

11 MR. KEVIN McCARTY: Good afternoon.
12 I'm Kevin McCarty, a geologist. I agree with you.
13 And environmental consultant from the engineering
14 firm of HDR. That's okay. I'm the Environmental
15 Consultant for EDC. I want to describe and to put
16 into perspective the environmental conditions at
17 Willets Point. And since this relates to some
18 technical issues that I know and believe are
19 extremely important and have been, I believe,
20 misinterpreted, I would like to request a little
21 additional time if that's possible from the
22 Council and I promise to be brief.

23 I've been performing site
24 assessments, investigations and environmental
25 remediations for nearly 25 years and in New York

1
2 State for the last 20 years. I've worked on and
3 have been involved in over 50 New York State
4 superfine site investigations and many brown field
5 cleanup and remediations throughout the entire
6 State of New York.

7 One very large and prominent
8 superfine site which I think will help put Willets
9 Point into perspective is the Newcastle Industrial
10 Park. It's not far from Willets Point in Long
11 Island and it has fewer businesses than Willets
12 Point and the outward conditions did not seem to
13 indicate it has much of a need for cleanup but it
14 is a superfund site.

15 Given my quarter century of
16 experience and my very real understanding of the
17 impacts of toxic chemical and pollutant discharges
18 to the environment and the very real knowledge of
19 the number and types of businesses in Willets
20 Point, this area has far greater contamination
21 than the superfund site does. If you were to base
22 this only on the physical condition of known
23 activity and documented discharge of industrial
24 pollutants and toxic chemicals at Willets Point,
25 it is far worse than many of the superfund sites

1
2 that I've actually worked on including one on the
3 fringes of Love Canal.

4 Make no mistake; we know Willets
5 Point is contaminated. And I would like to
6 dispute the statement made by Mr. Vallone and Mr.
7 Scully. The State DEC records show a number of
8 remediations that have been performed, requiring
9 removal of floating chemical, oil soaked fill and
10 dripping with other chemicals that was dumped into
11 the ground for so long and in such quantity that
12 it could not be contained on one site and actually
13 crossed boundaries of different properties.

14 Some of this work was actually
15 performed by Mr. Scully and his firm. The DEC
16 records also show consistent reports of chemicals
17 dumped on the ground and on properties in such
18 volume that they flowed into City streets and
19 accumulated at such a point that even on the
20 normal day to day conditions at Willets Point
21 which we've all seen, they have stood out so much
22 they were called in as petroleum spills to the
23 State. Generally these spill reports relate to
24 large industrial accidents or leaking underground
25 storage tanks and other things.

1
2 I've spoken to the New York State
3 DEC regional engineer responsible for New York
4 City, and he said that the cleanups that had been
5 performed at Willets Point so far have been done
6 to remove basically the product in the worst
7 floating areas and not to clean up the entire site
8 to any DEC standard. And if they did that based
9 upon the operations going on the sites would be
10 decontaminated again.

11 I'd also like to say the storm
12 sewer does not work well and it directs pollutants
13 that are subject to these numerous pollutants
14 spills directly to the Bay.

15 CHAIRPERSON GARODNICK: Please, if
16 that's the end or you have a concluding sentence.

17 MR. McCARTY: Yeah, well actually,
18 and I had discussed before, the settlement of the
19 fill at the site has created a condition that the
20 storm drains don't work and we've got ponding on
21 there. If you were to fill the streets in, the
22 sites that exist today would be below street level
23 and wouldn't be able to remove the contamination
24 that now flows into the streets, into the Bay.

25 CHAIRPERSON GARODNICK: Thank you.

1
2 Now there are a couple of questions to go. I just
3 wanted to just follow up on something that Mr.
4 Cervino said. You mentioned the high
5 concentration of benzopyrene, benzoanthracene, and
6 you noted that you found those in high--I just
7 want to make sure I understood what you said. You
8 said you found those in high concentrations in the
9 Flushing River but then you also mentioned that
10 there were puddles of water on the surface which I
11 have seen myself, they're massive. But did you
12 find those same high concentrations in those
13 puddles is what I was curious about?

14 MR. CERVINO: Let me clarify--

15 CHAIRPERSON GARODNICK:

16 [Interposing] Please.

17 MR. CERVINO: --I'm glad you
18 brought that to my attention. I'm evaluating two
19 things. My tests reveal high lead, high mercury
20 in the water, doing a transect from the beach
21 going out directly into the center of the Bay. So
22 these were taking sediment samples from the beach
23 areas near 38th Avenue and going out into the
24 Flushing Bay. Those were qualitative tests. I
25 need to do more in-depth studies to confirm that.

1
2 But they are coming up sky-high in mercury and
3 lead.

4 Now the data that I reviewed from
5 the EIS statement from the Phase II, from those
6 sites, specifically on 38th Avenue where you have a
7 3,300 PPM of lead was taken from the street. So
8 my scientific knowledge tells me that if that
9 rains and that flooding within that area exceeds
10 above the curbs, that those contaminants that are
11 floating there as well as sitting within the
12 groundwater are going to migrate to the surface.
13 And if one would do a sample test of the puddle
14 water during the heaviest of rains, we would get a
15 very, very interesting signature. And I plan to
16 do that by the way.

17 CHAIRPERSON GARODNICK: Thank you.
18 And this one for Ms. Bystryn and Ms. Barber. Some
19 of the property owners were here earlier today,
20 particularly some of the bigger property owners,
21 who said that there was absolutely no proof,
22 actual proof in their view, that there was an
23 environmental problem here that was beyond any
24 other area in the City, essentially I'm
25 paraphrasing.

1
2 I just want to see if you wanted to
3 address that. They said it would be like somebody
4 coming to your house saying we want to replace it
5 with a bigger house because there is a problem on
6 your yard that we have not yet explored. I think
7 is roughly what they said. And so you weren't
8 here to hear that but I just wanted to see if you
9 had any reaction to that.

10 MS. BYSTRYN: I would simple refer
11 the members of the Council to our two colleagues
12 here at the table who I think have done an
13 excellent job of documenting the extent of the
14 contamination at this site.

15 MS. BARBER: Yes, I agree.

16 DR. CERVINO: I mean as my
17 colleague had said, I'm working at a few sites
18 that are contaminated as well as known brown field
19 sites. And the levels we're finding here are
20 higher than brown field sites. So there's no
21 argument that looking at the data that's provided
22 to us from the EIS statement that these levels are
23 not just site background levels found at a regular
24 New York City parking lot or someone's residential
25 home.

1
2 MR. McCARTY: Going back to the
3 1980's, if you were to provide me images and
4 pictures of what we have, just images and pictures
5 of the situation that we have and the different
6 types of land uses, I would never have believe
7 that that would exist in 2008, let alone New York
8 City.

9 We know an awful lot more, and I'm
10 not a toxicologist, I'm basically a geologist, but
11 from the environmental standpoint of cleanup and
12 remediation and exposure to people, patrons,
13 actual travelers through a specific area, we know
14 an awful lot more about how dangerous and toxic
15 the levels of chemicals are then we did in the
16 80's and we're still looking at an entire area
17 that operates as though it's 1950. I mean that's
18 really what we're looking at.

19 CHAIRPERSON GARODNICK: Thank you
20 very much. Council Member Monserrate, no? Sorry.
21 We're going to Council Member Liu.

22 COUNCIL MEMBER LIU: Thank you very
23 much Mr. Chairman. I want to thank this
24 distinguished panel of experts for testifying
25 today at today's hearing. I know a lot's been

1
2 said about the site. Our two scientists also
3 talked about the Flushing River and the Flushing
4 Bay itself, and my question to you is, you know,
5 obviously the Flushing River is awful. I mean Dr.
6 Cervino knows first hand.

7 But those pollutants are not only
8 coming from the Iron Triangle. They're coming out
9 from raw sewage that still comes out from
10 households in the area, notwithstanding one of
11 former Borough President Shulman's projects that
12 has now come on line, which is now filtering out a
13 large part of the pollutants. The pollutants are
14 still coming in. Even if the entire Willets Point
15 site is remediated, what about the asphalt plants
16 on either side of the river?

17 So as much as we can talk about how
18 well if this project gets done... it will no longer
19 be a source of pollutants for the Flushing River,
20 but what about all those other sources?

21 I mean how, at some point we have
22 to have some kind of complimentary, if so much
23 money, and it is a lot of money, is going to be
24 spent to clean up the Willets Point site, what
25 about right next door? What about the City owned

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2

asphalt plant? What are we going to do about that?

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DR. CERVINO: I'll be glad to take that question. The signatures that we're getting are specifically from car manufacturing waste sites. Lead and mercury is not coming from concrete plants. I'm specifically getting lead and mercury found, and MTBE, in my samples, as well as the EIS report, as well as the direction of the current. You are right. There are various types of chemical signatures that will come that are indicative of an asphalt plant or a concrete plant.

