

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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July 25, 2011
Start: 1:32pm
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HELD AT: Council Chambers
City Hall

B E F O R E: STEPHEN T. LEVIN
Chairperson

COUNCIL MEMBERS:
Inez E. Dickens
Peter A. Koo

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

Carol Clark
Assistant Commissioner
NYC Department of Housing Preservation and Development

Cha Lee
Deputy Director, Division of Supportive Housing and
Loan Programs
NYC Department of Housing Preservation and Development

Robert Goldrich
Senior Policy Advisor
Office of the Mayor

Paul Fernandes
Chief of Staff
Building and Construction Trades Council

Mike Maguire
Representative
The Mason Tenders' District Council

CHAIRPERSON LEVIN: Good afternoon, everybody. Welcome to the Subcommittee on Planning, Dispositions and Concessions. I am Chair of the Subcommittee, Council Member Stephen Levin. I am joined by my colleagues on the Subcommittee; Inez Dickens from Manhattan, Peter Koo from Queens. We've also been joined by Council Member Jimmy Van Bramer of Queens and our Land Use Chairman, Leroy Comrie of Queens. We have two items on the agenda this afternoon. The first one is Land Use No. 389, Truxton Residences in Brooklyn, Community District 16. It's C110450 HAK—an application by the Department of Housing Preservation Development on the support of housing loan programs. Testifying on this item, we have Assistant Commissioner Carol Clark from HPD. In addition to Commissioner Clark, Cha Lee [phonetic] from HPD. Thank you, Ms. Lee.

CAROL CLARK: Thank you, Mr. Chairman and members of the Committee. I am Carol Clark, Assistant Commissioner at HPD, and as you noted, I am joined by Cha Lee, who is a deputy director of HPD's Division of Supportive Housing and Loan Programs. The project that's before you

1 L.U. 389 is known as the Truxton Residence. It
2 consists of the proposed disposition of one city-
3 owned vacant lot located at 21 Truxton Street
4 through HPD's Supportive Housing Loan Program. -
5 - Sponsors Services for the Underserved
6 Incorporated proposes to construct a five-story
7 building containing 48 studio units for formerly
8 homeless and low-income single adults. In
9 addition, the proposed project will provide office
10 space for administrative and social service staff,
11 a conference room for meetings and multi-purpose
12 room for tenants. Council Member Dilan has been
13 briefed and indicated his support. Thank you.

14 CHAIRPERSON LEVIN: Thank you,
15 Commissioner Clark. The local community, have
16 they weighed in on the matter on the community
17 board level and what have they said?

18 CAROL CLARK: They've been in
19 support. The project enjoys broad-based support.

20 CHAIRPERSON LEVIN: Wonderful.
21 Wonderful. I'm assuming there's been contact with
22 DHS and how families are going to be placed in
23 this residence-

24 CAROL CLARK: [Interposing] That's
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2 correct. The agency and the provider have been
3 working with the Department of Homeless Services
4 and for the 39 units of the 48 in the project,
5 those formerly homeless tenants will be referred
6 to the provider from the Department of Housing
7 Services and other agencies.

8 CHAIRPERSON LEVIN: And this is
9 permanent housing; this would be long-term
10 temporary or is it permanent?

11 CAROL CLARK: It's permanent
12 supportive housing.

13 CHAIRPERSON LEVIN: I don't have
14 any further questions on this item. Do any of my
15 colleagues have any questions on this item?
16 Council Member Dickens?

17 COUNCIL MEMBER DICKENS: Thank you,
18 Mr. Chair and I apologize to my colleagues and to
19 HPD and to those who are here to testify for my
20 lateness, but the question that I have is what
21 about the remaining number of units? 39 units
22 will be designated for homeless adults with a
23 priority given to those from Community Board 16,
24 which is great, but what about the remaining
25 units? What are they for? Who are they for?

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CAROL CLARK: Council Member Dickens, those are for community residents. There will be nine units for community residents, and they'll be at up to 60% of the Area Medium Income which as you know, is approximately \$34,000 for a single individual.

COUNCIL MEMBER DICKENS: Alright, so the remaining units will be—priority will still be given to Community Board 16 residents, and it will be at an affordable 60% AMI.

