

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

SUBCOMMITTEE ON LANDMARKS, PUBLIC SITING AND
MARITIME USES

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December 13, 2017
Start: 11:22 a.m.
Recess: 12:10 p.m.

HELD AT: 250 Broadway - Committee Rm.
16th Fl

B E F O R E: PETER A. KOO
Chairperson

COUNCIL MEMBERS: Annabel Palma
Deborah L. Rose
Rosie Mendez
Stephen T. Levin
Inez D. Barron
Ben Kallos

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

Kate Lemos McHale, Director of Research
Landmarks Preservation Commission

John Jurenko, Vice President
Government, Community Relations and Planning
NYC Health and Hospitals

Christopher Roker, CEO
NYC Health and Hospitals, Queens

Jordan Press, Executive Director
Development & Planning
NYC Housing, Preservation and Development

[sound check, pause] [background
comments, pause]

CHAIRPERSON KOO: Good morning. I'm
Council Member Koo, Chair of Subcommittee on
Landmarks, Public Siting and Maritime Uses. We are
joined by Council Members Palma, Barron and Rose.
Today we'll be hearing and voting on two items.
First is LU 831, the designation by LPC of the
Salvation Army National and Territorial Headquarters
located at 120-130 West 14th Street. It's an
exterior landmark. Built from 1923 to 1935, this
building has served as the headquarters of the
Salvation Army for more than 80 years, and continues
to serve the needs of this important organization.
The building is in Council Member Johnson's district,
and he supports the designation. We have Kay Lamos
McHale from LPC. She is going to testify with—today
with her associate, right? Yeah. So please identify
yourself and start.

KATE LEMOS MCHALE: Good morning,
Chairman Koo and Council Members. I am Kate Lemos
McHale for the Landmarks Preservation Commission.
I'm here with Aleva Suminajad (sp?) and I will take
you through a brief presentation about this

1 designation. The Salvation Army National and
2 Territorial Headquarters on 14th Street was
3 designated by the Landmarks Commission on October
4 17th of this year. It was designed by Ralph Walker
5 and constructed in 1929 to '35 to serve as the
6 headquarters for the American operations of the
7 Salvation Army, an international religious and
8 charitable organization started in England in 1865
9 and currently serving in 127 countries with the
10 central philosophy of bring assistance to those in
11 need, an providing a range of heath and human
12 services. The complex is significant-significant for
13 its association with Salvation Army, and has a
14 dramatic and functional design by one of the
15 preeminent skyscraper architects of the 20th Century.
16 The propose designation was heard at public hearings
17 in 1982, 1990 and most recently on February 11, 2014.
18 At that time the Commission received support for
19 designation from the Historic Districts Council,
20 Greenwich Society for Historic Preservation and State
21 Senator Brad Hoylman. Recently, we have also
22 received support from Council Member Corey Johnson,
23 the owners who historically had opposed designation
24 no longer opposed designation. We were able to work
25

1 with them to create a designation that they were
2 comfortable with. The Salvation Army Complex
3 consists of an 11-story office structure with a one-
4 story tower, and adjacent four-story auditorium
5 structure both facing 14th Street, and a 17-story
6 dormitory originally built for working women facing
7 13th Street. The 13th Street, which you can see in
8 the background of this historic photo and also on the
9 map that's dashed in was included in the Greenwich
10 Village Historic District and is not included in this
11 designation. So, this designation focuses on those
12 buildings facing 14th Street. Founded in England in
13 1865 by William and Katherine Booth, the Salvation
14 Army began outreach in New York in 1880, and its work
15 expanded rapidly here and in other U.S. cities. In
16 1895, the organization erected a national
17 headquarters building on 14th Street, and by the
18 1920s, a larger facility was required to server a
19 wider variety of purposes. At this time, the
20 Salvation Army had won popular acclaim and
21 recognition for its work on the frontiers in France
22 and support of American troops during World War I,
23 and for social service work in the United States that
24 made it one of the nation's most respected charities.
25

