

CITY COUNCIL  
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

SUBCOMMITTEE ON PLANNING, DISPOSITIONS & CONCESSIONS

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August 18, 2009

Start: 1:12 pm

Recess: 1:33 pm

HELD AT: Council Chambers  
City Hall

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

COUNCIL MEMBERS:  
Maria Baez  
Inez Dickens  
Sara M. Gonzalez  
Vincent Ignizio

## A P P E A R A N C E S [CONTINUED]

Carol Clark  
Assistant Commissioner  
Department of Housing Preservation and Development

Vincent Hernandez  
Director, TIL Program  
Department of Housing Preservation and Development

Sal Devolo  
Executive Director  
Restored Homes Housing Development Corporation

Inez Dickens  
Speaking on Land Use 1092  
New York City Council Member

Lorraine Davis  
President  
133 West 140<sup>th</sup> Street Tenants Association

Carolyn Harris  
Board Member  
133 West 140<sup>th</sup> Street Tenants Association

Christian Hilton  
Counsel  
Subcommittee on Planning, Dispositions and Concessions

2 CHAIRPERSON GARODNICK: Good

3 afternoon everybody and welcome to the  
4 Subcommittee on Planning, Dispositions and  
5 Concessions. My name is Dan Garodnick and this is  
6 a Subcommittee of the Land Use Committee of the  
7 New York City Council. Today's date is Tuesday,  
8 August 18<sup>th</sup>. And I'm joined today by Committee  
9 members Sara Gonzalez, Vinnie Ignizio and we are  
10 going to get right on into it. And I'm going to  
11 open the hearing on Land Use number 1110, non-  
12 ULURP 20095594 HAM. The address is 152 East 116<sup>th</sup>  
13 Street in the District of Council Member Melissa  
14 Mark-Viverito. It's part of the TIL program. And  
15 we have representatives from HPD here and I'll ask  
16 them to introduce themselves and go right ahead.

17 MS. CAROL CLARK: Good afternoon

18 Chairman Garodnick and members of the Committee.  
19 I'm Carol Clark, Assistant Commissioner at HPD and  
20 I'm joined by Victor Hernandez who's HPD's  
21 Director of the TIL program.

22 LU 1110 consists of the proposed  
23 disposition of one City owned, occupied building  
24 located, as you noted, at 152 East 116<sup>th</sup> Street,  
25 through HPD's Tenant Interim Lease Pilot Program.

1  
2 This program is a collaboration between the  
3 Council and HPD in which additional funding is  
4 provided by the City Council to advance selected  
5 properties which are ready for conversion to home  
6 ownership through the TIL pipeline.

7           The Council allocated \$3 million  
8 for Fiscal Year '09 for the TIL Pilot Program and  
9 \$1.5 million of that sum is going towards the  
10 rehabilitation of this building. An additional \$2  
11 million is slated for FY '10. The sponsor was  
12 selected for this project in consultation with  
13 Council Member Viverito. It is El Barrio  
14 Operation Fight Back. The group has qualified  
15 under other HPD competitive initiatives including  
16 the Neighborhood Redevelopment Program. They are  
17 one of the strongest affordable housing groups  
18 operating in East Harlem.

19           Under the proposed project the City  
20 will sell the building to the sponsor which will  
21 undertake the rehabilitation of the nine  
22 residential units and two commercial spaces. Upon  
23 completion, an HDFC will be formed and the sponsor  
24 will sell the cooperative units to the tenants.  
25 Council Member Viverito has reviewed the project

2 and indicated her support.

3 CHAIRPERSON GARODNICK: Thank you  
4 very much. And just so we are absolutely clear  
5 here, we frequently have TIL programs come before  
6 us. This sounds like you're describing it as a  
7 TIL pilot.

8 MS. CLARK: Right. It's a  
9 different program because there was interest among  
10 four of the Council Members at the end of the last  
11 Fiscal Year, Council Members Viverito, Jackson,  
12 Dickens and Martinez, who have many TIL buildings  
13 in their area and they wanted to allocate  
14 additional Council funds which is the \$3 million  
15 that was allocated in '09, half of which is going  
16 to this building. I see we're being joined by  
17 Council Member Dickens. The second building  
18 that's in the TIL Pilot Program in '09 is 4648  
19 East 129<sup>th</sup> Street which is in Council Member  
20 Dicken's District and will be before the Council  
21 this fall for consideration.

22 CHAIRPERSON GARODNICK: Okay. And  
23 you said that the building will be sold to a  
24 sponsor which will then convert it to an HDFC--

25 MS. CLARK: [Interposing] Right.

2 CHAIRPERSON GARODNICK: --and, then  
3 for sale to the tenants of the building.

4 MS. CLARK: Right, as a  
5 cooperative, that's correct.

6 CHAIRPERSON GARODNICK: And the  
7 sponsor was selected through a competitive  
8 process?

9 MS. CLARK: They've qualified  
10 through a competitive process of HPD through the  
11 Neighborhood Redevelopment Program and they're El  
12 Barrio Operation Fight Back. We consulted with  
13 Council Member Viverito with regard to who to  
14 select for this responsibility.

