

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 14, 2011
Start: 11:50 am
Recess: 3:05 pm

HELD AT: Council Chambers
City Hall

B E F O R E:
BRAD S. LANDER
Chairperson

COUNCIL MEMBERS:

- Council Member Maria del Carmen Arroyo
- Council Member Charles Barron*
- Council Member Daniel J. Halloran III
- Council Member Peter A. Koo*
- Council Member Stephen T. Levin
- Council Member Annabel Palma
- Council Member Jumaane D. Williams

*Came by for another hearing

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

Brad S. Lander
Opening Statement
Chairperson
Subcommittee on Landmarks, Public Siting and Maritime
Uses

Brad S. Lander acknowledges and thanks:
Jerry Staffieri, Sergeant at Arms
Carol Shine, Land Use Division, New York City Council

Jenny Fernandez
Director
Intergovernmental and Community Relations
New York City Landmarks Preservation Commission

Kate Daly
Executive Director
New York City Landmarks Preservation Commission

Sarah Carroll
Director of Preservation
New York City Landmarks Preservation Commission

Mark Silberman
General Counsel
New York City Landmarks Preservation Commission

Richard Bearak
Director for Land Use
Brooklyn Borough President Marty Markowitz' Office

Ellen Murphy
President
Board of Directors
75 Livingston Street

Maxine Rockoff
Resident
75 Livingston Street

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

Mary Ann Rothman
Executive Director
Council of New York Cooperatives and Condominiums

Entered into the record:
Written emails and letters from cooperatives
75 Livingston Street

Called but did not testify:
Arnold Lehman

Jane McGroarty
President
Brooklyn Heights Association

Andrea Goldwyn
New York Landmarks Conservancy

Joan Goldman
Brooklyn Heights resident
Real Estate Broker
Owner of a landmarked home

Joan Goldman reading testimony of:
Phil Magnuson
Architect
Resident, 75 Livingston Street

Michael Slattery
Senior Vice President
Real Estate Board of New York

Carol Nuzzo
Property Manager
16 Court Street
SL Green Realty
Speaking for Ed Piccinich
Executive Vice President
SL Green Realty

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

Paula Ingram
Residential and Commercial Real Estate Broker
Member of the Executive Board
Court Livingston Schermerhorn Business Improvement
District

Katie Lyon
Court Livingston Schermerhorn Business Improvement
District

Lisa Kersavage
Senior Director
Preservation and Sustainability
Municipal Arts Society

Simeon Bankoff
Executive Director
Historic Districts Council

Doreen Gallo
Executive Director
DUMBO Neighborhood Alliance

Arthur Goldstein, Esq.
Davidoff, Malito & Hutcher
Representing Joseph P. Day Realty Corporation

Robert Oliver
Senior Vice President
Joseph P. Day Realty Corporation

Lori Raphael
Director
Real Estate and Development
Brooklyn Chamber of Commerce
Speaking on behalf of:
Carl Hum
President and CEO
Brooklyn Chamber of Commerce

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

Bob Furman
President
Brooklyn Preservation Council

Barbara Zoeller Gringer
Resident
75 Livingston Street

Jordan Barowitz
Resident
75 Livingston Street

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2 SERGEANT AT ARMS: Quiet please.

3 CHAIRPERSON LANDER: We good?

4 Great, thank you. Good morning. I apologize to
5 everyone for the wait and thank you for coming.

6 I'm City Council Member Brad Lander, Chair of the
7 City Council Land Use Subcommittee on Landmarks,
8 Public Siting and Maritime Uses. I'm joined this
9 morning by my colleagues Annabel Palma and Maria
10 del Carmen Arroyo, both from the Bronx, and thanks
11 to them for their timeliness in being here, by
12 Council Member Jumaane Williams from Brooklyn.
13 We're also joined by Council Member Steve Levin
14 from Brooklyn who is not on the Committee but the
15 item we'll be hearing today is in his District.