1 The Salvation Army commissioned the firm—the firm of
2 Vorhees, Gamellon and Walker to design a new
3 headquarters complex on its existing site. The
4 Salvation Army was “Deeply concerned with creating a
5 new symbol of its positive impact on the city while
6 minimizing its costs.” The new headquarters complex
7 was dedicated in May 1930 as the centerpiece of the
8 Salvation Army’s Golden Jubilee National Congress in
9 celebration of 50 years of work in the United States.
10 Ralph Walker was a master designer of art deco
11 skyscrapers know for such landmarks as the Barclay-
12 Vesey Building, the Western Union Building at 60
13 Hudson Street and the Irving Trust Bank at One Wall
14 Street. For the Salvation Army Headquarters, Walker
15 eliminated conventional ornament and used the
16 building materials of brick and cast stone as an
17 asymmetrical massing to create a dramatic and
18 functional design specifically related to the
19 activities and limited budget of the Salvation Army.
20 At the dedication of the complex, the Salvation Army
21 expressed its appreciation for Walker’s strikingly
22 modernistic chased and restrained buildings with
23 their workmanlike details and lack of superfluous
24 ornament that so befit the ideals and organization
25

1 they house. The entrance to the auditorium, a large
2 public gathering space that is critical to the work
3 of the Salvation Army, beckons with a generous and
4 deep opening that appears to be edged with curtains,
5 a proscenium opening on a stage. The office
6 structure on the other hand is almost entire
7 functional and less ornate than Walker's other
8 commercial buildings. It features an understated
9 decorative motif and Spartiate sculptural treatment
10 of the masonry with its heist-height emphasized by
11 layered vertical brick bands between the bays and its
12 ornament limited to shallow cast stone release at the
13 top of its lower floors. This purpose-built ensemble
14 has been used by the Salvation Army for more than 80
15 years. Limited alterations over the years include
16 the reconstruction of the tower at the east side of
17 the 14th Street façade, the addition of signage and
18 the replacement of original 3 over 3 windows by 1
19 over 1 sash, a configuration that is consisted with
20 the art deco style. The designation report
21 recognizes the significance of the organization, the
22 significance of the architecture and its purpose
23 built nature, and the importance of the Salvation
24 Army's continued use of its historic 14th Street
25

1 headquarters, which may need to continue to adapt such
2 things as signage to fulfill its mission. Thank you.

3 [pause]

4
5 CHAIRPERSON KOO: Any members of our
6 committee have questions? No. So, are there any
7 oppositions to the landmarking process?

8 KATE LEMOS MCHALE: No.

9 CHAIRPERSON KOO: No.

10 KATE LEMOS MCHALE: At the time of
11 designation there was no opposition?

12 CHAIRPERSON KOO: The neighborhood
13 merchants, the people living around it, they all
14 liked the--

15 KATE LEMOS MCHALE: Uh-hm.

16 CHAIRPERSON KOO: --the landmarking
17 status?

18 KATE LEMOS MCHALE: Yeah, we didn't hear
19 from direct neighbors, but we heard from the
20 Greenwich Village Society and sort of groups, you
21 know, similar to that.

22 CHAIRPERSON KOO: Okay, is there any--no
23 questions? Yes, Council Member Rose.

24 COUNCIL MEMBER ROSE: I'm sorry. I-I was
25 here, and I was paying attention a little mostly.

1 [laughter] Are you just asking for a landmark
2 designation or is there going to be some work done to
3 this building also.
4

5 KATE LEMOS MCHALE: Just approval of the
6 Landmark Commission's designation.

7 COUNCIL MEMBER ROSE: Okay.

8 KATE LEMOS MCHALE: Sorry, if it wasn't
9 clear.

10 COUNCIL MEMBER ROSE: Thank you.

11 CHAIRPERSON KOO: So, seeing no
12 questions, you can step down.

13 KATE LEMOS MCHALE: Thank you very much.

14 CHAIRPERSON KOO: Any members of the
15 public who want-want to testify? Seeing none, I will
16 now close the public hearing on LU 831. Next, we
17 will hold a public hearing on LU 512, the Application
18 for Approval or 99-year sublease by the Health and
19 Hospitals Corporation for property located at 82-61
20 Parsons Boulevard. Approval of the lease will allow
21 for the development of 206 units of housing included-
22 including 75 units of supported housing. The
23 development will also contain 12,000 square feet of
24 long residential space to be used by HHC and 8,000
25 square feet of community facility space. This

property is in Council Member Lancman's district.

Today we have Christopher—Christopher Roker and John
Jurenko.

JOHN JURENKO: Jurenko.

CHAIRPERSON KOO: Jurenko from New York
City Health and Hospitals to testify. Thank you.
You can identify yourself and start. Yeah.