CAROL CLARK: Yes, ma'am. That's correct.

COUNCIL MEMBER DICKENS: Alright. Well, that's good. Thank you.

CHAIRPERSON LEVIN: Thank you, Council Member Dickens. I actually have one further question. If you could briefly describe the array of social services that will be provided through this program...?

CAROL CLARK: Cha, will you answer that question, please?

CHA LEE: Sure. There's going to be a case management, so usually there is, for a building this size, about three case managers.

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2 It's usually a ratio of 1 case manager to 15
3 tenants. And SUS will be providing linkages,
4 training, job referrals, educational training,
5 benefits training, so all that will be provided
6 on-site.

7 CHAIRPERSON LEVIN: Okay. Thank
8 you. Appreciate it. Okay. Well, I thank you
9 very much both, and we will close out this item
10 and move on to the very next one, but I want to
11 thank you for your time and your testimony.

12 CAROL CLARK: Thank you.

13 CHAIRPERSON LEVIN: The next item
14 that we have on the agenda that we'll be hearing
15 today is Land Use Nos. 434—just Land Use No. 434,
16 Gotham Center. It's in Queens Community District
17 No. 2, C110225 PPQ. This is an application
18 submitted by the Department of City-Wide
19 Administrative Services pursuant to Section 197c
20 of the New York City Charter for a change to the
21 amount of public parking required in connection
22 with the development pursuant to the disposition
23 of one city-owned property located at 28-10 Queens
24 Plaza South, borough of Queens Community District
25 2, pursuant to zoning. This is in the district

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2 represented by Council Member Jimmy Van Bramer.
3 That's Council District No. 26. Testifying on
4 this item, we have Robert Goldrich from the
5 Mayor's Office, William Rice from Tishman Speyer,
6 and Chi Chan from ARRF Incorporated—excuse me,
7 AKRF Incorporated, LIC Gotham Garage. Please just
8 identify yourself for the record. Turn on the
9 mic.

10 ROBERT GOLDRICH: I am Rob
11 Goldrich. I'm from the Mayor's Office. I work
12 for Deputy Mayor Bob Steel as a senior policy
13 advisor. Thank you very much, Chair Levin, Chair
14 Comrie, Councilman Van Bramer and other members of
15 the Subcommittee and I'm here today to speak on
16 behalf of the Gotham Plaza, ULEP [phonetic]
17 application in front of you today. The
18 administration strongly believes that approval of
19 these actions, including the amendment to the
20 required parking, will provide for the timely
21 completion of the second phase of Gotham Plaza and
22 the continued renaissance of Long Island City.
23 Gotham Plaza is located on a site of the former
24 Queens Plaza Parking Garage in Long Island City.
25 Ten years ago to great fanfare, the City put

1 forward a plan to demolish the garage, dispose of
2 the property and develop the site. In September
3 of 2003, Tishman Speyer was selected through a
4 competitive process as the site's developer.
5 After demolishing the garage in late 2008, Tishman
6 Speyer began construction of phase one of the
7 site, which includes 523,000 sq. ft. of office
8 space and 162 parking spaces and that was
9 completed last year, and there's a photograph of
10 it to my right here; it's a beautiful building.
11 Construction of phase two would bring an
12 additional 388 parking spaces to the site and
13 contribute to approximately 1500 new construction
14 jobs and 3600 permanent jobs based on an analysis
15 done by the Economic Development Corporation
16 (EDC). The combined 550 parking spaces on the
17 site is a reduction from the 1150 parking spaces
18 at the old municipal garage, which included 129
19 city-owned vehicles, 51 of those were for NYPD and
20 78 were for Department of Transportation.
21 Accordingly a modification to the existing
22 disposition from 2001 is necessary for the second
23 phase of this development to move forward. In
24 2001, when the original Land Use actions took
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2 place for the rezoning of Long Island City and the
3 disposition of the Queens Plaza Garage, it was
4 understood that the amount of parking would be
5 revisited when a developer was selected for the
6 Queens Plaza Garage site. As far back as the
7 1980s, the City identified Long Island City as a
8 transit-rich central business district. The
9 reduction of spaces at this location supports this
10 long-standing policy objection of creating transit
11 oriented mixed-use environment in this and other
12 similarly endowed areas. A traffic study
13 completed by AKRF in consultation with City
14 Planning concluded that 550 spaces is an
15 appropriate number of spaces for this location.
16 The parking study also determined that additional
17 spaces will create congestion in an area that
18 already has heavy traffic from the Queensboro
19 Bridge and Queens Plaza.