16 Before we get to business which
17 we'll do very quickly, I do want to say two thank
18 you's and farewells. This is the last meeting of
19 the Landmark Subcommittee meeting at which Jerry
20 Staffieri will be working as our Sergeant at Arms
21 and also the Landmark Subcommittee meeting--

22 [Applause]

23 CHAIRPERSON LANDER: We really value
24 and appreciate all your service and help. And
25 it's also the last Landmark Subcommittee meeting

3 at which Carol Shine will be with us who has
4 worked for my two years but also for quite a long
5 time helping the City Council's Land Use Committee
6 get its work done. So a lot of people in the room
7 know and value her work and we just want to say
8 thank you very much.

9 [Applause]

10 CHAIRPERSON LANDER: On those two
11 items, I'm thrilled that we have a lot of
12 consensus in the room of warm feeling toward
13 Carole and toward Jerry. Obviously on the item on
14 today's calendar, there are strong feelings on
15 both sides of the matter. That's also good in a
16 democracy even if not as warm and lovely. But
17 we're glad to have everyone in the room, a lot of
18 people that are valued by the Council, by the
19 Council Members, and we appreciate you're all
20 being here and what we certainly intend to do is
21 provide a good space to listen to people, to hear
22 what you have to say on both sides, on all sides
23 of this matter. And we thank you for your time
24 and your commitment.

25 We pledge to listen carefully. We
won't be voting today. So if you want to leave

2 after your testimony, you can know that we'll be
3 listening, we'll be asking some questions. We
4 have a little while still but the clock is
5 ticking. And we won't be voting at today's
6 meeting. We will let you know when we are. If
7 you want to get notice of what's on the calendar
8 for meetings, on my website at BradLander.com you
9 can sign up for our email notifications. And
10 we'll let you know both when we're going to have
11 the meeting and when we imagine that the Committee
12 will vote.

13 We have a lot of people who are
14 here and who have signed up to testify. We only
15 have limited time in the room. So we want to be able
16 to listen to everyone but we are after the LPC
17 presents the District, going to put people on the
18 three minute clock. And if there are people here
19 who want to be on the record and present written
20 testimony but don't feel the need to stick around
21 and read it, it does get put on the record, and we
22 note who's here, pro and con, and read what
23 submitted as well. So feel free to do that. But
24 if you want to say, to have your say on the
25 record, that's what this is for and we're here to

2 listen so please feel free and encouraged to do
3 that.

4 With that said, let's get right to
5 it. We're only hearing one item on the calendar
6 today. It's Project number 20125120 HKK Land Use
7 number 536, the proposed Borough Hall Skyscraper
8 Historic District located in downtown Brooklyn and
9 Council Member Levin's office. And I'm pleased
10 for us to invite Jenny Fernandez from the
11 Landmarks Preservation Commission up to present it
12 to us.

13 [Witnesses getting settled]

14 MS. FERNANDEZ: Thank you Chair
15 Lander, members of the Landmark Subcommittee. My
16 name is Jenny Fernandez, Director of
17 Intergovernmental and Community Relations for the
18 Landmarks Preservation Commission. I'm here today
19 to testify in the Commission's designation of the
20 Borough Hall Skyscraper Historic District in
21 Brooklyn.

22 The urbanization of Brooklyn began
23 in earnest in the first decades of the 19th
24 century. The Village of Brooklyn was chartered in
25 1816 and the City of Brooklyn was created less

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3 than 20 years later in 1836. The newly-formed
4 municipal government quickly set out to build a
5 proper city hall, which was located on the outer
6 edge of the existing settlement at the
7 intersection of Court, Joralemon, and Fulton
8 Streets. While construction on Brooklyn City
9 Hall, now Brooklyn Borough Hall, was delayed by
10 the Panic of 1837 and was not completed until
11 1848, the finished structure was an imposing
12 monument to the growth of the new city and a
13 masterpiece of the Greek Revival style of
14 architecture. The neighborhood surrounding
15 Brooklyn City Hall, now Brooklyn Borough Hall,
16 developed rapidly during the mid-19th century. A
17 number of grand civic structures went up on
18 Joralemon Street, while many cultural institutions
19 established themselves on the nearby stretch of
20 Montague Street. Stores and other commercial
21 buildings began to rise on Court Street around the
22 time a horsecar route opened on the road in the
23 1850s. The area became Brooklyn's true downtown
24 office district in the post-Civil War period as a
25 series of taller commercial buildings were erected
on Court Street and in the immediate vicinity.