15 CHAIRPERSON GARODNICK: Okay thank  
16 you very much. I should note we've been joined by  
17 Council Member Inez Dickens. And seeing no  
18 members of the public wishing to testify on Land  
19 Use number 1110, we will close the hearing on that  
20 item.

21 I will move to Land Use 1184, non-  
22 ULURP number 20105023 HAK which is in the District  
23 of Council Member Charles Barron. This one. And  
24 I have a letter from Joseph Rosenberg to me dated  
25 July 24<sup>th</sup> which says that on behalf of the New York

1  
2 City Department of Housing Preservation  
3 Development, we respectfully request the above  
4 referenced Land Use item be withdrawn from  
5 consideration before the Council's Land Use  
6 Committee. And it refers to this item here, Land  
7 Use, Preconsidered 20105023 HAK. So that will be  
8 a motion to file.

9                   Next item is Land Use 1185, non-  
10 ULURP 20105024 HAK in the District of Council  
11 Member Dilan. Similarly I have a letter from Joe  
12 Rosenberg of HPD also dated July 24<sup>th</sup> asking that  
13 this item be withdrawn from consideration. So  
14 that will be a motion to file.

15                   Next up we have preconsidered non-  
16 ULURP 20105032 HAQ in 108-16 Guy R. Brewer  
17 Boulevard. And it's in the District of Council  
18 Member White. Have I--okay, go ahead.

19                   MS. CLARK: I'm joined for this by  
20 Sal Devolo [phonetic] who's the Executive Director  
21 of Neighborhood Restore. This item consists of  
22 the proposed rehabilitation of one vacant three  
23 family home located at 108-16 Guy R. Brewer  
24 Boulevard under the Asset Control Area Program.  
25 HUD, HPD and the nonprofit Restored Homes Housing

2 Fund Development Corporation with which Mr. Devolo  
3 is affiliated, entered into an agreement in which  
4 HUD agreed to sell FHA foreclosed vacant one to  
5 four family homes in its inventory to Restored  
6 Homes HDFC.

7 In collaboration with HPD, Restored  
8 Homes will oversee the rehabilitation of these  
9 houses and the marketing process established to  
10 identify income-eligible buyers. HPD requests  
11 today the Council's approval of a UDAAP tax  
12 exemption for the eligible purchasers to enhance  
13 the affordability of the project. Council Member  
14 White has reviewed it and indicated his support.

15 CHAIRPERSON GARODNICK: Thank you.  
16 Let's just make sure we have this down because  
17 this is not one we see every day. HUD sold  
18 certain foreclosed homes to Neighborhood Restore?

19 MS. CLARK: Well the FHA sells  
20 foreclosed homes in designated areas to  
21 municipalities and experienced nonprofit  
22 developers through the Asset Control Area Program  
23 which was established in 1998 as a Congressional  
24 initiative.

25 CHAIRPERSON GARODNICK: That was



1  
2 how it came to be in the hands of Neighborhood  
3 Restore.

4 MR. SAL DEVOLO: Right. And that--  
5 technically it's Restored Homes Housing--

6 CHAIRPERSON GARODNICK:  
7 [Interposing] I'm sorry. I'm sorry.

8 MR. DEVOLO: --Development  
9 Corporation.

10 CHAIRPERSON GARODNICK: Restored  
11 Homes. Restored Homes. And I--that's what I had  
12 written down but then I thought I'd confused  
13 myself. Okay so Restored Homes. And the Asset  
14 Control Area is--that is the program?

15 MR. DEVOLO: That's a HUD program  
16 actually, that's nationwide. And in 2005 the City  
17 of New York, HPD and Restored Homes entered into  
18 an agreement with HUD to bring the Asset Control  
19 Area here in New York City. And it is--there are  
20 certain revitalization neighborhoods that are  
21 designated by HUD that if there are FHA foreclosed  
22 homes in those particular neighborhoods, they are  
23 offered to Restored Homes at a 50% discount of  
24 appraised value.

25 CHAIRPERSON GARODNICK: And what

1  
2 will be the affordability of this if the UDAAP tax  
3 exemption is granted for the three families who  
4 will ultimately live there?

5 MR. DEVOLO: It's a 11% of AMI is  
6 the max, which is about \$88,000 for a family of 4.

7 CHAIRPERSON GARODNICK: Okay.  
8 Thank you. Seeing no members of the public  
9 wishing to testify on this item, Preconsidered  
10 non-ULURP 20105032 HAQ, we will close the hearing  
11 on that item.