20 Separately I would like to address
21 concerns that we have heard from Councilman Van
22 Bramer and community leaders about parking of
23 official city vehicles and cars with legal
24 placards in Dutch Kills [phonetic] across Queens
25 Boulevard from this Gotham site. There are three

1 groups of city vehicles that we've identified—many
2 of which had previously parked at designated
3 spaces at the former Queens Plaza Garage and at
4 Queens Plaza East. Those three groups are DOT
5 vehicles, NYPD traffic management and school
6 safety vehicles, which are a part of the NYPD.
7 For the DOT vehicles, the city has built a 50
8 space designated lot under the Queensboro Bridge
9 at 23rd Street. DOT has also relocated 25 vehicles
10 to an area under the 7 train that had not been
11 previously available to the public and 38 vehicles
12 to the underutilized public parking garage at
13 Courthouse Square. DOT has authorized the towing
14 of any illegally parked DOT vehicles that are on
15 the streets of Dutch Kills. NYPD Traffic
16 Management cars are the smallest group of parkers
17 and represent only a few cars of the police who
18 are working at the DOT Traffic Management Center
19 that's across the street on Queens Boulevard.
20 These were never in the original garage and they
21 will remain in the area. For school safety
22 vehicles, the NYPD has begun construction of a new
23 50 space designated parking facility. This lot
24 will be under the Queensboro Bridge approach by
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2 Dutch Kills Street and when it's completed this
3 fall, it will be the new home for all the school
4 safety police vehicles that were previously in the
5 Queens Plaza Parking Garage and that are now in
6 the streets of Dutch Kills. We've also engaged
7 the NYPD regarding the very real problem of
8 illegal parking placards and illegally parked cars
9 in the area surrounding Queens Plaza. DOT has
10 asked the NYPD to enforce and tow illegally parked
11 DOT vehicles. We're also working with the NYPD to
12 address the illegal placard issue and have asked
13 them to enhance enforcement. In the past two
14 months, NYPD's Internal Affairs Bureau has begun
15 and will continue to conduct enforcement sweeps of
16 this area, targeting cars with illegal placards.
17 We believe the new DOT and school safety parking
18 lots combined with this renewed focus on
19 enforcement against illegal placards will
20 alleviate the concerns expressed by the community
21 and we thank Councilman Van Bramer for his
22 leadership in addressing these issues.

23 Finally and in conclusion, the
24 project will bring 900,00 sq. ft. of commercial
25 and retail development and 3600 full-time jobs

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2 into Long Island City furthering the renaissance
3 of what the administration considers to be one of
4 the crown jewels of Queens and indeed, of all New
5 York City. The parking study concludes that more
6 than 550 spots is unnecessary in this transit-rich
7 area. Failure to reduce the required parking will
8 mean that the second phase may not get built,
9 leaving Long Island City with a half complete
10 project, an ugly hole in the ground and only 162
11 accessory parking spaces in phase one. This we
12 believe be a major step backwards. Accordingly,
13 on behalf of the administration, I encourage the
14 Subcommittee to approve the application that's in
15 front of you today. I'm happy to answer any more
16 questions and also with me here at the table are
17 William Rice from Gensler, the architect for the
18 project and Chi Chan from AKRF, which is the firm
19 that did the parking study in conjunction with
20 City Planning. We also have representatives in
21 the audience from EDC and from Tishman Speyer, who
22 can answer questions as well. Thank you.

23 CHAIRPERSON LEVIN: Thank you very
24 much. [pause] Okay, thank you. I think that
25 we're going to hold off on any questions at this

1 point, unless any of my colleagues have anything...