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However these specific signatures that we're getting in high concentration are coming from the land side, getting into the wetland area. And it's very easy to put this to rest. One could just do a sample transect of the sediment going from the beach area directly out into the Bay and compare those chemicals from the asphalt plants, the concrete plant and the Iron Triangle. Very easy to do.

24

25

MR. McCARTY: Actually I'd like to add to that. It's a great question. And one of

1
2 the things I can say having done this for a
3 quarter of a century, I don't like to admit that
4 really that much, but we do handle these projects
5 1 at a time. And that's really how they're
6 handled. This is a tremendous opportunity to take
7 200 at a time. I mean 1 opportunity to get 200
8 sites. If you were to ask me--

9 COUNCIL MEMBER LIU: [Interposing]
10 But are there really 200 sites?

11 MR. McCARTY: Well if I say 200,
12 the number of businesses--there are 260 businesses
13 and as the Deputy Mayor said, the numbers have
14 changed as even I've looked at the various parcels
15 because there are tenants and subtenants and
16 smaller ones. So the estimation of 150 to 200 of
17 these types of businesses--

18 COUNCIL MEMBER LIU: [Interposing]
19 I mean you saw the clear contrast between the
20 photos that were put up by the Deputy Mayor.

21 MR. McCARTY: Right.

22 COUNCIL MEMBER LIU: And the photos
23 that were put up by some of the business owners.

24 MR. McCARTY: Right.

25 COUNCIL MEMBER LIU: Including

1
2 Tulley, including, I think Feinstein. Totally
3 different, it looks totally different.

4 MR. McCARTY: And those are, those
5 are actually some of, from an acreage standpoint,
6 some of the larger ones. If you also remember
7 that each of even their sites, they operate on a
8 sanitary system that's basically--everything, all
9 the human waste goes in the ground.

10 So if they're not even dealing with
11 the chemical issue at their facilities, all of the
12 human waste goes into the ground, very shallow
13 water table. We've got coliform bacteria; we've
14 got a lot of other things. And I'm not an expert
15 on that but when the water table rises you can
16 then get bacteria floating on the surface and in
17 these large puddles that consistently accumulate.
18 So we can have all kinds of waste that are coming
19 out.

20 But regardless of the number, we
21 have an opportunity instead of just handling a
22 single asphalt plant or a single gas station to
23 cover each and every one of all of these sites and
24 then prevent all of this water, and I've worked on
25 the CSO tank and I know that was a huge project.

1
2 I know it's had a great impact on it, and it's not
3 everything. But the opportunity to handle more
4 than one site, whenever we've looked at
5 assemblages of land, we've usually tried to go
6 after because you're getting a greater opportunity
7 to have a greater impact all at once. This would
8 take more than an entire career to handle one site
9 at a time. I don't know that it would ever
10 happen.

11 COUNCIL MEMBER LIU: Well whatever
12 everybody on this panel could do to advocate for
13 the last piece, I think I would consider it the
14 last piece, which would be that the City owned
15 asphalt plant, let's get that done too, otherwise
16 this winds up being a half-baked environmental
17 plan--

18 MS. BARBER: [Interposing] Yes I
19 was going to say that. Absolutely. Absolutely we
20 would be happy to continue to work with you on
21 those issues.

22 COUNCIL MEMBER LIU: And then James
23 and I will lead you on a kayak tour of the
24 Flushing River although it might be more difficult
25 to paddle once it gets cleaned up. 'Cause right

1

2 now there's lots of solids to push off against.

3 Thank you.

4

CHAIRPERSON GARODNICK: We're not
5 going to send that to the Department of Tourism.

6 All right. Thank you very much to all of you. We
7 appreciate your testimony.

8

Let me run through some of the
9 folks that are potentially up in the next panel,
10 although judging from who is here, the number of
11 people, I suspect that some folks have left, so
12 please just raise your hand if I call you name,
13 and I will invite you up to the witness stand.

14

Maximo Molina, are you here?

15

Maximo Molina? Ejim Dike? Gwen Goodwin, Dr. Tom
16 Angotti, Ruben Rivas, Mr. Rivas. Dolly Velasquez.
17 Matias Gomez. Lorenzo Almazo. Altagracia Perez.
18 Renell Knight. Marilyn Mays, Ms. Mays. Oh, I'm
19 sorry, that was you, okay got it. Thank you.

20

Thank you, you're right, I remember. Okay.

21

Jerome Green, Jerome Green. Lloyd
22 Irvin. Veronica Lewis. Nicholas Miglino. All
23 right Mr. Miglino, come on down. Arturo--it seems
24 like jury duty, it feels like jury duty in here.
25 Arturo J. Perez Saad. Okay. So Mr.--is there

1
2 anybody else who signed up to speak in opposition
3 whose name I have not called. Okay. Thank you.
4 Mr. Miglino, you are on your own. So as soon as
5 you're ready, you can go right ahead.

6 MR. NICHOLAS MIGLINO: My name is
7 Nick Miglino. I'm a lawyer, I'm also a member of
8 Community Board 7, and I've spent the last year or
9 so involved in the Willets Point situation
10 representing a good number of the small business
11 owners at Willets Point.

12 And I wasn't prepared to testify
13 today because I thought all of the things that
14 were needed to be said were going to be said by
15 some of my clients which they were. But I got an
16 interesting phone call the day before yesterday
17 from a property owner at Willets Point.

18 His name is Ralph St. John and he's
19 one of the larger property owners at Willets
20 Point. He has about 5,000 to 7,500 square feet, 2
21 buildings and he's involved in the profession of
22 construction, major construction. And he has
23 major construction equipment on that site.

24 He called me on the phone and he
25 said to me I want to write a letter that I want

1
2 you to read to the Committee and the Council. I
3 said okay, I'd like to take a look at the letter
4 first and I will in fact if you want read it to
5 the Council. And I took a look at the letter.

6 And I want to say a couple of
7 things at the outset with regard to EDC. I will
8 go to the EDC table with any of the small business
9 owners that I represent at any time. The other
10 thing I want to mention is that there has been
11 some testimony here that there has been a
12 deleterious impact on Willets Point already. And
13 I am at the site on a weekly basis and I can tell
14 you that is true. There are storefronts there
15 that are now closed and vacant and they will not
16 be re-rented because everybody who wants to rent
17 knows that the situation is so they're not going
18 to Willets Point. So that ought to be noted from
19 the outset.

20 Now why did I come today with
21 regard to Mr. St. Johns? The fact of the matter
22 is that he has major City contracts. He's been
23 involved in that area for approximately 25 years.
24 And he wants to stay. He's been in the business
25 as I say at that site for 25 years. He's been in

1
2 business himself for 35 years, doing major
3 construction projects for the City of New York.
4 He has a son and his son is ready, willing and
5 able to take over the business.

6 The interesting part, and again,
7 he's one of the people who put in his own
8 sidewalks and put in a lot of the improvements to
9 make this site livable. But the interesting part
10 of his letter and I'm not going to go too much
11 further because I think if you take a look at
12 Willets Point and you put the infrastructure in
13 that you would--they line up to get to that site
14 now on Saturdays and Sundays because it's the only
15 place in Queens County that you can get the kind
16 of work done that you need done on cars and
17 trucks. It really is. They're lined up. And if
18 that site were improved with infrastructure you
19 wouldn't be able to get on the site. There'd be a
20 line.

21 And as far as all these
22 improvements, they're almost impossible. I walk
23 to that site 'cause I live in Flushing. And I
24 walk over that Roosevelt Avenue Bridge. I don't
25 believe that you can do anything with that

1

2 Roosevelt Avenue Bridge--

3 CHAIRPERSON GARODNICK:

4 [Interposing] I need to ask you to wrap up.

5 MR. MIGLINO: --there's a subway
6 line that runs there, what do you do with those
7 girders--

8 CHAIRPERSON GARODNICK:

9 [Interposing] Thank you.

10 MR. MIGLINO: EDC came to my Board
11 and said we're going to put a bike path and we're
12 going to put a pedestrian thing--

13 CHAIRPERSON GARODNICK:

14 [Interposing] Thank--

15 MR. MIGLINO: --to get across the
16 bridge--

17 CHAIRPERSON GARODNICK:

18 [Interposing] Thank you Sir.

19 MR. MIGLINO: --you can't walk.

20 CHAIRPERSON GARODNICK: Okay. You
21 want to have one final sentence.

22 MR. MIGLINO: Just one more thing.

23 CHAIRPERSON GARODNICK: One final
24 sentence, let's just wrap it up.

25 MR. MIGLINO: One final sentence.

1

2 And these are not my words, these are, as I said,
3 Mr. St. Johns' words. He formerly was located in
4 the College Point Corporate Park area. His land
5 was taken 25 years ago and there's been absolutely
6 nothing put on that site.

7

CHAIRPERSON GARODNICK: Thank you.

