

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

SUB-COMMITTEE ON PLANNING, DISPOSITIONS AND
CONCESSIONS

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July 21, 2008
Start: 1:00pm
Recess: N/A

HELD AT: Council Chambers
City Hall

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

COUNCIL MEMBERS:
Inez E. Dickens
Vincent Ignizio
Dr. Mathieu Eugene

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

Carol Clark
Assistant Commissioner for Local Legislative Affairs
Department of Housing Preservation & Development

Anthony Richardson
Senior Project Manager of Housing Production
Department of Housing Preservation & Development

Reverend Reginald Williams
CEO
Addicts Rehabilitation Center Foundation, Inc.

Julius Perry
Addicts Rehabilitation Center Foundation, Inc.

Terry Arroyo
Director of Land Use
Department of Housing Preservation & Development

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2 EVA MARLENA: Testing. Today's
3 date is July 21, 2008. This is a committee
4 hearing on Planning, Dispositions and Concessions.
5 And it's recorded by Eva Marlena [phonetic].

6 CHAIRPERSON DANIEL R. GARODNICK:
7 Good afternoon, everybody. Welcome to the sub-
8 committee on Planning, Dispositions and
9 Concessions sub-committee of the Land Use of the
10 New York City Council. Today's date is Monday,
11 July 21. My name is Dan Garodnick. I have the
12 privilege of chairing this sub-committee. I'm
13 joined by Council Member Inez Dickens of Manhattan
14 and Vinny Ignizio of Staten Island and Council
15 Member Dr. Mathieu Eugene of Brooklyn. We have a
16 quorum; we're going to get right to it. And we
17 thank everybody for being here.

18 The first item that we're going to
19 hear is Land Use number 7773, Heritage House, in
20 the district of Council Member Dickens. This is
21 Manhattan Community Board 11. C080195HAM, this is
22 a HPD application to facilitate the development of
23 a six-story building known as the Heritage House
24 with about 40 residential units. Ms. Clark,
25 welcome. If you could introduce yourself and the

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item as well, we'd appreciate it.

CAROL CLARK: Thank you Mr. Chairman and members of the Committee. My name is Carol Clark; I'm the Assistant Commissioner for Local Legislative Affairs at HPD. I'm joined by Anthony Richardson; who is the Senior Project Manager for HPD's Division of Housing Production.

L.U. 773 consists of the proposed disposition of six vacant city owned lots located at 50, 52, 54, 56, 58 and 60 East 131st Street, that's between Madison and Park Avenues on the south side of the block, for development under HPD's Cornerstone Program. The proposed sponsor Addicts Rehabilitation Center Foundation, Inc. will construct one building six stories, as we noted, which will provide 39 units of rental housing plus one superintendent unit. In addition, there is 1,400 square feet of community space and 3,500 square feet of open space.

Council Member Dickens has reviewed the project and indicated her support. I believe that representatives of the Addicts Rehab Center are here to testify, too.

CHAIRPERSON GARODNICK: Thank you.

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2 Just a follow up.

3 MS. CLARK: Sure.

4 CHAIRPERSON GARODNICK: You said
5 that there are 39 units and then one for the
6 super, is that right?

7 MS. CLARK: That is correct.

8 CHAIRPERSON GARODNICK: And these
9 are available to whom?10 MS. CLARK: They're available to
11 individuals earning less than 60% of the area
12 median income in sum.13 CHAIRPERSON GARODNICK: Okay. And
14 they are rental units?15 MS. CLARK: They are rental units,
16 15 units that are 30% of the AMI, 5 units at 50%
17 of the AMI and 19 at up to 60% of AMI, which is
18 approximately \$984 a month in terms of rent.19 CHAIRPERSON GARODNICK: Sorry. 15
20 up to 30%.

21 MS. CLARK: Right.

22 CHAIRPERSON GARODNICK: Five up
23 to...

24 MS. CLARK: 50.

25 CHAIRPERSON GARODNICK: Up to 50

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2 and then 19 up to 60?

3 MS. CLARK: That's correct.

4 CHAIRPERSON GARODNICK: I presume
5 between 50 and 60.

6 MS. CLARK: Correct.

7 CHAIRPERSON GARODNICK: Okay. Got
8 it. All right. And is there a term after which
9 those units become market?

10 MS. CLARK: No, they will not
11 become market rent. They're being developed for
12 this purpose.

13 CHAIRPERSON GARODNICK: And the
14 community space?

15 MS. CLARK: The community space is
16 approximately 1,400 square feet.

17 CHAIRPERSON GARODNICK: To be used
18 as?

19 MS. CLARK: Recreational
20 facilities. I believe that Reverend Williams will
21 illuminate this further when he gives his
22 testimony, the council member.