3 While most were later replaced by even taller
4 skyscrapers, the Franklin Building remains a
5 significant survivor of this period of
6 development. The growth of Downtown Brooklyn was
7 greatly aided by the planning and construction of
8 the Brooklyn Bridge, which opened in 1883, as well
9 as by the erection of a network of elevated
10 railroads during the late 1880s. Building heights
11 continued to increase throughout the 1890s.
12 Particularly notable was the Temple Bar Building,
13 the last and tallest of a series of early
14 skyscrapers designed by George L. Morse. When it
15 was completed in 1901 the Temple Bar Building was
16 lauded as the largest office building ever
17 constructed in Brooklyn.

18 The City of Brooklyn was
19 consolidated into Greater New York as the Borough
20 of Brooklyn in 1898, a move that was widely
21 supported by the downtown real estate developers.
22 Commercial structures continued to rise in the
23 area during the early 20th Century, although none
24 would best the height of the Temple Bar Building
25 for more than a decade and a half.

New transportation improvements,

3 including the opening of several important subway
4 lines through Downtown Brooklyn, as well as the
5 early planning efforts for a new Municipal
6 Building, led many to speculate that the area was
7 ready for a period of even greater commercial
8 development. These predictions came to fruition
9 in 1918 when the 22-story building at 32 Court
10 Street was completed. Widely regarded as
11 Brooklyn's first true skyscraper, the structure
12 easily surpassed the height of the Temple Bar
13 Building and helped initiate a local building boom
14 that turned Court Street into Brooklyn's
15 definitive skyscraper row.

16 The 1920s saw the completion of the
17 Municipal Building, followed soon after by the
18 erection of the Remsen and Court Building, the
19 Montague-Court Building, and the Court-Livingston
20 Building, later renamed the Brooklyn 4 Chamber of
21 Commerce Building and 75 Livingston. These
22 structures show the clear influence of the 1916
23 zoning resolution, particularly in their use of
24 setbacks and slender towers, and feature
25 architectural detailing in the neo-Romanesque and
neo-Gothic styles that rivals that of any

3 skyscraper erected in Greater New York.

4 Other notable, if shorter,
5 commercial buildings were erected on the adjacent
6 blocks, including a number designed in the neo-
7 Gothic style such as 186 Joralemon Street, 191
8 Joralemon Street, and 56 Court Street.

9 The Great Depression brought a halt
10 to skyscraper construction in Downtown Brooklyn
11 and throughout the city. By the mid 20th Century
12 development in the area had shifted to government-
13 sponsored urban renewal projects, which eventually
14 led to the demolition of many of the Borough's
15 historic commercial buildings. The skyscrapers on
16 Court Street and the business structures on the
17 adjacent blocks were amongst the few survivors of
18 this period.

19 On December 14, 2010, the Landmarks
20 Preservation Commission held a public hearing on
21 the proposed designation of the Borough Hall
22 Skyscraper Historic District in Brooklyn. Seven
23 people spoke in support of designation, including
24 representatives of the Brooklyn Heights
25 Association, the Historic Districts Council, the
New York City Landmarks Conservancy, and the

3 Municipal Arts Society, and two owners of 75
4 Livingston Street. A representative of City
5 Council Member Stephen Levin spoke in support of
6 designation and asked the Commission to work with
7 owners of 75 Livingston Street to address their
8 concerns. Brooklyn Borough President Marty
9 Markowitz spoke in support of designation but
10 expressed concerns about the inclusion of 75
11 Livingston Street and the Brooklyn Municipal
12 Building. A representative of State Assembly
13 Member Joan Millman spoke in support of
14 designation but noted that she believed 75
15 Livingston Street should be excluded from the
16 District. Five people spoke in opposition to
17 designation including representatives of the
18 Brooklyn Law School, the Court-Livingston
19 Schermerhorn Business Improvement District, the
20 Real Estate Board of New York, a representative of
21 the owner of 26 Court Street and a representative
22 of the property manager for 188 Montague Street
23 and 175 Remsen Street. Six owners of 75
24 Livingston Street, including the president of the
25 Board of Directors, spoke in opposition to
including their building in the District. A

3 letter in support of designation from State
4 Senator Daniel Squadron, and a resolution in
5 support of designation from Brooklyn Community
6 Board 2, were also entered into the record at the
7 public hearing.