8

9 Thank you very much. We appreciate your
10 testimony. Ms. Goodwin we called your name when
11 you stepped out of the room. We're glad you made
12 it. And let me just note that this is the last
13 person we have speaking in opposition. We're not
14 going to take anybody else in any direction after
15 this point. So I just wanted to note that. So
16 you are the final speaker in opposition, Ms.
17 Goodwin, go ahead.

17

MS. GWEN GOODWIN: Okay. I'm just-

18

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CHAIRPERSON GARODNICK:

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[Interposing] We have--I'm sorry, let me just
clarify. There are people who signed up who have
not yet come up to testify. They will all have a
chance to testify. I'm just saying if somebody
walks in the door now we're going to have to start
wrapping up but please, if you signed up, we're

1
2 still going to call you. Thank you. I'm sorry
3 Ms. Goodwin, go ahead.

4 MS. GOODWIN: Thank you. And thank
5 you for letting me speak. Both of these events
6 today are very important. This and also the
7 Mayoral, so I had to kind of pick my place and... I
8 wanted to speak on this because I am not a
9 resident of Willets Point but I am a resident of
10 East Harlem. I've been there for 25 years.

11 And we were one of the first cases
12 in 1999 where eminent domain was used to take 11
13 businesses away. And I watched the 1 gentleman
14 who was a holdout and I signed onto a lawsuit
15 against the corporate council--I'm sorry, I can't
16 think of the name, anyway. We signed on the
17 lawsuit. I'll get to that next.

18 The thing that I watched was that
19 Mr. Minick, his life started to really
20 deteriorate. His wife died of cancer of the heart
21 during this. Eventually he lost the case. His
22 brother died after that. He now owes the United
23 States government \$700,000 in legal fees.

24 And what I'd like to point out to
25 all the people that are so pious and not looking

1
2 at all the people they're treading on and all the
3 things they're actually stealing in the name of
4 what is a better or higher good, is their
5 conscience. I wish people would look into your
6 conscience and ask yourselves how would you like
7 that if somebody did that to you? Every time you
8 do this to somebody else you're condoning it.

9 And I spoke at Columbia just a
10 month ago when Columbia was saying that they
11 needed to take away 18.25 acres of land from
12 people that are currently using the land, living
13 on the land, have their residences there. And I
14 told them that these eminent domain cases are just
15 going to get bigger and bigger. They don't get
16 smaller.

17 And today, the one we're hearing is
18 even more sweeping. We thought first having 11
19 businesses go was huge but this is spectacularly
20 big. And I think that people who want to live in
21 America better start taking a better look at this
22 kind of a thing because this really is
23 unconstitutional and it is a perversion of the
24 eminent domain laws.

25 It was clear when the eminent

1
2 domain laws were written. They were written for
3 the good of the public. And that would mean a
4 street or a school and they weren't supposed to be
5 used in a frivolous way to build a shopping center
6 for somebody who has more money than a current
7 store owner. That's just a perversion of the
8 laws.

9 And I find this troubling as we
10 privatize our government, as we ask private
11 citizens to bail out big banks, it seems to me we
12 have a socialist government for the very, very
13 rich and when they want your land, they'll, you
14 know, the government will be the arm to give them
15 that land as well. It is hurting a lot of poor
16 communities like mine, East Harlem, and the entire
17 corridor of 125th Street have been rezoned and
18 several businesses will be thrown out. But
19 thousands of people are going to lose their homes
20 and be displaced.

21 And I really don't know too many
22 people that really think this is the best way to
23 go. I am not here to represent big business. I
24 don't wish anybody not to do business, but there
25 must be a better way of doing business.

1
2 I would not cut off my arm to have
3 a job sewing it back on. And that's what this
4 looks like to me when people talk about the jobs.
5 All the building jobs are temporary jobs. I know
6 that because my dad's a builder. We're all
7 carpenters union. There's a better way of getting
8 work and there has to be a better way of
9 stimulating the economy. Thank you very much.

10 CHAIRPERSON GARODNICK: Thank you
11 very much. And we appreciate your testimony.
12 Again, last chance for anybody wishing to speak in
13 opposition. Anybody here wishes to speak in
14 opposition? Anybody whose name I haven't called
15 in opposition? Okay.

16 I'm going to go to the final people
17 who have signed up. They all appear to be in
18 favor. I don't know who's here. Sandra Wilkin,
19 Sandra Wilkin are you here? Oh there she is. Ms.
20 Wilkin. Kathleen Culhane. Ms. Culhane, thank
21 you. Ernest Curry. Mr. Curry, great, thank you.
22 John Park. Mr. Park, welcome. And Seth
23 Bornstein. Mr. Bornstein, are you here? Great.
24 Okay. We'll do the five of you together.

25 [Pause]

1
2 CHAIRPERSON GARODNICK: And while
3 you're getting settled, Linda Barlow, are you
4 here? Okay, that's--you'll be for the next one.
5 Mark Schienberg, are you here? Mr. Schienberg,
6 great. Neil--I see Neil, okay. Eduardo Giraldo,
7 okay. John Ferreira, okay. Veronica Rose.
8 Veronica Rose? Not here. Richard Hellenbrecht,
9 okay. All right. That's going to be the next
10 panel.

11 And as soon as you're ready, you
12 can go right ahead and introduce yourself and get
13 started. Thank you.

14 [Pause]

15 MS. SANDRA WILKIN: Is it on now?
16 Okay. Good afternoon Chairperson Garodnick and
17 members of the Council. I am Sandra Wilkin,
18 President of the Women Builders Council. Women
19 Builders Council is a leading organization
20 advocating for expanded opportunities for women in
21 the construction and building fields.

22 I ask that the Council approve the
23 proposal to redevelop Willets Point. This plan
24 will serve as a major economic shot in the arm for
25 New York City. The benefits are numerous.

1
2 The project will provide for nearly
3 6,000 good paying construction jobs. It will
4 result in the creation of hundreds of permanent
5 jobs in its retail sector, the new hotel and
6 convention space and onsite services too. These
7 will be good paying employment opportunities for
8 residents of New York City and particularly
9 Queens.

10 The plan includes important job
11 retraining opportunities as well. Desperately
12 needed affordable housing will be provided at
13 Willets Point. The Women Builders Council is
14 particularly pleased by the inclusion of new
15 employment for women and minorities in its
16 construction. For the very first time the
17 Economic Development Corporation has included an
18 aggressive component to include women and minority
19 business enterprises in a major economic
20 development project.

21 Both Borough President Helen
22 Marshall and Deputy Mayor Robert Lieber have
23 organized an M/WBE Task Force that has developed a
24 comprehensive package of measure to involve M/WBEs
25 in every phase of the project's development. WBC

1
2 was very pleased to have played a prominent role
3 in those deliberations. The result of the work of
4 the Borough President and Deputy Mayor and that of
5 the Task Force has been most impressive.

6 The plan breaks new grounds in
7 transparency and accountability, includes very
8 significant goals for M/WBE participation which
9 the Administration will pursue. For years it has
10 been the City Council that has been the most
11 steadfast advocate of W/MBEs. Continue that faith
12 and dedication to aiding us.

13 Women Builders Council believes
14 that improving opportunities for W/MBEs will
15 result in a strengthened City economy for years to
16 come. And in these very difficult economic times
17 the City Council needs to show its confidence in
18 our City's future. WBC enthusiastically urges
19 your passage of this plan. It will be good for
20 New York City and good for Queens. Thank you.

21 CHAIRPERSON GARODNICK: Thank you
22 very much. Go right ahead.

23 MS. KATHLEEN CULHANE: Good
24 afternoon. I'm Kathleen Culhane, the Vice
25 President for Programs with Nontraditional

1
2 Employment for Women. NEW prepares women for the
3 careers in construction industry and related
4 fields. NEW focuses on skilled union jobs in the
5 blue collar trades. Starting wages are \$15.00 and
6 hour with benefits and access to higher paying
7 jobs.

8 NEW puts women on a career path
9 that provides real opportunities to move into the
10 middle class and support their families. NEW
11 serves women that often have limited opportunities
12 to obtain secure jobs and provide a living wage
13 and have access to essential benefits such as
14 health insurance.

15 NEW's mission is to ensure that
16 women have access to these opportunities in
17 construction and to have the tools they need to
18 succeed. The Willets Point Redevelopment Project
19 provides this opportunity. Led by Queens Borough
20 President Helen Marshall, the Willets Point Hiring
21 Task Force recommends a Women Workforce
22 Participation Goal of no less than 10% women
23 construction workers of which 35% will be journey
24 level workers. These are crucial goals in
25 enabling women to have a real opportunity to be

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successful in the construction industry.

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NEW encourages the New York City Economic Development Corporation to ensure the goals established by the Task Force are met by the selected developer. As part of the Willets Point Redevelopment Project, NEW will recruit women from Queens and the local community for NEW's pre-apprenticeship training program. NEW's successful track record of placing graduates in the construction union apprenticeship programs will ensure that these women will be able to enter the building and construction trades and be able to participate in the redevelopment of Willets Point.