23 CHAIRPERSON GARODNICK: All right.
24 Thank you. Council Member Dickens.

25 COUNCIL MEMBER INEZ E. DICKENS:

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2 Thank you so much Chair Garodnick for this
3 opportunity to express my very strong support for
4 Heritage House, located at 50-60 East 131 Street,
5 to be developed by the Addicts Rehabilitation
6 Center under the leadership of Reverend Reginald
7 Williams.

8 I have been in contact with the
9 good Reverend and this is exactly the kind of
10 project that HPD and the Council should be working
11 on together. This project has exactly the kind of
12 affordability that all housing projects should be
13 when they come to the Council. Heritage House
14 will also benefit communities that are often the
15 most vulnerable, namely recovering drug and
16 alcohol addicts and people living with HIV/AIDS.

17 Heritage House will have 39 plus
18 one units in total. Of the 40 units, 15 of them
19 will be rented at 30% of AMI, with 6 of those
20 units being reserved for people living with
21 HIV/AIDS. Five units will be rented at 50% AMI
22 and almost half, 19, will be rented at 60% AMI.
23 All units will be subject to rent stabilization
24 and therefore will not become market.

25 Reverend Williams and ARC truly

1
2 know that at-risk populations must be given
3 permanent, affordable and safe housing to fully
4 recover from their conditions and live full lives.
5 In addition, ARC will be providing 1,400 square
6 feet of community space and will develop 3,500
7 square feet of the disposition area as open space.

8 It has come to my attention that
9 three of the lots that Heritage House will sit
10 upon had a community garden and it will be sold as
11 part of this disposition. I have been assured by
12 HPD and Reverend Williams that extensive talks
13 with the community gardeners has taken place and
14 that they have sufficient notice of the pending
15 sale of the lots that their garden sits on. In
16 fact, my office has reached out to them. Upon
17 being offered alternative sites to continue their
18 gardening activities, the gardeners as of today,
19 has not responded.

20 Reverend Williams also hired a
21 liaison specifically to help ARC work through the
22 issue with the gardeners. The gardeners are being
23 allowed to continue planting and harvesting until
24 such time as the development begins. ARC and
25 their development partner will make efforts to

1
2 save one particular tree that happens to be a
3 favorite of the gardening group.

4 Due to the deep levels of
5 affordability at this site, the mission of ARC to
6 provide stable, quality housing to those most in
7 need and the resolution of the issues with the
8 community gardeners, I'm offering my strong
9 support for this project. I ask my colleagues to
10 join me in voting yes on the Heritage House
11 project. I thank HPD and Carol Clark for her work
12 on this project. I thank you Chair for my time.

13 CHAIRPERSON GARODNICK: Thank you
14 Council Member Dickens. With that, I see a couple
15 of people who are interested in testifying on this
16 subject. Reverend Reginald Williams so Reverend
17 if you want to come on up. I have Julius Perry
18 for questions if necessary, I'll leave that to
19 you. Mr. Williams, go right ahead.

20 REVEREND REGINALD WILLIAMS: Thank
21 you Mr. Chairman. Let me say thank you to all the
22 Committee members present and especially to my
23 leader and Council woman Inez Dickens, who thought
24 it not robbery to come back from a vacation to be
25 with her support. It's much appreciated.

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2 You've heard the synopsis given by
3 HPD. This is a project that ARC is very, very
4 excited about. In addition to the things you've
5 heard, I will point out that 80% of the units are
6 two bedroom units, that is 35 out of 40. This
7 will allow the majority of the units to be devoted
8 to families. And this high level of family sized
9 units should be really looked at under the
10 umbrella that it encourages multiple generations
11 to remain in the community across many age levels.

12 We could not have done this
13 without our community board support. I'm happy to
14 report today that they voted unanimously.
15 Although they did have a question around the more
16 two bedroom units. We indicated that given the
17 rents, that we were not able to do it at this
18 time. But we'll be working with the council
19 member identifying other sites in the immediate
20 area, particularly around the nabe [phonetic] to
21 be able to incorporate more two bedroom units.
22 We're working towards that end.