8 The Commission held numerous
9 meetings and phone calls with representatives of
10 75 Livingston and the Chair met personally with
11 representatives several times to consider their
12 issues and concerns with designation. The
13 Commission carefully evaluated their submission
14 and fully understood their concerns. However the
15 Commission found that their arguments were not
16 sufficient to exclude this building from the
17 Historic District based on merit.

18 This building is one of the most
19 important buildings in the Historic District and
20 is a strong contributor to the sense of place of
21 the District. On September 13th, 2011 the
22 Commission voted unanimously to designate the
23 Borough Hall Skyscraper Historic District. The
24 ensemble of 21 buildings in the Borough Hall
25 Skyscraper Historic District remains significant
for their historic important as the heart of

2 Brooklyn's downtown office district and as a
3 notable example of the skyscraper and tall office
4 building typology that reflects an important era
5 of development for the Borough of Brooklyn.

6 The Commission urges you to affirm
7 this designation.

8 CHAIRPERSON LANDER: Thank you Ms.
9 Fernandez. We'll ask a few questions now and then
10 as we usually do, ask you to stick around so that
11 if items, issues raised by folks that are
12 testifying later lead to questions, we'll call you
13 back up. I have a few questions but let me first
14 defer to Council Member Levin whose district this
15 is in to kick us off.

16 COUNCIL MEMBER LEVIN: Thank you
17 very much Mr. Chairman. And thank you Ms.
18 Fernandez for coming down to testify. I have a
19 few questions. Obviously we have a lot of
20 speakers today so I'll try to keep it as brief as
21 possible. The first question that I have is going
22 through the list of buildings that are proposed to
23 be designated and there are 19 is that correct?

24 MS. FERNANDEZ: 21.

25 COUNCIL MEMBER LEVIN: I'm sorry,

3 21. There are clearly buildings that while, for
4 instance, 62 Court Street which while, you know,
5 having an original building date of 1852 is just,
6 based on the façade of it now, not, it doesn't
7 have the architectural character that would seem
8 to be warranting landmarking. Why include that
9 building and other buildings of the same
10 character? If you could kind of look at that,
11 maybe speak to that a little bit.

12 MS. FERNANDEZ: Sure. Certain, in
13 many cases when we're doing a historic district
14 the Commission has proposed boundaries for a
15 historic district that include, you know, many of
16 the notable buildings that contribute to that
17 streetscape or that sense of place. Inevitably
18 there will be buildings within that historic
19 district that are either consider no style or even
20 more modern typology or won't necessarily be part
21 of the reason why the district is designated but
22 we can't cut holes in a historic district. So
23 they're inevitably contained within the
24 streetscape of a historic district. That happens
25 in many cases for historic buildings, you know,
buildings that are surrounded by other historic

2 buildings in a district.

3 COUNCIL MEMBER LEVIN: I think one
4 of the critiques of the district as proposed is
5 that it, you know, there are just these buildings,
6 you know, that opponents would say have, you know,
7 no business being landmarked at all. I mean so is
8 the LPC okay with kind of saying that they're not
9 really of the merit that the rest of the building
10 are or is there a different according to--does the
11 LPC look at them differently or how does that?

12 MS. FERNANDEZ: Yes. Basically
13 those buildings, when the research staff is
14 compiling a designation report every building is
15 looked at very carefully. And so it is documented
16 what that building's current condition is at the
17 time of designation and what it is and whether or
18 not in some cases a building may be classified as
19 no style, meaning that that type of building would
20 be something that an owner can apply to have
21 demolished. And then the Commission would just
22 have overview on any design, a design review of
23 any new building that may go in its place. So
24 that is something that the Commission does. And
25 just by the sheer fact that it's within the

2 district, that's what the review would be.