The Task Force establishes specific mechanisms for the developers to conduct outreach to ensure it meets the workforce participation goals that are established. NEW will continue to work with the Task Force in order to ensure the outreach is conducted. The outreach and the workforce participation goals set by this Task Force will ensure that there will be opportunities for these women to work on this project.

NEW looks forward to our continued partnership with this project, providing

1
2 opportunities for women for years to come. And we
3 encourage women from the community to reach out to
4 NEW and learn more about our programs. Thank you.

5 CHAIRPERSON GARODNICK: Thank you
6 very much. Sir.

7 MR. ERNEST CURRY: Good afternoon.
8 Thank you. My name is Ernest Curry. I'm here
9 representing primarily the Corona Community Action
10 Network. I'm also a member of Helen Marshall's
11 Task Force and former Borough President Claire
12 Shulman's Economic Development LDC.

13 I'm here in support of the Willets
14 Point Project. I think Corona has for a long time
15 needed an economic sort of push for lack of a
16 better way of saying it. And the business
17 community in the area is highly excited about the
18 trickle down effect that a development of this
19 size would have in the community, in the business
20 community, especially those surrounding the
21 Willets Point, Corona, East Elmhurst.

22 I believe that not only are we
23 cleaning up a polluted area which is right next to
24 one of--well not one, the most visited park area
25 that we have in Queens County, along with--well no

1
2 longer Shea Stadium, Citi Field, and the tennis
3 stadium, and other facilities, Queens Theater,
4 Queens Museum, and all the facilities in this park
5 which are highly and frequently visited by our
6 children and our citizens, are subject to whatever
7 contaminants some our experts were speaking about
8 earlier since this site is directly connected and
9 adjacent and that waterway goes right in through
10 Flushing Meadow Corona Park.

11 It is also our belief that the
12 positive impact, economic impact that it'll have
13 in the area will help give a boost to the local
14 economy which is much needed. Thank you.

15 CHAIRPERSON GARODNICK: Thank you
16 very much.

17 MR. JOHN PARK: Hello. My name is
18 John Park. It's a great honor to be here. I'm
19 the President of Korean Community Empowerment
20 Council. I'm a member of the Task Force, Borough
21 President Marshall's Women and Minority
22 Contracting Programs. So I'm here supporting the
23 Willets Point Redevelopment Project because it is
24 opportunity for us.

25 We are, you know, from all the way

1
2 to Roosevelt Avenue is Latinos, Asians, White,
3 African-Americans, everybody there, but whenever I
4 pass by Willets Point, we call it junk shop.
5 There is--it's very dirty anyway. So, you know,
6 you name it. So we expect new jobs, new
7 facilities, new hotels, new house.

8 So I'm supporting, very strongly
9 for new opportunity for Asian community, for all
10 the minority, women's business. So also I mention
11 about I saw, I observed previous landlord, store
12 owners, employees, mostly they mention about
13 negotiate, negotiate or eminent domain. As long
14 as the City's strong leadership tackle or solving
15 negotiate eminent domain, we can clean the
16 redevelop. Because actually it's a shame, leave
17 it like that. You need leadership to do
18 something. Whenever, you know, whoever drive the
19 Willets Point, you feel that. That's like a black
20 hole. Thank you.

21 CHAIRPERSON GARODNICK: Thank you
22 very much. Let me also recognize Council Member
23 Bill de Blasio who's joined us. Thank you. Go
24 ahead.

25 MR. SETH BORNSTEIN: Thank you

1
2 Councilman, women. My name is Seth Bornstein; I'm
3 the Assistant Dean for Economic Development,
4 LaGuardia Community College. Last year LaGuardia
5 Community College responded to and was awarded a
6 program to develop Willets Point Workforce
7 Training Program, which we are enthusiastic about
8 and look forward to working on with members of the
9 community.

10 Economic development is a part of
11 the college's core mission and a major presence in
12 our college since 1971, since the college was
13 initiated. We provide services to new immigrants,
14 youth, new job entrants, low income people,
15 residents, all sorts of areas from Queens, and the
16 whole City of New York.

17 Our Workforce One Center has placed
18 5,000 people in over 800 companies over the years.
19 We have a great responsibility to the people of
20 the City of New York in making sure that they have
21 good jobs.

22 Recently we've hired Linda Barlow
23 who will speak in the next panel, my colleague.
24 Linda will direct the Willets Point Project.
25 That's her one sole opportunity within the

1
2 college. We've already started utilizing our CUNY
3 on Wheels bus to go out to the community. We've
4 started meeting with community groups, meaning
5 Community Boards and other community based
6 organizations to do outreach to the community to
7 let them know about the project.

8 We will work with everybody who
9 works at Willets Point whether they are documented
10 or undocumented. There's two tracks. Those who
11 are documented, we will work with them for job
12 training and placement. Those who are
13 undocumented, we will do training and work with
14 them with the CUNY legal system, the legal program
15 to help them get documented.

16 Our program consists of a number of
17 different components. Assessment of language and
18 vocational skills, English language training, soft
19 skills training and number support skills. We
20 also develop individual job search plans for each
21 participant.

22 We realize this is not about a big
23 number but individuals. It's really important
24 that we keep that in mind. It's not 300 people,
25 1,000 people, its 1 by 1 and we continue--our

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promise to work with them as individuals to understand their needs and how we can work best with them.

We're going to utilize our Workforce One Career Center and our Career Development Center plus our Center for Immigrant Education and also the CUNY Legal Services. And LaGuardia will be working with a number of unions and different organizations in the next panel to discuss their programs to do training and job placement.

Our services will include prescreening and follow-up mentoring and coaching to make sure participants get the type of skills and the type of job possibilities that are available. There will be incentives tied into this, benchmark incentives, stipends to help people along with Metro cards and other stipends.

Just in conclusion, LaGuardia is a leader in workforce training as it means to enhance economic development in our City. And by offering training for the workers here at Willets Point we're fulfilling the CUNY mission started in 1845 of providing education to people of modest

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2 means, to help them with new opportunities in the
3 workforce and make our city a better place. Thank
4 you very much.

5 CHAIRPERSON GARODNICK: Thank you
6 very much. And I know that Ms. Barlow will pick
7 up where you left off. So we thank all of you for
8 your testimony. And thank you for your patience
9 today too as well. Ms. Barlow, Linda Barlow from
10 LaGuardia. Mark Schienberg, Neil Quarto, and
11 Eduardo Giraldo, John Ferreira, you're all up.

12 And let's check. Hellenbrecht,
13 Richard Hellenbrecht, right? You're here. Good.
14 Charles Yun, Mr. Yun? You're here? Great.
15 You'll be on the next one. Laura Gallo, Laura
16 Gallo? Oh you are here? She is not here.
17 Nicholas Ronderos? Okay. Jordan Isenstat? There
18 he is. Kathy Wylde is not here right now, right?
19 Okay. All right. Well we've got enough to get
20 started. So please go right ahead. Thanks.

21 MS. LINDA BARLOW: Good afternoon.
22 Seth really described the program at LaGuardia
23 Community College. So I just want to very briefly
24 address three misconceptions that some of the
25 Willets Point workers had about our program.

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2 The first one was that this is a
3 mandatory service and that they were required to
4 come to LaGuardia and obtain services. And I just
5 want to make it very clear that all services are
6 voluntary. Of course we would like to help as
7 many workers as we could.

8 The second misconception had to do
9 with a very attractive flyer that we put out when
10 we were on our CUNY on Wheels. And what we did
11 was we took three different depictions of
12 occupations, just to show some of the choices that
13 the workers might have. One happened to be a
14 cook, one happened to be an auto mechanic and one
15 was a construction worker.

16 We are not forcing people to be
17 cooks, auto mechanics or construction workers.
18 There are a plethora of opportunities in New York
19 City and we can avail ourselves of many of the
20 different training programs. So I just wanted to
21 clarify that.

22 The third has to do with many of
23 the workers stating they don't want retraining.
24 Well as Seth said we have a Workforce One Center
25 that provides direct job placement. And for those

1
2 people who are looking for direct placement, we
3 would be more than happy to assist them. Thank
4 you very much.

5 CHAIRPERSON GARODNICK: Thank you.
6 Sir.

7 MR. MARK SCHIENBERG: Good evening.
8 Thank you for inviting me here today. My name is
9 Mark Schienberg; I'm the President of the Greater
10 New York Auto Dealers Association. And I know
11 it's been a long evening and I appreciate how
12 tired you must be. So I'll try to make this as
13 brief as possible.

14 Firstly I would like to give a
15 brief summary of the industry that I represent. I
16 represent franchise new car dealers in the local
17 New York area that bring a tremendous amount of
18 economic development to the City of New York.