JOHN JURENKO: Okay. Good morning,
Chairman Koo and members of the Committee. My name
is John Jurenko. I'm Vice President for Government,
Community Relations and Planning at the New York City
Health and Hospitals or at NYC Health and Hospitals.
I'm joined this morning by Christopher Roker who is
the CEO of New York City Health and Hospitals,
Queens. Thank you for the opportunity to testify in
support of a proposed lease agreement between New
York City Health and Hospitals and Dunn Development
Corp for an approximately 167,000 square feet parcel
of land located on the campus of New York City Health
and Hospitals Queens that includes the existing T
Building. As some of you may know, New York City
Health and Hospitals has engaged in several
collaborations with housing providers and developers
to create affordable, supportive and sustainable

1 housing on parcels—parcels of land that are no longer
2 needed for healthcare services. This proposed lease
3 would allow for the renovation of the T Building to
4 create approximately 206 units of housing among other
5 uses. Approximately 131 of the 206 units will
6 consist of a mix of studio and 1, 2 and 3-bedroom
7 units for low to moderate, middle-income New Yorkers
8 and one unit for a live-in superintendent. Of these,
9 75 units will be for those up to 60% of the Area
10 Median Income and 51 units will be for those up to
11 100% of the AMI. The balance of the remaining units,
12 75, will be supportive housing for low-income
13 individuals who are appropriate for independent
14 living in the community and whose incomes are less
15 than 60% of the AMI. CAMBA will provide a complement
16 of on-site social services for these residents as
17 well as front—front desk attendant services for the
18 building. Apart from the housing, 12,000 square feet
19 of space will be renovated for use by New York City
20 Health and Hospitals Queens for non-direct medical
21 care uses at no charge other than for utilities and
22 maintenance. In addition, 8,000 square feet of space
23 will be provided for a community facility use at no
24 charge except that the tenant is responsible for
25

1 utilities, repairs and general operating expenses.
2 Financing will be provided by using a combination of
3 sources including a first mortgage associated with
4 private activity tax-exempt bonds through HDC, a
5 second mortgage from New York City Housing
6 Development Corporation, a third mortgage from New
7 York City Department of Housing, Preservation, and
8 low-income housing tax credit equity will be used as
9 both construction and permanent financing with the
10 substantial portion bridged by the tax-exempt bonds,
11 and HDEC second mortgage financing during
12 construction. New York City Health and Hospitals
13 Board of Directors conducted a public hearing in
14 Queens on September 20 or September 7, 2016. With
15 respect to the proposed leasing HHC's Board of
16 Directors subsequently authorized the leasing of the
17 property on September 22, 2016. Thank you for your
18 consideration of this proposed lease. I can now
19 answer any questions that you may have.
20

21 CHAIRPERSON KOO: Thank you, yeah. So,
22 can you tell our committee what's 60% AMI? What's an
23 average rent, 60% AMI and 100% AMI in the area? Will
24 they see a typical or 1-bedroom or 2-bedroom
25 apartment?

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2 JOHN JURENKO: Certainly, Chairman. So,
3 for a studio 60% of the AMI the monthly rent as of
4 right now would be \$761. The income band is between
5 \$27,977 up to a maximum of \$40,080. A 1-bedroom 60%
6 AMI, the monthly rent would be \$963. So the minimum
7 in the income band would be \$34,971 a maximum of
8 \$45,840. I-I do have a table that I could submit to
9 the committee, you would like.

10 CHAIRPERSON KOO: Okay. Sure. Who is
11 doing the management of this building?

12 JOHN JURENKO: Dunn Development
13 Corporation will be the developer and the--

14 CHAIRPERSON KOO: [interposing] The
15 management agent?

16 JOHN JURENKO: --the management and
17 CAMBA, which is an established social services
18 provider and housing provider in Brooklyn will
19 provide on-site social services and front desk key.
20 (sic)

21 CHAIRPERSON KOO: So, besides the living
22 units, are there any commercial units in this
23 building?

24 JOHN JURENKO: No, there will be no
25 commercial units, but we will have space for use by

1
2 Queens Hospital Center, and also we will have
3 community space that we're negotiating right now with
4 a community provider. One of the things that we
5 heard in our discussions with the community was the
6 importance of having space for community use, and
7 some services that give back to the community. So,
8 that's what we're trying to achieve, and that would
9 be rent free, but they're responsible for utilities
10 and maintaining he the operation. Mr. Roker, is
11 there anything you would like to add?

12 CHRISTOPHER ROKER: Yeah, so-so the-the
13 community, this is going to be great for the
14 community for the hospital outpatient, inpatient for
15 those patients that need to transition as well. So,
16 we are in full support of this.