3 In other cases when a building can
4 be identified as highly altered, all those things
5 are taken into consideration when a building owner
6 wants to make changes to their property.

7 COUNCIL MEMBER LEVIN: I have a
8 couple more questions. The Skyscraper District
9 was proposed several years before it was
10 calendared for a public hearing. And even after
11 the hearing LPC took ten months to vote on it.
12 Can you explain why LPC decided in September to
13 vote on this item? And what was leading to--what
14 led LPC to just time wise to do this now? I mean
15 I think it was proposed in 2007 originally or
16 2006. Why now? Why now? I mean 'cause there's
17 concerns that we're hearing about the economy
18 being particularly bad right now both with
19 commercial tenants and just with residential co-op
20 owners and tenants. I kind of want to know why
21 LPC has decided that this was the appropriate time
22 to do it despite those concerns.

23 MS. FERNANDEZ: Yes. The
24 Commission has to set priorities certainly when
25 we're looking at potential historic districts.

3 And the demand or the request for designation of a
4 historic district and individuals in many cases
5 far outnumber or far exceeds what we're doing at
6 any given time. So certainly there's always a
7 long list of waiting historic districts that we're
8 looking at.

9 With that said there are, as we're
10 setting those priorities, as we go through, you
11 know, our fiscal years and our calendars are on
12 different priorities, we certainly feel that, you
13 know, we brought it up, we were ready to move
14 forward with taking a look at this particular
15 proposed designation. And certainly we believe
16 that the timing between the calendaring and the
17 hearing and then the proposed vote allows enough
18 time for the staff to do enough research, to
19 listen to the testimony that was presented at the
20 public hearing, make sure that all of that
21 information is incorporated into the final
22 designation report that is presented to our
23 Commissioners before they make that decision. And
24 at the same time allows our staff enough time to
25 do enough outreach. There are owners that still
need to speak to our staff and to our Commission.

2 That allows us enough of that time in order to be
3 able to meet with them, address their concerns,
4 allow more information to be submitted to the
5 Commission. And so that's why that's the amount
6 of that time period is held in order for all of
7 that to happen prior to taking a designation vote.

8 COUNCIL MEMBER LEVIN: Thanks.

9 With regard to 186 Remsen Street, this is a
10 building I looked at. I understand that LPC had a
11 hearing on the building to designate it as an
12 individual landmark around the same time as the
13 hearing on the entire district. Why did LPC--can
14 you explain to me what was going on with this
15 building? It was proposed as an individual
16 landmark then brought in with the whole district.
17 Why was it proposed as an individual landmark?
18 Why was it brought in with the rest of the
19 district?

20 MS. FERNANDEZ: I'm going to invite
21 Kate Daly our Executive Director to answer that
22 question.

23 MS. KATE DALY: For the record, my
24 name is Kate Daly, Executive Director of the
25 Commission. 186 Remsen is an individual building

2 that had been under consideration for several
3 years prior to the proposed Borough Hall
4 Skyscraper District coming to the fore in the
5 Commission's consideration in terms of priorities
6 among all of the districts that we were looking
7 at, at that time. So it's a building that had
8 been calendared previously and had already been
9 under consideration as a result of the
10 Commission's work looking at individual buildings
11 in Brooklyn.

12 COUNCIL MEMBER LEVIN: There's some
13 potential structural concerns with this building.
14 Is the LPC aware of that at all?

15 MS. DALY: We worked with the owner
16 throughout the designation process and they
17 supported the designation of the building. It's
18 St. Francis College. And they haven't reached
19 out to me recently. We did work with them well
20 over a year ago in terms of plans that they had
21 for the building at that time.

22 COUNCIL MEMBER LEVIN: I think we
23 might be speaking of two different buildings here.
24 I'm referring to, excuse me, 186, the Franklin
25 Building.

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2 MS. DALY: Yeah. I apologize. I
3 am thinking of a different building.