19 The 440 retailers that make up my
20 association in Greater New York support over
21 62,000 jobs in the area. Jobs incidentally that
22 cannot be exported overseas or consolidated in one
23 location but real jobs with good wages and
24 benefits in towns and neighborhoods across the
25 area.

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2 Last year we sold 428,000 new
3 vehicles and injected \$23,400,000,000 into the
4 economy and generated more than \$1,654,000,000 in
5 local and State taxes.

6 Aside from helping our members
7 through the current financial meltdown that has
8 clearly taken its toll on our auto dealers,
9 working to encourage new people in the industry is
10 my association's number one priority. The average
11 age of dealership employees is roughly 47 years
12 old at a time when the fundamentals of our
13 industry that have revolved around the internal
14 combustion engine for the last 100 years are
15 changing dramatically.

16 New technology in the form of
17 hybrid, electric, fuel cell, natural gas powered
18 vehicles means that we need new blood in the
19 industry to take on these new challenges. To
20 achieve this goal the Greater New York Auto
21 Dealers Association recently built a 90,000 square
22 foot \$28,000,000 training center in Whitestone,
23 Queens, for the purpose of training technicians
24 and to provide those already in the industry with
25 training resources they had never had before.

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2 For background information, the
3 Center opened in October of 2005 and our entry
4 level Federally certified Technician Training
5 Division which is administered by Lincoln
6 Technical Institute started in early March of
7 2006. In just over a year we have graduated more
8 than 530 students who are either working in the
9 auto industry or have been recruited by car
10 manufacturers for advanced training in their
11 product.

12 This program is not only certified
13 by the Federal government but it is also approved
14 and overseen by the State Department of Education.
15 When my organization was approved to find out what
16 kind of assistance we might offer to workers at
17 Willets Point, we reached out to the auto
18 manufacturers and others to see what kind of entry
19 level training studies, general studies, and
20 hands-on training we could develop that would be
21 able to retrain people that would make them
22 marketable for jobs in the auto industry.

23 I strongly believe that we can help
24 retrain many of those people currently working at
25 Willets Point. They already show an aptitude and

1
2 an interest in the automobile industry and we
3 believe that helping them with the training that
4 can prepared them for jobs in the auto industry,
5 we would propose, would likely turn into real jobs
6 into our industry.

7 CHAIRPERSON GARODNICK: Thank you.

8 MR. SCHIENBERG: So I thank you for
9 your time.

10 CHAIRPERSON GARODNICK: Thanks very
11 much. Mr. Quatra [phonetic].

12 MR. NEIL QUATRA: Thank you
13 Chairman Garodnick, members of the Council. My
14 name is Neil Quatra [phonetic]; I'm the Director
15 of Political and Strategic Affairs for the New
16 York Hotel and Motel Trades Council. We're the
17 union representing 30,000 hotel workers in the
18 City of New York.

19 Our support for Willets Point and
20 the future development at Willets Point stems not
21 just from the City's commitment to ensuring that
22 future hospitality jobs at Willets Point are
23 quality union job, but from the fact that over
24 1,000 of our members live in Flushing and Corona,
25 the neighborhoods that will be most affected by

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this project.

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We're so committed to this project and its future success that we've decided to partner with the City and LaGuardia Community College and for the first time to open up our unions and the New York Hotel Association's training program for the first time in its history. We're prepared to open the doors of this program for any displaced workers at Willets Point.

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Our union decided to support the Willets Point Development Plan because we feel it's an exemplary project and a historic opportunity to create a new model for other major developments to follow in the future. By guaranteeing to support worker's rights at Willets, Mayor Bloomberg, the EDC, are leading the way to a new paradigm for development in New York City in the 21st Century.

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The guarantee of quality family sustaining jobs at willets means there will be a need for skilled hospitality workers at Willets Point and that our union and the hotel industry stand to benefit from that. As a result we think

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2 it's our responsibility to extend our hands to the
3 workers who will be displaced and help them get
4 good jobs and better opportunities for themselves
5 and their families as a result of the
6 redevelopment.

7 Willets Point workers will be able
8 to participate in our training program with the
9 same stipend and benefits as a result of our
10 working together with LaGuardia Community College.
11 Union hotel workers have some of the best and most
12 stable career options for working class people in
13 this City. And we want to help Willets Point
14 workers access these jobs.

15 The training program began in 1969
16 and thousands of workers have gone through this
17 program. It's allowed women and minorities to
18 access better jobs in the hotel industry. Often
19 what has happened, historically in the hotel
20 industry, is there have been frankly de facto
21 segregation. There's been front of the house jobs
22 and so called back of the house jobs. And what
23 our training program has allowed is for workers
24 who have worked historically in back of the house
25 jobs to access front desk jobs and other jobs that

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are more highly paid.

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The training program is going to encompass training in a variety of skill sets: HVAC, mechanics, ala cart servers, food prep. And the program is going to be available for workers immediately. In addition to that I just want to make one point; we're also opening up our Job Referral Program. So that immediately any workers who are interested in jobs in the hotel industry can work with our job referral program and get placed in jobs in the hotel industry.

CHAIRPERSON GARODNICK: Thank you.

Thanks very much. Go right ahead.

MR. EDUARDO GIRALDO: My name is Eduardo Giraldo. I am the Past President of the Queens Chamber of Commerce and the Chairman of the New York State Coalition of Hispanic Chambers of Commerce. And I'm a small business in the 21 District.

I am very excited about the Willets Point economic development because it has a great impact to our community. First of all we're going to have a lot of new jobs which is important right now and always has been.

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2 Also we're going to get contracts.
3 Contracts for W/BMEs, I hear this morning on the
4 testimony from the City that a lot of the--there's
5 going to be a lot of union, but we understand that
6 a lot of the M/BWEs they're not union workers. So
7 I think it should be a mix somewhere. They should
8 be parity on how they can work in this project.

9 Housing. Housing is so important.
10 Affordability is important too. But also we need
11 to accommodate the senior citizens somewhere, be a
12 part of this project. And I think the local idea
13 here, a library being in place. Libraries are
14 always important. And we're in the 21 Century. I
15 think a green library is a good project.

16 I'm going conscious for local
17 business, once the project is complete; I think
18 we're going to be busy serving this convention
19 center. We have a lot of small businesses that
20 they have restaurants or they have supplies. They
21 have so many things that we can supply. We would
22 like to be there.

23 Also to accommodate such a big
24 project we need, I think we need a developing
25 center in the area, most likely in Corona where we

1
2 can have help with the jobs, help with the MBE
3 certifications, a location and community
4 organizations so they can come and work with the
5 project.

6 I think it's critical to integrate
7 Corona, East Elmhurst, Woodside, Jackson Heights
8 to the project because they've been there for a
9 long time and in this part of Queens we speak more
10 than 125 languages. And I think that's a
11 treasure, putting together Willets Point and the
12 community I think is a nice diamond. So we're
13 here to support the Willets Point project. Thank
14 you.

15 CHAIRPERSON GARODNICK: Thanks very
16 much.

17 MR. JOHN FERREIRA: John Ferreira,
18 President of the Merchants Association on Junction
19 Boulevard. I've been a merchant for 33 years in
20 the area and in the last several months have had
21 an opportunity to talk to a lot of the store
22 owners in the area. And they wholeheartedly agree
23 with the project.

24 We have an opportunity here to turn
25 this area into a focal point in Queens. We should

1
2 not blow this opportunity. It is a great
3 opportunity. And I really feel that it makes
4 economic sense for Queens and for New York City,
5 and long term it will be a great project. Thank
6 you.

7 CHAIRPERSON GARODNICK: Thank you
8 very much. And there are questions or comments
9 from Council Member Monserrate.

10 COUNCIL MEMBER MONSERRATE: And
11 thank you for the participants who waited
12 patiently all these hours to have their testimony
13 heard. Mr. Schienberg is it?

14 MR. SCHIENBERG: Yes.

15 COUNCIL MEMBER MONSERRATE: From
16 the?

17 MR. SCHIENBERG: Greater New York
18 Auto Dealers Association--

19 COUNCIL MEMBER MONSERRATE:
20 [Interposing] Great New York--yeah. I recall
21 reading that once or twice, different pieces of
22 City Council paperwork. Your program, what does
23 it do exactly?

24 MR. SCHIENBERG: Well the program
25 that we present have, that I was referring to in

1
2 the testimony, is a 13 month program. That's not
3 the training program that we're talking about
4 putting together for this purpose. That is a 13
5 month fully accredited program in which the young
6 people that come--

7 COUNCIL MEMBER MONSERRATE:

8 [Interposing] Right.

9 MR. SCHIENBERG: --out of that
10 program can either go into dealerships directly or
11 again--

12 COUNCIL MEMBER MONSERRATE:

13 [Interposing] How many people are in the program
14 today?