17 CHAIRPERSON KOO: Okay. We are also
18 joined by Council Member Kallos. Yeah. [background
19 comments] Yeah, any of our members with questions?
20 Council Member Barron.

21 COUNCIL MEMBER BARRON: Thank you, Mr.
22 Chair. You talked about the AMI for the units that
23 will be developed. What is the community's AMI in
24 this area where this development is going up?

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1
2 JOHN JURENKO: That would be what the
3 community's AMI is.

4 COUNCIL MEMBER BARRON: No, no, no.

5 JOHN JURENKO: That's the city, citywide.
6 I'm sorry.

7 COUNCIL MEMBER BARRON: Right. What is
8 the community's AMI? What is the AMI in this
9 community where this housing is going up? Because we
10 talk about building units at 100% of the AMI and that
11 doesn't match the percentage of people living in that
12 community who have an income of 100%. So, I want to
13 know what's the match between what you're proposing
14 and what already the community exists, that exists,
15 they are paid? (sic)

16 JOHN JURENKO: So, I-I have the median
17 income for renter households in Community Board 8--

18 COUNCIL MEMBER BARRON: Uh-hm.

19 JOHN JURENKO: --is \$44,886 and this is
20 based on 2012 census data.

21 COUNCIL MEMBER BARRON: So, the median is
22 \$44,000?

23 JOHN JURENKO: Correct.

24 COUNCIL MEMBER BARRON: But yet and still
25 you're proposing quite a number of units at 100% of

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2 AMI, which I'm always looking at gentrification, and
3 when what's coming in doesn't does not match what
4 currently exists, we're putting the camel's nose into
5 the community and bringing in a level of
6 gentrification. So, that's what I'm always concerned
7 about, and of the units that are supportive units, do
8 you have a designation as to—are these SMIs? Are
9 they people—what—what is the body of people that
10 these units are supportive?

11 JOHN JURENKO: Sure. If I can address
12 your—your first point—

13 COUNCIL MEMBER BARRON: [interposing]
14 Thank you.

15 JOHN JURENKO: --Council Member. The
16 range for the AMI on this project we heard
17 specifically from the community that they wanted a
18 higher AMI for this. So, it was raised accordingly
19 based on what—the feedback that we got from the
20 community, and to your second point for the 75 studio
21 units, these would be for persons who require
22 services but can live independently in the community
23 with on-site services, and our preference would be
24 for patients that are currently—that utilize Queens
25 Hospital Center for their—whether they are an in-

1 patient or require—or are—are there for outpatient
2 services that are unstably housed, we will try to
3 match them to the units at the time that we do rent
4 up in support. These—these are folks—as you know, in
5 New York State there has been a long—there's a court
6 order on this that people should be in the least
7 restrictive setting.
8

9 COUNCIL MEMBER BARRON: Right.

10 JOHN JURENKO: So, we don't want people
11 to be unnecessarily in an in-patient bed or in a
12 long-term care facility, but they would be
13 appropriate for supportive housing with appropriate
14 supports and—and social services, and then medical
15 care including behavioral health. It would be
16 provided diagonal from this building at Queens
17 Hospital Center.

18 COUNCIL MEMBER BARRON: So, are there
19 people who are classified as SM-1 or 2 or do you know
20 what the classification is for the people are going
21 to be there?

22 JOHN JURENKO: I don't know we—this—this
23 would be something that we would look at, you know,
24 2, 2-1/2 years down the road when we actually go to
25 rent up on this space.

1
2 COUNCIL MEMBER BARRON: And lastly, what
3 is the size of the studio apartments that you're
4 renting? How many square feet?

5 JOHN JURENKO: [pause] I can-I'm joined
6 this morning by Jordan Press from HPD.

7 JORDAN PRESS: Good morning.

8 COUNCIL MEMBER BARRON: Good morning.

9 JORDAN PRESS: The studio—so first of all
10 to keep in mind that we are fitting the units into
11 the existing building. This is a new construction
12 project. The units will match—be within HPD's Design
13 Guidelines. My understanding from the developer is
14 they're approximately 400 square feet. There are
15 none under 350 square feet.

16 CHAIRPERSON BARRON: Thank you.

17 CHAIRPERSON KOO: Thank you. Council
18 Member Palma.

19 COUNCIL MEMBER PALMA: I—I just wanted to
20 hear a little bit more, Mr. Roker, about this—the
21 space that the medical—the health facility is going
22 to be using.