23 Let me just say for the record that
24 everybody talks about affordable housing, but
25 we're ratified with the support of our council

1 member and the other borough president of City
2 Planning. To say that if someone's making
3 \$17,000, their rent would be \$353. If they were
4 making up to \$19,000, their rent would be \$426.
5 If they were making \$31,900, it would not exceed
6 \$745. If they were making over \$38,000 to
7 \$38,280, their rents would come in at \$904. These
8 are rents that will be two years out so we're
9 talking about 2010. They will always remain
10 affordable housing. Even though it's not
11 required, we want to make them a target income,
12 permanent affordable housing for the duration.

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14 I urge your support and that of
15 your colleagues to support this. And we look
16 forward to beginning construction.

17 CHAIRPERSON GARODNICK: Thank you
18 very much. Council Member Dickens and I have one
19 last question.

20 MS. DICKENS: I just wanted to take
21 a moment to introduce to the Committee some of the
22 residents of ARC because they came down to offer
23 their strong support and to show their commitment
24 to this development. Right here, please stand.
25 [Applause] Thank you so much for coming down.

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CHAIRPERSON GARODNICK: Thank you.

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Rev: Thank you.

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CHAIRPERSON GARODNICK: Thank you

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very much and we welcome you to City Hall and

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thank you for your support. Reverend, the only

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question that I had as a follow up was the

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community space. Can you describe that?

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Rev: There is an outside garden

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area, there are inside rooms for community

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meetings. There's recreation that incorporates

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the green facilities. We anticipate to help pool

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some of our resources from our other parent

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organization, which is only three blocks away, to

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come in and provide the kind of groups and the

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community space that is needed up in that area.

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CHAIRPERSON GARODNICK: Thank you

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very much. With that, seeing nobody else wishing

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to testify. Is there anybody else wishing to

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testify? No. Seeing nobody else wishing to

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testify on this item, we will close the hearing on

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Land Use number 7773, Heritage House in the

23

Manhattan Community.

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Rev: Thank you.

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CHAIRPERSON GARODNICK: Thank you,

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2 Reverend. C080195HAM and we will open the hearing
3 on Non-ULURP number 20085615HAM, which is Land Use
4 number 775 at 1513 Lexington Avenue in Manhattan.
5 Ms. Clark.

6 MS. CLARK: Good afternoon again.
7 I'm joined by Terry Arroyo, the Director of Land
8 Use for HPD. L.U. 775 consists of the proposed
9 disposition of one occupied city owned building
10 located at 1513 Lexington Avenue through HPD's
11 Tenant Interim Lease or TIL Program. TIL assists
12 organized tenant associations in city owned
13 buildings to purchase and manage low-income
14 cooperatives. This project has eight residential
15 units. Council Member Viverito has been briefed
16 and indicated her support.

17 CHAIRPERSON GARODNICK: Terrific.
18 Thank you. Seeing no questions or anybody wishing
19 to testify on this item, Land Use number 775, non-
20 ULURP 20085615HAM. With the support of Council
21 Member Melissa Mark-Viverito, we'll close the
22 hearing on that item. And we will open the
23 hearing on--let's do these next two together.
24 Pre-considered non-ULURP number 20095001HAX at 665
25 Jefferson Place and pre-considered non-ULURP

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2 number 20095002HAX at 667 Jefferson Place, both in
3 the Bronx, both in the district of Council Member
4 Helen Diane Foster. Ms. Clark.

5 MS. CLARK: The first of these
6 items, which consists of the proposed disposition
7 of one vacant city owned building located at 665
8 Jefferson Place is a project in HPD's asset sales
9 program. The project sponsor, Marciano and
10 Malitzitz [phonetic] of Bronx based company will
11 rehabilitate the building and it will provide
12 three rental units. Council Member Foster has
13 been briefed and indicated her support of the
14 project.

15 CHAIRPERSON GARODNICK: Do I do
16 them both together?

17 MS. CLARK: Sure. Sorry. The
18 second one at 667 Jefferson Place consists through
19 HPD's Asset Sales program. A proposed sponsor
20 known as House Expo, also a Bronx based company.
21 Their intention is to rehabilitate the building to
22 provide three rental units from the disposition of
23 this one vacant city owned building. Again,
24 Council Member Foster has been briefed and
25 supports the project.

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CHAIRPERSON GARODNICK: Thank you.

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Two questions, first on the first item at 665

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Jefferson Place, the rental units affordable to

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whom or are they the market?

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MS. CLARK: The Asset Sales Program

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is the closest thing that HPD gets to a standard

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real estate transaction and there is a competitive

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process where notification is given and proposed

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purchase prices are given. But there are no

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requirements that govern the rental prices in the

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properties.

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CHAIRPERSON GARODNICK: How were

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Marciano and Malitzitz selected?