12 And we will open the hearing on the  
13 last item on today's calendar which is Land Use  
14 number 1092 non-ULURP number 200095469 HAM at 133-  
15 41 West 140<sup>th</sup> Street, again part of the TIL  
16 program. And this one is in the District of our  
17 own Council Member Inez Dickens. So start--go  
18 ahead.

19 MS. CLARK: Yes, and once again I'm  
20 joined by Victor Hernandez, HPD's Director of the  
21 TIL Program. LU 1092 consists of the proposed  
22 disposition of one occupied 55-unit City owned  
23 building, located, as you noted, at 133-41 East  
24 140<sup>th</sup> Street, through HPD's Tenant Interim Lease  
25 Program. The TIL program, as you know, assists

1  
2 residents and their tenant associations in City  
3 owned properties to purchase and manage their  
4 buildings as low income cooperatives.

5 In this case the building came into  
6 the program in 1995. Its physical condition  
7 dictated that it had to undergo a gut  
8 rehabilitation beginning in 2007. HPD will  
9 continue to work closely with the tenants in  
10 consultation with Council Member Dickens and her  
11 office to ensure that home ownership is  
12 established here.

13 Council Member Dickens has reviewed  
14 this project and indicated her support of  
15 approving the UDAAP at this time. Thank you.

16 CHAIRPERSON GARODNICK: Council  
17 Member Dickens.

18 COUNCIL MEMBER DICKENS: Thank you  
19 so much Mr. Chair. Deputy Commissioner Clark,  
20 tell me why is this being brought to the Council  
21 for a vote when upon inspection of the building,  
22 it's approximately 70% to 75% completed when  
23 ordinarily it is brought to me when it's about 85%  
24 to 90% completion. And I ask this question  
25 because of my concern about the completion being

1  
2 in the way that the residents would like to see  
3 it.

4 MS. CLARK: That's a very fair  
5 question and you're absolutely right. Normally  
6 when we bring something to you for consideration  
7 it is about 90% or more in terms of percentage  
8 complete. The fact of the matter is that it has  
9 taken longer, this is a larger building, it's a 3-  
10 wing 55-unit building and one of the wings was  
11 badly destroyed by fire. And in fact it has taken  
12 us longer to do the rehabilitation work at the  
13 building than we had anticipated when we first  
14 submitted the UDAAP paperwork some five months  
15 ago. So that's the reason why it's at the 75%  
16 rather than 90-Plus% that we generally see.

17 COUNCIL MEMBER DICKENS: All right.  
18 Because I have serious concerns and issues as to  
19 the protection of the residents' rights. And I  
20 want to ensure that that is done, even though we  
21 are taking a vote today. Because of it only being  
22 at 70% completion, not 75%, I'm very concerned  
23 that their rights are protected, the returning  
24 residents' rights are protected and that the  
25 completion of the rehabilitation is in accordance

1  
2 with the plans as set forth and agreed upon with  
3 them.

4 MS. CLARK: We share your concern  
5 and we are--we give you word that the building  
6 will not close until HPD is confident that it has  
7 sufficient income to meet its maintenance and  
8 operating budget and we will work with you. As  
9 you know, today 19 out of the 24 tenants are  
10 eligible to purchase their units and that'll  
11 create home ownership which we both envision as a  
12 good thing.

13 COUNCIL MEMBER DICKENS: All right.  
14 Thank you because if not, we may have difficulty  
15 in the future and I wouldn't like that.

16 MS. CLARK: I understand. Thank  
17 you.

18 CHAIRPERSON GARODNICK: None of us  
19 like to have difficulty with Council Member  
20 Dickens. So we thank you for that. And we ask  
21 now that Lorraine Davis come join us as well as, I  
22 believe, Ms. Harris, both testifying in favor of  
23 Land Use 1092. Welcome. Just have a seat and  
24 whenever you're ready you can just hit the button  
25 on the microphone and introduce yourselves and get

1  
2 started. If you could just hit the button. One  
3 more time.

4 MS. LORRAINE DAVIS: Are we on?

5 CHAIRPERSON GARODNICK: Perfect.

6 MS. DAVIS: Okay.

7 CHAIRPERSON GARODNICK: Perfect,  
8 thank you.

9 MS. DAVIS: Good afternoon. Hi.  
10 My name is Lorraine Davis. I represent 133 West  
11 140<sup>th</sup> Street Tenant's Association as the TA  
12 President. And I'm delighted to be here to share  
13 whatever insight I can to see that this project  
14 comes forward.

15 CHAIRPERSON GARODNICK: Thank you.

16 MS. CAROLYN HARRIS: Good  
17 afternoon. My name is Carolyn Harris; I sit on  
18 the Board of 133 West 140<sup>th</sup> Street with the  
19 Tenant's Association as well.