2 Okay. I'm going to actually ask Council Member

3 Jimmy Van Bramer to read a brief statement.

4 Council Member Van Bramer?

5 COUNCIL MEMBER VAN BRAMER: Thank

6 you very much, Mr. Chair and also thank you to

7 Chair Comrie and all of my colleagues for having

8 me today at your meeting. First I want to thank

9 all of the members of Local 79 and the laborers

10 who are here today. I consider you all very, very

11 good friends, and as many know, I'm the proud son

12 of union parents and appreciate all of you being

13 here and raising your voices. This is a project

14 that has great potential benefits for the Long

15 Island City community and obviously, I have a

16 great deal of interest in the amount of jobs and

17 particularly union construction jobs that would be

18 created. I think it's important to note that I

19 have some concerns as does the local community

20 about the proposed parking reduction. As some

21 folks know, the Dutch Kills Civic Association has

22 raised some serious concerns and our local

23 community board has also raised significant

24 objections, and as such, I too have some concerns.

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2 We are talking about all of these things, and I am
3 hopeful that we can get to a positive resolution,
4 but we simply need a little more time to resolve
5 some of the issues at hand. For that reason, I've
6 asked the Chair to layover the vote so that we can
7 continue to work constructively towards a
8 successful resolution here with Gotham. Thank
9 you.

10 CHAIRPERSON LEVIN: Thank you,
11 Council Member Van Bramer. I'm happy to grant
12 your request and I'm going to recommend that we
13 lay this vote aside until further matters are
14 discussed. So I would like to before concluding
15 the hearing here--I don't have any questions...
16 Chair Comrie, do you have anything you want to
17 add?

18 COUNCIL MEMBER COMRIE: I just want
19 to echo Council Member Van Bramer's statement and
20 hope that this can be resolved as quickly as
21 possible to make sure that all of the issues that
22 the Dutch Kills community has and all of his
23 issues can be resolved quickly, and I would hope
24 that the administration and Gotham works fervently
25 to ensure that's done. Whatever I can do to be

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2 part of that process, don't hesitate to—as Council
3 member Van Bramer has done already—let me know how
4 I can be helpful. We do want to see progress and
5 we want to make sure that all of the needs of the
6 community and the borough are met. Thank you.

7 CHAIRPERSON LEVIN: At the risk of
8 having too many cooks in the kitchen, I offer my
9 assistance where it's necessary as well. With
10 that, I want to thank you all for the
11 presentation. There are two members of the public
12 that wish to testify on this item. We have Paul
13 Fernandes from the Building and Construction
14 Trades and Mike Maguire from the Mason Tenders'
15 District Council, but I want to thank you very
16 much for your testimony and for your understanding
17 on this matter. [pause] If you could identify
18 yourself for the record at the beginning of your
19 testimony, that would be great. Thanks.

20 PAUL FERNANDES: Good afternoon,
21 Mr. Chairman and members of the Subcommittee. My
22 name is Paul Fernandes. I'm the Chief of Staff of
23 the Building and Construction Trades Council of
24 Greater New York, an organization that consists of
25 local affiliates of 15 national and international

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2 unions representing 100,000 members in the 5
3 boroughs of New York City. We're pleased to
4 testify in support of the amendments to the
5 parking requirement that will allow the economic
6 development and job creation by the construction
7 of the Gotham Center to continue.

8 Phase one of this project has
9 already created 1400 construction jobs. Phase two
10 will create an additional 1500 construction jobs
11 at a time when few major private commercial
12 projects of this significance are advancing.
13 Without this amendment, phase two's viability will
14 be severely compromised. Average monthly
15 employment in June in New York City's construction
16 industry was 26,400 jobs less than the peak three
17 years ago in 2008, and now stands at its lowest
18 level since 1998—13 years ago. Worse still, wages
19 have virtually stagnated with preliminary data for
20 2010, indicating an annual increase of only .57%,
21 which is virtually nothing.