4 [Pause, off mic discussion]

5 MS. DALY: Right. The owner
6 planned to preemptively file for work to prevent
7 the building from being designated a landmark.
8 And so the Commission took steps to protect the
9 building because we felt that it was landmark-
10 eligible.

11 COUNCIL MEMBER LEVIN: Okay. So
12 that was the reason for the individual
13 designation, is that?

14 MS. DALY: Yes. This is something
15 that we've done. We also did this in the Crown
16 Heights North Historic District, the first phase
17 in Crown Heights North, where there was a building
18 on Dean Street that did meet the criteria for
19 individual designation but was also part of the
20 proposed historic district. And the Commission
21 did an emergency designation so that that
22 important historic resource would be preserved in
23 light of the owner's attempts to damage or destroy
24 the building. And it was a similar situation with
25 this building.

2 COUNCIL MEMBER LEVIN: Thank you.

3 Just a few more Mr. Chairman.

4 CHAIRPERSON LANDER: It's okay.

5 COUNCIL MEMBER LEVIN: One concern
6 that has come to us has been regarding commercial
7 retail tenants. I wanted to know, I mean it's a
8 big concern that buildings are not going to be
9 able to attract and retain retail tenants that,
10 you know, where for them if you're a business
11 that's looking to attract customers and part of an
12 important component to that is signage and
13 bringing foot traffic in off the street. Has LPC
14 considered establishing guidelines for the retail
15 areas including guidance on signage in windows?
16 And if so when will LPC issue those guidelines?

17 MS. FERNANDEZ: The Commission does
18 currently have guidelines and a body of rules that
19 do speak to all the elements that you just
20 mentioned: signage, lighting, store fronts, things
21 like that. And so certainly we already do have a
22 set of guidelines that help an applicant or
23 building owner be able to propose work to their
24 building that would be able to be done with a
25 staff level permit. At the same time we have been

3 working over the last couple of years to establish
4 changes to our rules in order to streamline some
5 of these processes. Meaning that some of the
6 things that previously required a public hearing
7 such as store fronts which is a big deal for a lot
8 of commercial--

9 COUNCIL MEMBER LEVIN:

10 [Interposing] Mm-hmm.

11 MS. FERNANDEZ: --property owners,
12 we're moving towards trying to have those done,
13 you know, if they meet certain criteria they'd be
14 able to be done a staff level and thereby
15 eliminating the need for a public hearing for
16 every single one of those applications. So
17 certainly these are steps that the Commission has
18 taken in order to streamline a lot of those
19 applications that may be of concern, of course, to
20 commercial store or commercial property owners.

21 COUNCIL MEMBER LEVIN: And the
22 experience has been good thus far in terms of? I
23 mean have you gotten feedback from commercial
24 property owners about whether or not they're happy
25 with that, not happy with that? Have you found
that--?

2 MS. FERNANDEZ: [Interposing] Well
3 I mean obviously, yes, one of the things that they
4 would be seeking is expediency, right?

5 COUNCIL MEMBER LEVIN: Mm-hmm.

6 MS. FERNANDEZ: So making sure that
7 it's efficient and that we can move through the
8 process quickly. And moving things from having to
9 go through a public hearing process which takes
10 significantly more time to actually having a staff
11 level approval does significantly shorten the
12 amount of time that would be required for them to
13 obtain a permit to do work. So certainly that's
14 something that would be beneficial to the property
15 owner when they're filing for such work.

16 COUNCIL MEMBER LEVIN: Since the
17 district has been calendared, how many
18 applications have been filed with LPC at this
19 point within the district? And if you have a
20 sense, what is the average turnaround time for
21 those applications?

22 MS. FERNANDEZ: We've only had a
23 handful of applications that have actually been
24 filed.

25 COUNCIL MEMBER LEVIN: Mm-hmm.

3 MS. FERNANDEZ: On buildings since
4 the designation. Prior to designation, during the
5 calendaring period, there were several
6 applications for NORs or Notices of Review for
7 work on some of the buildings including 75
8 Livingston. And so the turnaround time on most of
9 those, even the NORs, were, you know, a day or
10 two. So we certainly try to turn those types of
11 applications around fairly quickly. We haven't
12 had major applications been filed for any of the
13 buildings in the district since designation.