20 CHAIRPERSON GARODNICK: Thank you.  
21 And you're both here to express your support of  
22 this application?

23 MS. DAVIS: That's correct.

24 MS. HARRIS: Yes.

25 CHAIRPERSON GARODNICK: Okay.

1  
2 Thank you. I should tell you, you are very, very  
3 well represented in the Council. We are all  
4 admirers of your Council Member. She does a great  
5 job and with that, unless--Council Member Dickens  
6 do you?

7 COUNCIL MEMBER DICKENS: Thank you  
8 Chair Garodnick for that opportunity. I would  
9 like to speak in favor of this building and I am  
10 very appreciative that the TA President Lorraine  
11 Davis and Mrs. Harris came down, took their time  
12 to come down, to show support for their building  
13 and their community. This is a 55-unit building,  
14 as the Deputy Commissioner said, with 24 families  
15 returning. The building has 7 floors and the  
16 apartments vary in size from 1 to 4 bedrooms which  
17 will accommodate larger families.

18 But I did express prior my concern  
19 about it being 70% completed. And that normally  
20 when a TIL building comes before the City Council  
21 for a hearing, that it is usually further along in  
22 its progress and completion. And I did have  
23 concerns, for instance, about Ms. Lorraine Davis  
24 and I wanted to put that on the record for HPD and  
25 that the residents and all the association

1  
2 officers and those that are coming--that will be  
3 returning that all of their issues will be  
4 addressed, as they do further inspections along  
5 the way.

6           A primary concern to me are the  
7 seniors in the building, one who has an ongoing  
8 issue with her Section 8 that I am now asking HPD  
9 on the record to look into so that she can remain  
10 solvent and in the building.

11           With many past TIL buildings that  
12 come before the Council, most of them are in the  
13 final stages. And in this one is not. So I had  
14 some serious concerns and I just wanted to be  
15 assured that HPD would give the residents of this  
16 building every change to succeed because I  
17 encourage my community to begin to own our  
18 community.

19           That's the only way you can not be  
20 shoved out of our community is when we begin to  
21 own. But ownership means that it has to be  
22 affordable and it comes along with the  
23 responsibilities.

24           So I thank them for being here,  
25 both of these ladies, for being here to testify in



1  
 2 support of this. I know it's been a long time  
 3 coming. And you're looking forward to its  
 4 completion. And hopefully that HPD will go along  
 5 with what they have said on the record that they  
 6 will do for you. Thank you.

7 MS. DAVIS: Thank you.

8 COUNCIL MEMBER DICKENS: Thank you  
 9 Mr. Chair and I ask my colleagues for their  
 10 support on this and thank you.

11 CHAIRPERSON GARODNICK: Thank you  
 12 Council Member Dickens. And with that, we've  
 13 reached the end of our agenda for the day. And we  
 14 are going to vote on all of the items that we  
 15 heard today. They're coupled together for the  
 16 purposes of voting. All other items on the  
 17 calendar are laid over to a future meeting at the  
 18 request of the individual Council Members in whose  
 19 Districts the properties sit. And with that, the  
 20 Chair is asking for an aye vote on all of the  
 21 items. And we'll ask the counsel to call the  
 22 roll.

23 MR. CHRISTIAN HILTON: Christian  
 24 Hilton, Counsel to the Committee. Chair  
 25 Garodnick.

1

2

CHAIRPERSON GARODNICK: I vote aye.

3

MR. HILTON: Council Member

4

Gonzalez.

5

COUNCIL MEMBER GONZALEZ: Aye.

6

MR. HILTON: Council Member

7

Dickens.

8

COUNCIL MEMBER DICKENS: Aye.

9

MR. HILTON: Council Member

10

Ignizio.

11

COUNCIL MEMBER IGNIZIO: Aye.

12

MR. HILTON: By a vote of four in

13

the affirmative, none in the negative, no

14

abstentions, all items are approved and referred

15

to the full Land Use Committee.

16

CHAIRPERSON GARODNICK: Thank you

17

all very much.

18

[Background noise]

19

MR. HILTON: She said like five or

20

ten minutes.

21

CHAIRPERSON GARODNICK: We're going

22

to leave the record open for about ten minutes and

23

after that time we will be adjourned. Thank you.

24

[Gavel banging]

25

[Pause]

1

2

MR. HILTON: Council Member Baez.

3

COUNCIL MEMBER BAEZ: Aye.

4

MR. HILTON: The vote stands five

5

in the affirmative, none in the negative, no

6

abstentions, LU 1110, Preconsidered 2010532 HAW,

7

LU 1092 are approved and referred to the full Land

8

Use Committee and LU 1184 and 1185 are filed

9

motion pursuant to withdrawal.

10

[END 1002.MP3]

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 \_\_\_\_\_September 3, 2009\_\_\_\_\_