15 MR. SCHIENBERG: Right now we have
16 about 575 kids that are in that program.

17 COUNCIL MEMBER MONSERRATE: 575 and
18 that's City Council funded?

19 MR. SCHIENBERG: No.

20 COUNCIL MEMBER MONSERRATE: No it's
21 not.

22 MR. SCHIENBERG: Not City Council
23 funded at all.

24 COUNCIL MEMBER MONSERRATE: Okay.
25 And for the purposes of this development, what

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would you propose, what services would you have available to some of those auto related workers?

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MR. SCHIENBERG: Well one of the things--

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COUNCIL MEMBER MONSERRATE:

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[Interposing] Who could potentially be displaced by this project, right?

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MR. SCHIENBERG: Right. One of the things that we talked about with LaGuardia Community College was to see, do an assessment of exactly what their skills levels are. And once we're able to identify that, to create a curriculum that would be--

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COUNCIL MEMBER MONSERRATE:

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[Interposing] Um-hum.

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MR. SCHIENBERG: --able to give them the kind of basic training programs that they could be able to use when they go into a dealership, such as, you know, the Employee Function of Professional Automotive Service, how to deal with hazardous materials, how to do general basic maintenance work--

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COUNCIL MEMBER MONSERRATE:

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[Interposing] Has the Administration agreed to

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this program or funding this program?

MR. SCHIENBERG: I'm sorry?

COUNCIL MEMBER MONSERRATE: Has the EDC or the Administration, have they come into some type of agreement with you to do this program--

MR. SCHIENBERG: [Interposing] They have come to us and said that they would take a look at some job development training funds to be able to assist them in going through this training program. Yes.

COUNCIL MEMBER MONSERRATE: But these conversations have been preliminary, is there any numbers attached to them as far as how many people?

MR. SCHIENBERG: We talked about, initially, originally, that we would try to identify 100 people. The training programs that we would suggest would be smaller groups, 75% of it hands-on, 25% of it classroom instruction. So putting it in a 10 to 12 week training program, at the end of that program, come out with a full Vehicle Inspector's License, and an EPA approval Air Conditioning Inspector's License also.

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2 COUNCIL MEMBER MONSERRATE: Okay,
3 just for the record, I think that obviously that
4 should be something that's looked at. Obviously a
5 lot of these workers are already working in the
6 auto related field. And it seems like a perfect
7 fit if all the other major details and hurdles are
8 overcome. So thank you very much for that.

9 My next question is for the
10 Hispanic Chamber from Queens. How many of the
11 Willets Point businesses are members of your
12 organization?

13 MR. GIRALDO: None.

14 COUNCIL MEMBER MONSERRATE: Well it
15 seems to me odd; because there's about 260
16 businesses there and probably about half of the
17 auto related shops are Hispanic. And if you
18 represent the Spanish Chamber of Commerce, I would
19 figure that maybe some of them are your members.
20 But they're not, which is why I understand your
21 position. Thank you very much.

22 CHAIRPERSON GARODNICK: Thank you
23 Council Member Monserrate. And with that we thank
24 all of you for your testimony today. And we will
25 move onto our next panels. So thank you. We

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2 appreciate it.

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Next up is Richard Hellenbrecht, as I mentioned before. Charles Yun, Nicholas Ronderos, Jordan Isenstat and Kathy Wylde. Right there Kathy.

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[Pause]

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CHAIRPERSON GARODNICK: Mr. Arturo Perez Saad. You're here. Okay, good. We're going to put you up next. We called you before. We'll get you next. Bruce Bendell? Are you here? Okay. Joseph Farber, are you here? Michael Myer, TDC? Peter Magnani? He will be here. And Alyson Beha. Kathleen Pettit, Kathleen Pettit? Chris Figolora? Here, great. Okay. Thanks. Go right ahead Sir.

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MR. L. NICHOLAS RONDEROS: Good afternoon. My name is Nicholas Ronderos and I'm a Senior Planner for Regional Plan Association, a private non-profit research and planning organization serving the Greater New York Metropolitan Region. The stakes in this project are high. The proposed plan would displace an estimated 260 businesses and 1,700 employees engaged in auto repair, construction and other

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2 uses in a City that has seen its industrial sector
3 increasing squeezed.

4 The City will also invest
5 substantial public funds in new infrastructure to
6 support the project. However for a number of
7 reasons, it is time for the redevelopment of
8 Willets Point to move forward, and Regional Plan
9 Association supports this project.

10 First redevelopment will begin a
11 wide range of economic and community benefits.
12 The City expects the redeveloped site to generate
13 approximate \$2,000,000,000 in economic activity
14 and an increase of around 5,000 jobs in addition
15 to nearly 6,000 units of needed housing, community
16 facilities and 8 acres of open space.

17 It will also connect the nearby
18 thriving residential neighborhoods of Flushing,
19 Corona and Queensboro Hill with a largely
20 commercial and instruction College Point area and
21 integrate a number of Queens' attractions,
22 including the new Citi Field, Flushing Meadows-
23 Corona Park and the National Tennis Center. The
24 proposed neighborhood has also qualified as a
25 green neighborhood by the U.S. Green Building

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However it were only a question of replacing these largely industrial jobs with higher value activities, then it would be questionable whether there was sufficient justification for the use of eminent domain that goes with this kind of large scale urban redevelopment. Instead it would be preferable to redevelop the site incrementally, ideally in a way that retains some of the original businesses.

However there is another aspect to Willets Point that requires wholesale redevelopment. The District's long history of industrial use, informal business practices and lack of infrastructure including poor road and sidewalk conditions, chronic flooding and limited storm and sanitary sewer infrastructure, has left a legacy of hazardous contamination. PCBs, heavy metals and pesticides leach into Flushing Bay and impair air quality for workers and nearby residents.

In order to remediate the area and prevent future pollution, contaminated soil will have to be removed or covered with clean fill.

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2 Storm sewers need to be installed. Without
3 clearing the site and starting over not only will
4 we be left with an area that is underperforming in
5 its economic potential but also we will be
6 shirking our responsibility to protect public
7 health and the urban environment.

8 This does not mean that there are
9 not many legitimate issues to negotiate. There
10 are a host of potential benefits that should be
11 maximized from the number of affordable housing
12 units to pedestrian access to the waterfront and
13 adjoining neighborhoods and the feasibility and
14 benefits of a convention center. In addition
15 relocating displaced industrial jobs must be done
16 as completely and effectively as possible.

17 City resources and the dollars that
18 can be generated by redevelopment of the site are
19 too scarce to meet all of these needs. So
20 tradeoffs need to be made. However the important
21 point is to move the process forward and take
22 advantage of these opportunities to make Willets
23 Point a model of both economic and environmental
24 sustainability. Thank you for the opportunity to
25 testify at this public hearing.

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2 CHAIRPERSON GARODNICK: Thank you.
3 Please.

4 MR. CHARLES YUN: Sorry. Good
5 afternoon. My name is Charles Yun [phonetic].
6 I'm the President of the Korean-American Business
7 Council of New York, which is an umbrella
8 association whose membership is comprised of 17
9 separate Korean-American organizations spanning
10 various industries such as construction, grocers,
11 nail salons, dry cleaners, insurance, apparel and
12 law. On behalf of the Korean-American Business
13 Council of New York, I appreciate the opportunity
14 to be here today to express our support for the
15 redevelopment of Willets Point.

16 As we understand it the
17 redevelopment of Willets Point is a historic
18 opportunity for the City of New York. We're
19 excited about the cleanup that will occur at
20 Willets Point. As our members are well aware, the
21 area proposed for cleanup is not only an eyesore
22 but it is highly polluted and environmentally
23 unsound.

24 This project proposes remediation
25 that is long overdue and has a potential to

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2 convert the contaminated land into a clean and
3 environmentally friendly area. Also we're hopeful
4 that the redevelopment will spur economic growth
5 during these difficult times. The redevelopment
6 project is expected to create thousands of new
7 jobs and new construction.

8 Finally and most important to our
9 group's interest, the redevelopment project is
10 expected to generate opportunities for growth of
11 minority owned businesses such as those who are
12 within our organization. The small business
13 owners who comprise the majority of the membership
14 of our organizations have worked hard to create
15 business opportunities for themselves. Through
16 their efforts these individuals have revitalized
17 neighborhoods throughout New York City.

18 These small business owners look
19 forward to the opportunity to work in conjunction
20 with the Economic Development Corporation and the
21 City of New York in revitalizing the Willets Point
22 area. Accordingly we support the Willets Point
23 Redevelopment Project. We hope that the Council
24 will see the benefits of this proposal. And we
25 hope to be an integral part of this exciting

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2 opportunity. Thank you.

3 CHAIRPERSON GARODNICK: Thank you.

4 Mr. Isenstat.

5 MR. JORDAN ISENSTAT: Good

6 afternoon. Chairman Garodnick, Council Members,

7 thank you for the opportunity to testify today.

8 My name is Jordan Isenstat [phonetic] and I'm the

9 Deputy Director of the Association for a Better

10 New York, also known as ABNY. ABNY is an

11 organization that promotes the effective

12 cooperation of the public and private sectors to

13 improve life for all New Yorkers.