23 CHRISTOPHER ROKER: Yes.

24 COUNCIL MEMBER PALMA: At the end of the
25 testimony, it says for non-direct medical care.

1
2 CHRISTOPHER ROKER: Yeah. So, it's going
3 to be back-office function—back-office function
4 finance. Some of our—our accounts payable people,
5 non-direct, nothing to do with the patients.

6 COUNCIL MEMBER PALMA: Okay, thank you.

7 CHRISTOPHER ROKER: You're welcome.

8 CHAIRPERSON KOO: So, on the space used
9 by the hospital, are you paying the rent to—to the—to
10 the developer?

11 JOHN JURENKO: No, we will not be paying
12 rent. We would be responsible for maintaining the
13 space, utilities and general upkeep.

14 CHAIRPERSON KOO: So, so the developer
15 they—they can sustain and profitability on—on just
16 collecting rents from the—from the units?

17 JOHN JURENKO: Yes.

18 CHAIRPERSON KOO: Council Member Rose.

19 COUNCIL MEMBER ROSE: On—on the space for
20 the community facility that's going to be used at no
21 charge, is that—is that a medical community facility?
22 Is it recreational? Is it for the residents in the
23 building? What type facility?

24 JOHN JURENKO: [interposing] It—it would
25 be non—it would be non-medical, and we're in

1
2 discussions with a community based organization to
3 identify what services that they would put in, but it
4 would be non-medical, non-medical services, though.

5 COUNCIL MEMBER ROSE: Are there any
6 recreational facilities in this building?

7 JOHN JURENKO: Not-not that we're aware
8 of, no.

9 COUNCIL MEMBER ROSE: And this is one
10 building that's a part of the site, right?

11 CHRISTOPHER ROKER: It's--

12 COUNCIL MEMBER ROSE: There are other
13 buildings on the street?

14 CHRISTOPHER ROKER: Yes, it sits on a 22-
15 acre piece of property. We have about another seven-
16 seven buildings on the property.

17 COUNCIL MEMBER ROSE: And are-are they
18 like closely-in-in close proximity?

19 CHRISTOPHER ROKER: So it would-I would
20 probably say about 700 to 1,000 feet from the T
21 Building.

22 COUNCIL MEMBER ROSE: So, is the-there's
23 actually a functional hospital on these-on these
24 grounds, right.

25 CHRISTOPHER ROKER: Yes, yes, absolutely.

1
2 COUNCIL MEMBER ROSE: Is-is that very
3 close to this residential community?

4 CHRISTOPHER ROKER: So, our portion of
5 the building, the hospital building sits on Goethals
6 Avenue and then two blocks away, which is still on
7 the premises, but on Parsons that's where the
8 building-the T Building lies.

9 COUNCIL MEMBER ROSE: I just want to say
10 I'm-I'm a visual learner. Unless you have some-

11 CHRISTOPHER ROKER: [interposing] Yes.
12 So thank about a football field long.

13 COUNCIL MEMBER ROSE: Uh-hm.

14 CHRISTOPHER ROKER: That's how far away
15 our building versus the T Building.

16 COUNCIL MEMBER ROSE: And is there
17 parking provided? Is there parking--

18 JOHN JURENKO: [interposing] Yes.

19 COUNCIL MEMBER ROSE: --available for
20 this.

21 JOHN JURENKO: Yeah, it would be
22 approximately 103 parking spaces.

23 COUNCIL MEMBER ROSE: Right for 206 units?

24 JOHN JURENKO: Correct.

25 COUNCIL MEMBER ROSE: Thank you.

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JOHN JURENKO: You're welcome.

CHAIRPERSON KOO: Okay, Council Barron,
do you have follow-up questions?

COUNCIL MEMBER BARRON: [off mic] Yes, I
do. [on mic] Yes. Thank you, Mr. Chair. What are
the terms of the lease in dollars?

JOHN JURENKO: There's no--there are no
terms for dollars. The-the-in-in lieu of rent that
would accrue to Health and Hospitals, we get the
12,000 square feet of space outfitted for us. The-
this is a--there's a substantial cost for us to
maintain this building. It's an old Tuberculosis
hospital that dates from the '30s I believe. So,
the-in lieu of rent and the annual upkeep and
operating costs, we would have the space provided to
us.

COUNCIL MEMBER BARRON: That sounds like
a sweet deal for the developer.

JOHN JURENKO: Well, we-we believe it's
in the best interest of Health and Hospitals. The-
for these projects that we've done with the Council
they typically don't generate a lot of rents. The
last one that we did that we were here at--on the
campus of Wood Hall, the rent is about \$89,000.