22 In short, thousands of working men
23 in the construction industry are in distress and
24 need every bit of economic activity that can be
25 responsibly provided. Gotham Center clearly

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2 represents such economic activity. Phase two of
3 this project will be developed as well as phase
4 one by one of the most reputable names in the
5 business. Tishman Speyer is not only a gold plate
6 name in the real estate development community; it
7 is also a gold plate name in the unionized
8 building and construction trades. Tishman Speyer
9 properties are built using union labor of the
10 building construction trades, who are paid good
11 wages with health insurance and pensions. That is
12 clearly not the case with a number of developers
13 who come before the Subcommittee and the Council,
14 and we encourage members of the Subcommittee and
15 the Council to consider this important fact. We
16 know that you're short on time here, and we just
17 want to urge the Subcommittee and the Council to
18 approve the amendment needed to allow phase two of
19 this project to proceed, and we'd be pleased to
20 work with the Council and the Subcommittee to see
21 that goal realized. Thank you.

22 CHAIRPERSON LEVIN: Thank you, Mr.
23 Fernandes. Mr. Maguire?

24 MIKE MAGUIRE: Good afternoon, Mr.
25 Chairman. Mike Maguire representing the Mason

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2 Tenders' District Council. The Mason Tenders'
3 District Council is comprised of more than 15,000
4 members of the laborers' union, working in New
5 York City and Long Island, not the least of which
6 are the members of the Labor's Local 79, some of
7 whom you see here with you today. I come to speak
8 to you today about the Gotham Center project. As
9 you know, Two Gotham Center is a building that is
10 already fully leased and the New York City
11 Department of Health and Hygiene—they have
12 approximately 2700 employees in this building,
13 which is their new headquarters, consolidating
14 over 15 different office locations scattered
15 throughout the city. As such, the DOH has
16 streamlined operations and in consolidating their
17 workforce into one space has saved New York City a
18 great deal of sorely needed revenue dollars. The
19 rest of the block is slated for proposed project
20 and will create 1600 construction jobs and 3600
21 permanent jobs. In these dire financial times, we
22 cannot afford to turn our backs on this kind of
23 economic development. Economists will tell you
24 that the recession ended in June of 2009 more than
25 two years ago, yet some sectors of my industry

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2 still have more than 40% of their workforce
3 unemployed. Recent job numbers released by the
4 U.S. Department of Labor's Bureau of Labor
5 Statistics were even more startling. The June
6 2011 reports showed virtually no gain in
7 employment with the national unemployment rate at
8 9.2%; however, this number is extremely misleading
9 because it does not include what are classified as
10 discouraged workers and persons marginally
11 attached to the workforce—essentially those who
12 have given up trying to find work in this economy.
13 BLS does not count them as unemployed because they
14 are not actively seeking work. This little bit of
15 smoke and mirrors hides the fact that the real
16 unemployment number is not 9.2%, but in reality,
17 it's more than 16% when these other
18 classifications are factored in. I understand the
19 issue of parking spots is one of great importance
20 to certain segments of the community. The next
21 phase of Gotham Center will bring an additional
22 388 parking spaces to the site accompanying the
23 162 created in phase one for a total of 550
24 spaces. If this is not acceptable to certain
25 members of the community, accommodations can be

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2 worked out; however, if I am one of the long-term
3 unemployed in the community, I'd rather be able to
4 feed my children than quibble of a handful of
5 parking spaces. To go back to the most recent BLS
6 statistics, the bogus 9.2% of the population that
7 is unemployed, 44% have been out of work for more
8 than 27 weeks, and the average duration of
9 unemployment for all of that 9.2% is 32.8 weeks—
10 more than 8 months. If you factored in the
11 discouraged workers, which the BLS does not do,
12 the numbers would be much, much worse. Why?
13 Because to be one of the 1.2 million workers
14 classified as discouraged, you'd had to have
15 stopped looking for work. I dare say most people
16 with this classification are likely much longer
17 term unemployed than the 8 months reflected in the
18 people indicated in the survey. Two years ago, an
19 economic development project was killed in the
20 Bronx where the local politician was famously
21 saying the people of this community would rather
22 have no jobs than the bad jobs the developer is
23 offering. At that time, unemployment in the Bronx
24 again, not including discouraged workers, was
25 almost 14%. I wonder if that politician asked