14 ABNY strongly supports the vision

15 for the Willets Point Redevelopment Plan and

16 commends the Flushing, Willets Point, Corona Local

17 Development Corporation and the City of New York

18 for working together on this thoughtful plan.

19 During much of the early 20th

20 Century, the approximately 60 acre peninsula on

21 the Flushing River in Northern Queens known as

22 Willets Point or the Iron Triangle, was used as an

23 ash dump, receiving up to the equivalent of 100

24 railroad cars of ash per day. While the

25 surrounding areas have experienced remarkable

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2 transformations, including the development of
3 Flushing Meadows-Corona Park in preparation for
4 the 1939 Worlds Fair and the construction of Shea
5 Stadium in 1964, Willets Point has not lived up to
6 its potential as the destination for New Yorkers.

7 In 2002 the Bloomberg
8 Administration identified Flushing as an area with
9 tremendous growth potential. That year the City
10 formed the Downtown Flushing Task Force which
11 drafted a three-pronged plan to reconnect downtown
12 Flushing, revitalize the Flushing area waterfront
13 and redevelop Willets Point.

14 The Willets Point Redevelopment
15 Plan has been designed on behalf of all New
16 Yorkers and will include retail and entertainment
17 offerings, a hotel and convention center,
18 thousands of mixed income residential units, a
19 public school and new public open spaces. The
20 mixed use program will create thousands of new
21 permanent jobs and construction jobs transforming
22 Willets Point into a dynamic regional destination.

23 We applaud the fact that all of
24 these construction jobs will be union jobs as a
25 result of agreements made between Labor and City

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2 Hall. The Redevelopment Plan will create economic
3 opportunity throughout Willets Point and
4 neighboring communities. The project will create
5 about 5,000 permanent jobs in a diverse array of
6 sectors and as well as 1,000 indirect jobs
7 associated with the convention center.

8 The total 30 year fiscal impact of
9 the Willets Point Redevelopment Plan is estimated
10 to exceed \$4,200,000,000. The Willets Point area
11 is also well positioned for growth due to its
12 proximity to LaGuardia and JFK Airports, regional
13 access through the Number 7 train, Long Island
14 Railroad and the highway system. And it's
15 adjacent to some of Queens most dynamic and
16 popular destinations, downtown Flushing, the
17 Flushing Meadows-Corona Park, Citi Field, and the
18 National Tennis Center.

19 Downtown Flushing has emerged as a
20 successful commercial and retail destination but
21 Willets Point has failed to benefit from that
22 growth and vibrancy in part because of the area's
23 widespread environmental contamination. As such
24 the Willets Point Redevelopment Plan constitutes a
25 unique opportunity for the City to incorporate

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2 sustainability goals from the ground up. The
3 approach will encompass site cleanup, planning and
4 design, infrastructure construction and building
5 construction.

6 ABNY is dedicated to making New
7 York a better place for those who live in, work in
8 and visit New York City. We support the Willets
9 Point Redevelopment Plan because it aspires to
10 those same ideals while serving the specific needs
11 of the growing Queens community. Thank you.

12 CHAIRPERSON GARODNICK: Well that
13 was almost right on the button.

14 MR. ISENSTAT: How's that?

15 CHAIRPERSON GARODNICK: Perfect.

16 MR. ISENSTAT: That's good.

17 CHAIRPERSON GARODNICK: Ms. Wylde,
18 welcome.

19 MS. KATHRYN WYLDE: Thank you
20 Chairman Garodnick, Council Member Dickens, nice
21 to be with you. I'm Kathryn Wylde. I'm President
22 of the Partnership for New York City, the City's
23 business leadership organization. I'm pleased to
24 be here today. It started at 9:00 A.M. where it
25 felt like years ago when business and labor

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2 organized on the steps of City Hall to come out in
3 strong unified support for a new generation of
4 economic growth. And we think Willets Point
5 represents such an opportunity.

6 We're pleased to be here to support
7 it. The Partnership has a long history of work in
8 development in communities throughout the City.
9 And in particular in Queens we're very involved in
10 the 80's and early 90's and the redevelopment of a
11 not dissimilar blighted area. It was full of junk
12 yards, contaminated sites in the South Jamaica
13 Urban Renewal Area. I think today there's general
14 agreement that South Jamaica has emerged from that
15 process of renewal as a stronger contributor to
16 its community and to overall economic growth in
17 the Borough of Queens.

18 Two issues that I wanted to address
19 with you at the end of this long day. Number one,
20 eminent domain, the renewal of our City, often
21 second or third generation sites would not be
22 taking place and have taken place without the
23 powers of eminent domain. It is important and it
24 is frequently the case unfortunately that the
25 private sector doesn't necessarily act in its own

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2 interests, even its financial interest, or in the
3 public interest when it comes to the ownership of
4 land and allowing for site assemblage in the City.
5 The City and State need this power and they need
6 to exercise it while judiciously they need this
7 power to exercise and I don't think the Council
8 should be reticent to support that exercise.

9 Number two, I know there's been
10 concern about the final plans and selection of a
11 developer in the site, that the site approval, the
12 ULURP approval will go forward before developer
13 selection. We did hundreds of development sites
14 through the housing partnership in the City under
15 a ULURP action where the not for profit
16 organization in this case, the community based not
17 for profit has been established for this purpose,
18 and the City worked together to prepare a site, to
19 bring the ULURP approvals in place, to develop and
20 plan the infrastructure and then to bring in
21 competitive proposals from private developers.
22 That system has worked very well in the City and I
23 think it's one that the Council should endorse and
24 can be comfortable in going forward.

25 Given the current conditions in our

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2 economy, what we face in the years ahead, the fact
3 that we have a project poised to go, that we
4 recognize that this is a long term project. It
5 will be an important investment to bring
6 construction jobs at a time when we see
7 projections that those are going to be falling off
8 in our overall economy. I think this is an
9 important project and one that should receive the
10 support of the Council. I hope you will approve
11 this package.

12 CHAIRPERSON GARODNICK: Thank you
13 very much. Sir.

14 MR. RICHARD C. HELLENBRECHT: Good
15 afternoon. My name is Richard Hellenbrecht. I'm
16 here presenting the Regional Alliance for Small
17 Contractors. I've submitted a written testimony
18 but in the interest of time, I'll make a briefer
19 statement. You've heard a lot of it before, this
20 afternoon. We're here as advocates of minorities,
21 women and small businesses, particularly in the
22 construction industry throughout Queens and New
23 York City.

24 We're pleased for the past year to
25 have worked on the Task Force with Borough

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2 President Marshall and a number of unions and
3 other organizations representing women and
4 construction businesses and others throughout
5 Queens. We urge that the project maximize their
6 efforts to meet the goals that have been
7 established for minority, women owned and small
8 businesses, and Queens businesses as set forth by
9 the task force, particularly as well, with regard
10 to labor force women and minorities in the labor
11 force for the project.

12 We urge that the project include
13 capacity building programs such as training,
14 financial assistance and bonding assistance to
15 help the businesses not only work on this project
16 but to grow and participate in Queens' economy for
17 the years to come.

18 We know that there are over 800
19 minority and women owned small businesses
20 certified in Queens and we really think that we
21 should do the best to get as many as possible of
22 those firms to get involved. It was mentioned
23 earlier that union requirement is part of this
24 project and that's going to be a severe problem to
25 getting many of these firms to really become

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active in this project.

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The Regional Alliance would like to help in any way we can, in particular working with the firms in the training programs, capacity building, and outreach to get the minorities and women involved in the labor force and in the contracting that goes along with this project.

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We urge your support of this project. Thank you.

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CHAIRPERSON GARODNICK: Thank you very much. And I want to thank all of you for your testimony and Ms. Wylde I do appreciate your noting 9:00 o'clock seems like another world. This hearing has now been going on for about seven hours. So we're getting close to the end. We appreciate that.

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Let me just ask you one question. It's on the subject of the order of the process as we go forward here. And this came up earlier in the hearing. The Pratt Center specifically recommended that when considering eminent domain in this process that the formal procedure for exercising it should not be undertaken until such time as a developer is identified. So essentially

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2 what they're saying is leave the businesses alone
3 until you've inked the deal. And I wanted to see
4 if you had any reaction to that.

5 MS. WYLDE: I certainly understand
6 the issue. I grew up in the 70's, professionally,
7 in the 70's in Brooklyn where we saw sites that
8 had been cleared for urban renewal; jobs lost and
9 sit dormant for many years. So I certainly think
10 you have to have a firm time table in place and it
11 makes much more sense.

12 But you authorize the eminent
13 domain. Then the eminent domain can be calendared
14 to take place. You can either do it directly and
15 immediately with a lease-back to the existing
16 tenant for whatever period of years it takes to
17 get to the development point or you can--which is
18 probably the best way to do it.