1 [coughs] So, for our purposes we have about \$2.5
2 million in operating costs to maintain this building
3 per year.
4

5 COUNCIL MEMBER BARRON: \$2.5 million?

6 JOHN JURENKO: Yeah, \$2.5 million that we
7 will not have once it's developed. Yeah.

8 COUNCIL MEMBER BARRON: And how much is
9 this going to generate for the developer once it's
10 completed and he's collecting rents?

11 JOHN JURENKO: I don't have the
12 financials on the developer's portion of it with me.

13 COUNCIL MEMBER BARRON: You know, I think
14 that we need to have all of that kind of information.
15 We look at what happened with, you know, some of the
16 stadiums that were built and I think that we need to
17 make sure that as we make these long-term leases with
18 developers who reap large profits or profits that we
19 don't even know we don't even have an estimate of how
20 much it's going to be. I think we need to consider
21 that as we make these deals so we don't wind up
22 coming out on the short end of the stick all the
23 time.

24 JOHN JURENKO: My apologies. I don't
25 have that with me, but it would be within HPD's

1
2 guidelines for what is allowable under their
3 programs.

4 COUNCIL MEMBER BARRON: Which I still say
5 is often a sweetheart deal. Thank you, Mr. Chair.
6 Oh, one other question.

7 CHAIRPERSON KOO: Yeah.

8 COUNCIL MEMBER BARRON: So, you only have
9 rents at 60% and 100%. There's no other bands that
10 are—that you're including? There are none at 80?
11 There are none at 40%. Obviously, there are none at
12 40.

13 JOHN JURENKO: It would be between 60 and
14 100% yeah. [background comments] And—and if I can
15 just get clarification?

16 COUNCIL MEMBER BARRON: Yes, because it
17 says here for 60% AMI and 100% AMI. So, I'm taking
18 that to mean there are two distinct bands, those at
19 60 and those at 100. [background comments]

20 JOHN JURENKO: So, the band it's set at
21 80%, and actually Mark—

22 MARK ZIIMET: I'm Mark—

23 COUNCIL MEMBER BARRON: [off mic] Please
24 give us your name.

1
2 MARK ZIIMET: Sure. I'm Mark Zimet. I'm
3 the Director of Development for Dunn Development
4 Corp. So, the—the rental band for those moderate
5 income units is the rents are set at 80% of AMI.
6 They're affordable to households at 80—up to 100%.
7 So you can see from the chart in front of you that
8 it's a pretty wide band of incomes that would be
9 eligible for those units.

10 COUNCIL MEMBER BARRON: Right, but we
11 have found—Oh.

12 MARK ZIIMET: Sorry.

13 COUNCIL MEMBER BARRON: I don't know if
14 this is a question, but we have found that when
15 developers have the opportunity to say that rents are
16 at 100% of the AMI, they tend to cluster at people
17 who make 100%. We don't find that there's a
18 distribution for people who are at 90, people who are
19 at 80, people who are at 70. So, there's no
20 provision that I can see in this setup in this
21 arrangement.

22 MARK ZIIMET: So, I guess my response to
23 that would be that we—this will be leased up through
24 an HPD lottery as—as the case with all of the
25 programs that we go through HPD funding programs.

1 So, the applicants who qualify whether they be at 80%
2 of 90% or 100% it will be in the order of the
3 lottery. So, someone who's coming in anywhere within
4 that income band should have an equal opportunity to--
5 to lease that unit.
6

7 COUNCIL MEMBER BARRON: Thank you, Mr.
8 Chair.

9 CHAIRPERSON KOO: We are also joined by
10 the Chair of the Land Use Committee, Mr. Greenfield,
11 and Council Member Kallos you have questions?

12 COUNCIL MEMBER KALLOS: Sure. Forgive me
13 if this has already been asked: How much is H+H
14 making by converting this space from treatment space
15 to residential space and how much would you be making
16 if you continued to use it for treatment? I-I
17 believe hospital beds are more expensive and generate
18 more revenue than--

19 CHRISTOPHER ROKER: There--there are no--
20 Yeah, so--so right now, there are no beds that we're
21 using in the T Building. Actually, we have about 37
22 people staff that are over there for our ACT Program.
23 The patients are not being seen over there. It's
24 just staff. So, we're not making any money over
25

1 there. Actually, it costs us about \$2 million to-the
2 upkeep of the building.
3

4 COUNCIL MEMBER KALLOS: Does-do your
5 occupancy rates track the same as private hospitals?

6 CHRISTOPHER ROKER: Our occupancy rate
7 for Queens it's a 253-bed hospital, and one Goethals.
8 So, not the T Building, One Goethals, and we are
9 tracking like 79%.