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2 that 14% of his constituency about his statement
3 before he killed 1100 construction jobs and more
4 than 2,000 permanent jobs. At this point, I would
5 like to actually praise Council Member Van Bramer
6 in whose district this project is slated to be
7 built. He's always had a great commitment to
8 organized labor and I understand he's working with
9 the administration to try to work this out, and I
10 know that he fully understands the ramifications
11 of trying to get people back to work. We're in a
12 dire economic climate. The economy of the state
13 is in bad shape. Battles are raging in the city
14 over the laying off of teachers and the closing of
15 firehouses, yet an economic development project
16 that will create some 5200 desperately needed jobs
17 is in jeopardy due to a fight over the number of
18 parking spots. Let's deal with reality here. New
19 York City needs to go back to work. I urge the
20 passage of L.U. 434 with all due haste. Thank
21 you.

22 CHAIRPERSON LEVIN: Thank you, Mr.
23 Maguire. Thank you, Mr. Fernandes. I appreciate
24 it. Do any of my colleagues have anything to add
25 or questions? Seeing none, thank you very much

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2 for your testimony. Those are the two items on
3 the agenda for this afternoon. I am going to... One
4 thing I would like to ask members of the public
5 that are here, if you could—being that nobody else
6 has signed up to testify, if you could do me the
7 favor of standing up if you are in support of the
8 project, and those are opposed to the project
9 standing up as well, so we can get an accurate
10 assessment of who is here. For those that are in
11 support, could you just stand please?

12 [applause]

13 CHAIRPERSON LEVIN: If we could
14 hold the applause to a minimum, thank you. We got
15 the picture. Okay. Got it. I got a good
16 picture. Those that are opposed to the project,
17 if you could just stand up as well, that would be
18 helpful. Okay. That being complete, I'll ask
19 Carol Shine, the counsel to the Committee, to call
20 the vote on Land Use No. 389. We are going to lay
21 over Land Use 434 until further notice—most likely
22 that will be Thursday, but we don't have an exact
23 time just yet, but it will be on the New York City
24 Council Website in the schedule. I do appreciate
25 everyone taking time out of their day. Thank you,

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2 Council Member Jimmy Van Bramer and thank you all
3 for coming down to have your opinion on this
4 matter known. I will ask counsel to the
5 Committee, Carol Shine, to call the roll on Land
6 Use No. 389. I recommend an aye vote on this
7 item.

8 COUNSEL: Chair Levin?

9 CHAIRPERSON LEVIN: Aye.

10 COUNSEL: Council Member Dickens?

11 COUNCIL MEMBER DICKENS: Chair,
12 permission to explain my vote?

13 CHAIRPERSON LEVIN: Granted,
14 Council Member Dickens.

15 COUNCIL MEMBER DICKENS: I commend
16 Council Member Martin Dilan on the 48 units of the
17 affordable housing that will be targeted towards
18 homeless adults with a priority in the local
19 community district and I vote aye on that. On the
20 next item, I implore that and I know that my
21 colleague, Council Member Van Bramer, will work
22 diligently and quickly to bring to a resolve so
23 that New York City can get back to work--in
24 recognition that this is dire economic times that
25 we have so many people that are unemployed hence

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2 the item before that is building housing for
3 homeless families and we cannot have any more
4 people homeless, so in support of my Council
5 Member, I will vote to lay over this, but I wanted
6 it on the record that due diligence must be
7 exercised in order to quickly bring this to a
8 resolve.

9 [applause]

10 CHAIRPERSON LEVIN: Hold the
11 applause to a minimum. Thank you.

12 COUNSEL: Council Member Koo?

13 COUNCIL MEMBER KOO: I vote aye.

14 COUNSEL: By a vote of three in the
15 affirmative, none in the negative and no
16 abstentions, L.U. 389 is approved and referred to
17 the full Committee.

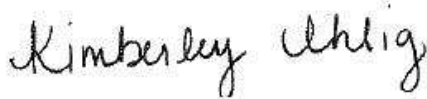
18 CHAIRPERSON LEVIN: We will stand
19 in recess until Thursday.

20 [gavel]

C E R T I F I C A T E

I, Kimberley Uhlig 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

Handwritten signature of Kimberley Uhlig in cursive script, written over a horizontal line.

Date

August 1, 2011