19 In this case because you've got a
20 strong community led LDC involved in the project,
21 I think you've got a different set of
22 circumstances than we had in the 70's and 80's
23 where that was generally absent and folks in City
24 Hall made decisions and then forgot about sites in
25 the Boroughs for years. You have a very strong

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2 advocacy group here that has a formal role in the
3 development and I imagine that they would be
4 charged or could be charged with helping with this
5 process to make sure that you don't put people,
6 displace people unnecessarily or prematurely.

7 CHAIRPERSON GARODNICK: Thank you
8 very much. And again thanks to all of you for
9 your presence here and for your patience today.

10 We have one more panel. Arturo J.
11 Perez Saad, you are up Sir. Chris Ficolora, Ms.
12 Ficolora, you're here, yes? Great. Mr. Magnani,
13 Peter Magnani? Are you here yet? He's not
14 coming. Alyson Beha, Alyson Beha. No Alyson
15 Beha. We're going to have the panel of Mr. Perez
16 Saad and Chris Ficolora. Is there anybody here
17 now who has signed up to speak and whose name I
18 have not called? I'll repeat that one more time.

19 [Asking for quiet]

20 CHAIRPERSON GARODNICK: Is there
21 anybody who's here now who has signed up to speak
22 whose name I have not called? Sir, will you go
23 talk to the lady in the white hat, just to make
24 sure that... okay. Let's start with Mr. Saad, since
25 he's a--this is a mixed panel, one in favor, one

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against.

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MR. ARTURO J. PEREZ SAAD: Hello.

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All right. Honorable Chair and Council Members,

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distinguished representatives and guests, my name

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is Arturo Perez Saad. I'm with the Center for Law

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and Social Justice that is present here today to

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show our support for the Willets Point Defense

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Committee and denounce Mayor Bloomberg's Willets

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Point plan.

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Before I begin I want to state that

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this is an unjust and a disgrace to New Yorkers

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that the City Council, knowing that these are two

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contentious issues, is holding the Willets Point

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hearing at the same time as the extension of term

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limits hearing.

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While the New York City Economic

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Development Corporation and the Mayor state that

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this will benefit the community, however the

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community was not invited to the table from the

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beginning. They were excluded from this

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ridiculous plan which is to displace the community

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that has inhabited the area for over 50 years as

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if they did not exist. But they did not think

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that this community would fight back, and they

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are.

This community is all immigrant from different nationalities of which the majority are undocumented, yet when the economic crisis that this country faces deepens, the Bloomberg Administration and its allies have jumped on the immigrant bashing bandwagon, scapegoating the immigrants for the problem that they themselves have created.

The Willets Point Defense Committee members pay taxes to the City and State and the State have collected. Yet the City has not used them to improve roads and garbage cleanup or install sewage, basic necessities but instead has used it to terrorize this community by sending in SWAT teams of police to harass community members because of X or Y reasons. On one hand this is taxation without representation by denying essential services to taxpayers. On the other, their taxes are used to bully their own community around.

Shame on this and prior administrations. But now that Bloomberg, the eighth richest person in the U.S. wants the land,

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2 he and his allies use the same old excuse of
3 eminent domain to get the land, the same as they
4 used to take the land from the community in
5 downtown Brooklyn known as the Atlantic Yards
6 Project while children in the Borough of Queens
7 are forced to attend overcrowded schools, many of
8 whom are immigrants, this Administration does not
9 care a hoot about them and cuts millions of
10 dollars from the education budget.

11 Bloomberg and his team use the same
12 language of affordable housing, relocation, just
13 compensation, etcetera. I ask for whom?
14 Affordable housing at market rate is not
15 affordable for working people. Relocation to
16 where there is nothing affordable is legalizing
17 "ethnic cleansing" what others call
18 gentrification. There is no just compensation if
19 a worker, a small shop owner that has developed a
20 trade is told that you can no longer practice that
21 trade. There is the door and best of luck.

22 It is the rich who will benefit
23 from this project on the back of people of color
24 who happen to be workers, small business owners
25 and some of them poor. I beseech you City Council

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2 Members to vote against the proposed project. It
3 would be a crime to displace to nowhere 1,700
4 people that work hard, earn a living and pay
5 taxes. Vote no to the Willets Point Redevelopment
6 Project. Thank you.

7 CHAIRPERSON GARODNICK: thank you
8 very much for your testimony Sir. Go ahead.

9 MR. CHRIS FICALORO: Good evening.
10 My name is Chris Ficaloro, I'm the Vice-President
11 for Zip Car, which is a car sharing company based
12 out of Boston, Massachusetts and here in New York.

13 We are here in support of the green
14 sustainable community for the new development at
15 Willets Point. Car sharing as it was brought up
16 earlier today and some of the traffic congestion
17 needs is something that needs to be considered as
18 an important issue here. Car sharing including
19 Zip Car in New York currently replaces 15
20 personally owned vehicles in the New York City
21 area, yielding by the end of 2009, 6,634 vehicles
22 removed from the streets, specifically from people
23 selling their vehicles.

24 In addition part of this car
25 sharing program has removed 68,670 vehicles from

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2 the streets of New York to date. In addition in
3 2009 the members will consume approximately
4 1,000,000 fewer gallons of gasoline than previous
5 years due to car sharing. And considering that
6 savings, it represents about 94,000 tons of carbon
7 emissions.

8 We look forward to your favorable
9 decision in including car sharing as a part of the
10 new development program.

11 CHAIRPERSON GARODNICK: Thank you
12 very much. Thanks to both of you for your
13 testimony. My understanding is that Alyson Beha
14 has showed up. Since I called her name a few
15 moments ago, Ms. Beha, come on up, join us. It
16 looks like you're probably going to be our very
17 last of the day. You came in right under the
18 wire.

19 But before I do that, I just want
20 to make sure that I have not missed anybody. Is
21 there anybody here who wanted to testify and did
22 not have the opportunity? Nobody. I hear nobody.
23 So Ms. Beha, congratulations, you're the last of
24 the day. Welcome.

25 [Pause]

1
2 MS. ALYSON BEHA: My name is Alyson
3 Beha, and I'm the Manager of Research and Planning
4 at New Yorkers for Parks, the only independent
5 watchdog for all the City's parks, beaches and
6 playgrounds.

7 For nearly 100 years New Yorkers
8 for Parks as worked to ensure greener, safer,
9 cleaner parks for all New Yorkers. We applaud the
10 City's proposal to create 8 acres of new public
11 open space within the Willets Point development
12 site. We strongly support the Administration's
13 insistence that the maintenance of the open space
14 be paid for by the developers.

15 Maintenance funds are very
16 difficult to obtain particularly in light of the
17 current situation facing the City's economy.
18 While we support the introduction of eight acres
19 of new green space, we would like to voice some
20 concerns regarding the details of the open space
21 plan.

22 According to the draft
23 Environmental Impact Assessment, development
24 associated with the plan will increase the
25 residential population of the study area by more

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2 than 14,000 and the worker population by more than
3 8,000. The only open space currently programmed
4 for active recreation is a 2 acre park. This
5 space is to be used exclusively by students of the
6 proposed school during school hours. Plans for
7 the remaining 6 acres of open space indicate that
8 it will be passive and diffuse through the
9 development site.

10 We recommend that the City consider
11 incorporating a central signature park, similar to
12 Bryant Park, which provides a substantial
13 contiguous space for both the worker and
14 residential populations to use. We also encourage
15 including a small playground within this space,
16 providing some active recreation to small children
17 since the two acre park is inaccessible during
18 school hours.

19 The draft Environmental Impact
20 Statement indicates that Flushing Meadows Park
21 will serve as the primary green space for
22 residents of Willets Point. Although the northern
23 border of Flushing Meadows is only a quarter mile
24 from Willets Point, the closest public entrance is
25 a one mile walk. We encourage the City to explore

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2 improving pedestrian connections to the northern
3 area of the park as well as committing to an
4 increase in maintenance funding for that park.


5 In conclusion New Yorkers for Parks
6 supports the City's proposal to create eight acres
7 of open space within Willets Point. We
8 respectfully request that the open space program
9 be evaluated with attention to a central multi-use
10 park, additional active recreation acreage and
11 improved pedestrian connections to Flushing Meadow
12 Park. Thank you.

13 CHAIRPERSON GARODNICK: Thank you
14 very much. We appreciate your testimony and it's
15 nice to end the day on parks. Of course we thank
16 everybody for their patience today and for their
17 testimony. Obviously there are a lot of different
18 views on this subject. And we heard them all from
19 the environmental concerns to the concerns about
20 eminent domain to economic development. And we
21 have a couple of weeks to sort it all out. So
22 with that we are going to close the hearing. And
23 this meeting is adjourned.

24

C E R T I F I C A T E

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

A handwritten signature in cursive script that reads "Laura L. Springate". The signature is written in black ink on a light-colored background.

Signature: _____Laura L. Springate_____

Date _____January 29, 2009_____