10 COUNCIL MEMBER KALLOS: And what is the
11 private sector comparison.

12 CHRISTOPHER ROKER: Eighty-five percent.

13 COUNCIL MEMBER KALLOS: So, right now if
14 I wanted to go to a hospital in my district when the
15 private institution is not fuller, if I wanted to
16 schedule a medical procedure, I would have to
17 schedule it for two or three months from today
18 because they are that full. So, if I went to H+H and
19 I needed a medical procedure, how quickly could I get
20 it, or is there this similar wait?

21 CHRISTOPHER ROKER: Depending on what
22 procedure that you're going for, if it's an endoscopy
23 then I can probably see you in a week?

24 COUNCIL MEMBER KALLOS: Okay.
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2 JOHN JURENKO: If-if I can add, the
3 utilization rates vary among hospitals within the
4 five boroughs and also it's seasonal. So, it goes up
5 and goes down depending on that. The services the
6 wait times for services also vary among our
7 facilities and then among voluntary hospitals in New
8 York City as well. So, there's no-it really depends
9 on staffing, and what the hours are, but we strive to
10 make, you know, we have night and weekend hours and
11 we strive to make our appointments as open and-and
12 accessible for individuals as they can be.

13 COUNCIL MEMBER KALLOS: So, how much are
14 you making by allowing a developer to use your space
15 for residential housing?

16 JOHN JURENKO: So, we-there is not a
17 dollar that's associated with this in terms of rent
18 that would come to us. This is cost avoidance. It
19 costs us between \$2 and \$2.5 million per year to
20 maintain and keep this building up. The-we will not
21 have that cost, and we were also getting the 12,000
22 square foot of space that we would not have to rent
23 on the market somewhere else.

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2 COUNCIL MEMBER KALLOS: And how many—when
3 you were using it how many patients were occupying
4 that space?

5 JOHN JURENKO: Oh, this—this site had
6 been not in use as a hospital for many, many years
7 and—and if I may, Chairman Koo used to be on the CAB,
8 the Community Advisory Board for Queens Hospital, and
9 14 or 15 years ago there was discussion about using—
10 converting a space then.

11 MARK ZIIMET: It's old in years.

12 JOHN JURENKO: Almost 20 years.

13 COUNCIL MEMBER KALLOS: So, I guess my—my
14 broader questions are more just about management
15 because I—I have Kollar in my district where you have
16 similarly vacated spaces, reduced staffing, increased
17 the doctor-to-patient ratios, and my concern is that
18 the management that you're engaged in is forcing
19 folks away from the public hospital systems towards
20 the private hospital system when I believe that H+H
21 can compete and I—I also believe you can compete
22 against the medical tourism that we're starting to
23 see from our city where folks are flying to other
24 countries when they could be getting that same care,
25 and in fact, I believe better care because I take

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2 pride in my institutions here. So, I-I guess I-I-I
3 defer to the member in whose district this is, and if
4 that's Peter, then I-I-I defer, but I guess these
5 questions I'm asking is around is there a plan to
6 just shut down H+H and turn it into affordable
7 housing or-

8 JOHN JURENKO: [interposing] No,

9 COUNCIL MEMBER KALLOS: --and how are you
10 and--and the Mayor is currently taking away
11 playgrounds in my district to build 50/50 housing
12 without enough money to actually bail out NYCHA, but
13 under extensively to bail it out. So, I guess I'm
14 just trying to look for some consistency from the
15 Administration.

16 JOHN JURENKO: Council Member Kallos, I'd
17 be more than happy to come and sit with you in your
18 office here to visit you in your--in your district
19 office to talk about larger issues with Health and
20 Hospitals at any time.

21 COUNCIL MEMBER KALLOS: Okay so I guess
22 if--if I am supporting this in--in Peter's district, is
23 it--whose--whose district is it in?

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2 CHAIRPERSON KOO: Yeah. So, um, we said
3 it is in Council Member—Council Member Lancman's
4 district.