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MS. CLARK: Through the request for

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offers, which is the standard Asset Sales

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procedure to put notice in the newspapers and make

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people aware of this. And then offers come in and

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are evaluated based on the financial ability of

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the offerer as well as their management experience

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and demonstrated the capacity to undertake the

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work.

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CHAIRPERSON GARODNICK: Thank you.

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And the same thing is true of House Expo for 667

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Jefferson Place, is that right?

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MS. CLARK: Yes, sir.

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CHAIRPERSON GARODNICK: Thank you.

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Council Member Dickens.

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MS. DICKENS: Yes, thank you. How many units in each one of the developments.

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MS. CLARK: There are three units in each of the two developments.

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MS. DICKENS: So as long as it's under four units, there are no requirements for affordability?

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MS. CLARK: Yes, that's correct.

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MS. DICKENS: Thank you.

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MS. CLARK: That's a feature of the program, basically.

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MS. DICKENS: Thank you.

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CHAIRPERSON GARODNICK: Thank you.

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Seeing no members of the public wishing to testify

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on these items, pre-considered non-ULURP

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20095001HAX and pre-considered non-ULURP

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20095002HAX. We'll close the hearing on those two

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items. We will move to our next and second to

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ultimate item of the day, pre-considered non-ULURP

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20095006HAQ at 7604 Little Neck Parkway in Queens,

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in the district of Council Member Weprin. Ms.

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Clark.

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MS. CLARK: Yes. The property located there at 7604 Little Neck Parkway is a proposed disposition of one vacant city owned building through, again, HPD's Asset Sales program. There was a competitive process, the proposed sponsor in this instance is a Queens resident whose name is Roland E. Powell, Jr. Mr. Powell intends to conserve and occupy the one family home. Council Member Weprin has been briefed and indicated his support for the project.

CHAIRPERSON GARODNICK: So Mr. Powell, how was he selected to participate in this process?

MS. CLARK: Through a request for offers, which is known as a RFO, that was widely distributed. He was selected as the winning bidder based on the criteria that I noted earlier for Asset Sales, which is the capacity to undertake the project both financially and managerially.

CHAIRPERSON GARODNICK: Thank you. Council Member Weprin, you indicated supports this project?

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2 MS. CLARK: Yes, sir. That's
3 correct.

4 CHAIRPERSON GARODNICK: Thank you.
5 With that, seeing nobody interested in testifying
6 on pre-considered non-ULURP 20095006HAQ, we will
7 open the hearing on the last item of the day, pre-
8 considered non-ULURP 20095008HAQ at 218-14 103rd
9 Avenue in Queens in the district of Council Member
10 Leroy Comrie. Ms. Clark.

11 MS. CLARK: Yes. The property
12 located at that address consists of the proposed
13 disposition of one vacant city owned building
14 located at, as you said, 218-14 103rd Avenue,
15 again, through HPD's Asset Sales Program. The
16 proposed sponsor in this instance is Tessa J.
17 Samuel and Albert Samuel. They propose to
18 conserve and occupy this one family home. Council
19 Member Comrie has been briefed and he is in
20 support of the project.

21 CHAIRPERSON GARODNICK: Thank you.
22 Tessa J. and Albert Samuel were selected in the
23 same process that you articulated for the previous
24 Asset Sales items, is that correct?

25 MS. CLARK: Yes, sir. The Request

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2 for Offers, the RFO, competitive process.

3 CHAIRPERSON GARODNICK: Thank you.

4 Seeing nobody else wishing to testify or any
5 questions from the panel on pre-considered non-
6 ULURP 20095008HAQ, we will close the hearing on
7 that item. And we will couple together for the
8 purposes of voting, all the items that we heard on
9 today's agenda. The Chair recommends an aye vote
10 on all those items. I'll ask the Council to call
11 the roll.

12 MALE VOICE: Chair Garodnick.

13 CHAIRPERSON GARODNICK: I vote aye.

14 MALE VOICE: Council Member
15 Dickens.

16 MS. DICKENS: Aye on all.

17 MALE VOICE: Council Member
18 Ignizio.

19 COUNCIL MEMBER VINCENT IGNIZIO:
20 Yes.

21 MALE VOICE: By three in the
22 affirmative, none in the negative, none
23 abstentions, all items are referred to the full
24 Land Use Committee.

25 CHAIRPERSON GARODNICK: Thank you

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very much and with that, this sub-committee is

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adjourned.

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C E R T I F I C A T E

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

Signature Amber Gibson

Date 08/17/2008