5 COUNCIL MEMBER KALLOS: And besides we're
6 Council Member Lancman's support?

7 JOHN JURENKO: Yes.

8 COUNCIL MEMBER KALLOS: Okay, and so are
9 you planning to convert my—my hospital into luxury
10 or--?

11 JOHN JURENKO: No, Council Member, and
12 again--

13 COUNCIL MEMBER KALLOS: [interposing] And
14 my—my hospital is fine. Kollar will be fine.

15 JOHN JURENKO: Kollar is a long-term care
16 facility that has 700—more than 700 patients right
17 there.

18 COUNCIL MEMBER KALLOS: And—and are you
19 going to reopen the spaces that you've been closing
20 and rehire the people who have been laid off?

21 JOHN JURENKO: I'm not familiar with
22 closing spaces at Kollar and rehiring staff there.
23 We've made staff—we've had managerial reductions at
24 Health and Hospitals. We've had two rounds of those
25 this past year, but--

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2 COUNCIL MEMBER KALLOS: You're—you're
3 laying off doctors. At the same time as you're
4 hiring them, you're leaving entire wings of hospitals
5 vacant, and then after 20 years of leaving it vacant,
6 saying oh, we should give it to a developer. And so
7 like I want affordable housing, don't get me wrong,
8 but I just—I would like a public hospital system that
9 has enough beds, enough space and is competing with
10 other hospitals in my district.

11 CHAIRPERSON KOO: Thank you. So, this
12 project has no opposition from Community Board. It
13 also has approval for local Council Member Lancman.

14 JOHN JURENKO: Yeah, Council Member
15 Lancman is supportive of this.

16 CHAIRPERSON KOO: Okay. So, we are also
17 joined by Council Member Levin. Any more questions?
18 Okay, then you can go. Thank you.

19 JOHN JURENKO: Thank you.

20 CHAIRPERSON KOO: Okay any other members
21 of the public who wish to testify? Seeing none, I
22 will now close the public hearing on LU 512. We will
23 now a vote to approve both of these items. Council
24 Member Johnson and Council Member Lancman both
25 support it—its approval, and the Chair also supports

1 the approval. I now call on the vote to approve LU
2 512 and LU 831. Counsel, please call the roll.

3 LEGAL COUNSEL: Chair Koo.

4 CHAIRPERSON KOO: I vote aye.

5 LEGAL COUNSEL: Council Member Palma.

6 COUNCIL MEMBER PALMA: Aye.

7 LEGAL COUNSEL: Council Member Levin.

8 COUNCIL MEMBER LEVIN: I vote aye.

9 LEGAL COUNSEL: Council Member Rose.

10 COUNCIL MEMBER ROSE: I vote aye.

11 LEGAL COUNSEL: Council Member Barron.

12 COUNCIL MEMBER BARRON: Permission to
13 explain my vote.

14 CHAIRPERSON KOO: Yes, ma'am.

15 COUNCIL MEMBER BARRON: Thank you. I
16 vote aye on 831 and I'm abstaining on 512. I think
17 we don't have enough information as to what perhaps
18 the financials are in this long-term lease, and we
19 can't make an assessment as to whether or not we are
20 getting a fair shake in this deal without having the
21 information as to the financials that are here. We
22 don't want to wind up where we're in a situation such
23 as what we have with the stadiums where they're
24 getting all kinds of advantages through the pilots
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2 payment in lieu of taxes. So, I'm abstaining on
3 that.

4 LEGAL COUNSEL: Council Member Kallos.

5 COUNCIL MEMBER KALLOS: Aye.

6 LEGAL COUNSEL: Land Use Item 831 is
7 approved by 6 votes in the affirmative, 0 in the
8 negative and 0 abstentions and Land Use Item 512 is
9 approved by a vote of 5 in the affirmative, 0 in the
10 negative and 1 abstention. [background comments]

11 CHAIRPERSON KOO: So, we will leave the
12 vote open for another 15 minutes. I would like to
13 thank all the members of the public, my colleagues,
14 counsel and Land Use staff for attending today's
15 meeting. [pause] [background comments, pause]

16 LEGAL COUNSEL: Council Member Mendez.

17 COUNCIL MEMBER MENDEZ: I vote aye.

18 LEGAL COUNSEL: The final vote stands at
19 7 in the affirmative, 0 in the negative and 0
20 abstentions for LU 831 and 6 in the affirmative, 0 in
21 the negative and 1 abstention for LU 512, and all
22 items are referred to the full Land Use Committee.

23 CHAIRPERSON KOO: Okay, this meeting is
24 being adjourned. [gavel] Thank you.

SUBCOMMITTEE ON LANDMARKS, PUBLIC SITING AND
MARITIME USES

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C E R T I F I C A T E

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



Date January 4, 2018