14 COUNCIL MEMBER LEVIN: Speaking of
15 75 Livingston Street, 'cause that building is
16 unique in this proposed district in that it's a
17 residential co-op. And one concern that I've
18 heard now for about six months and have had, you
19 know, many meetings on and I'm doing due diligence
20 on our end, about an economic concern that's been
21 raised. And that the cost that would be
22 associated with landmarking would be too much for
23 this particular building with its own set of
24 economic circumstances to bear and that it would
25 cause undue economic hardship. To be honest with
you, the cooperators that I've spoken to have not

3 been assuaged at this point by anything that LPC
4 has had to say about it.

5 So I just want to know is there
6 anything that you have to say about kind of where
7 ballpark costs associated with landmarking would
8 be on a building of this nature which is covered
9 by Local Law 11. It's a large building. It's 30
10 stories. It's ornamental. It has a lot of terra
11 cotta and a lot of work that has been done in the
12 last 15 years or so. Its history is that for a
13 very long time when it was a commercial building,
14 the owners were not taking good care of it. And
15 so the Co-op Board now for the last 15 or 20 years
16 has done a lot of work. In fact I think that
17 they've said that they've put in about \$6
18 million's worth of façade work. And does the LPC
19 have any experience with buildings of this nature?
20 And what has the experience been with those
21 buildings? Because I mean this is a big deal.
22 And it's a big deal to me what that incremental
23 cost is because I don't want to see families
24 driven out of their homes.

25 MS. FERNANDEZ: Well it certainly
is the question of actual and perceived costs

3 associated with landmark designation of a
4 property. It's complicated. And the reason why
5 we say that is this is an issue that of interest
6 to the Commission and we've actually done some
7 internal, you know, internally we've looked at
8 trying to figure out what some of those impacts
9 may be. We're certainly interested in seeing an
10 independent group be able to conduct some sort of
11 study that would be objective and would be able to
12 come up with these sorts of figures.

13 At the same time though, we do
14 recognize that a lot of times we're talking about
15 materials and the use of certain materials. And
16 particularly in a building such as 75 Livingston,
17 since you mentioned that, using better quality
18 materials is something that an owner may choose to
19 do and they have chosen to do, regardless of
20 whether it's designated or not. So it's something
21 that they've done. And, you know, even if they're
22 not designated, they've chosen to do so.

23 We've found that they tend to use
24 that because it's more cost-effective in the long
25 run and actually may have added value to their
buildings. So in terms of the impact of

3 designation on the use of better materials,
4 sometimes it's something that a building owner who
5 has a lot of ornamentation on their building may
6 choose to do anyway. And what we're really
7 talking about is the maintenance of highly ornate
8 buildings and really the other, the flipside to
9 that, or the other option is stripping a building
10 of all its ornamentation 'cause that's really what
11 the other option is.

12 And so when a building chooses not
13 to do that, the effect of landmark designation is
14 sort of negligible if that's the route they're
15 going to take.

16 And speaking about, you know, like
17 Local Law 11, again that's something that the
18 Commission deals with all the time. We have tons
19 and tons of buildings, of course, that are subject
20 to Local Law 11. You know, every ten years or so,
21 you know that is reviewed and we work closely with
22 owners to address those types of issues that may
23 come up. And since we're talking about issues of
24 safety, and if there are ornamental features on a
25 building, we've even gone so far as to allow a
building owner to remove certain ornamental

2 features of their building of they don't have the
3 funds at the time to be able to repair those
4 adequate in order to meet the Local Law 11
5 requirements and store them until such time where
6 they might be able to get the funding in place to
7 actually do a proper restoration or repair of
8 whatever that ornamental feature is and be able to
9 put it back on the building.

10 So we work closely with owners to
11 be able to address these issues. And it's
12 something we deal with, you know, all the time.

13 COUNCIL MEMBER LEVIN: I think one
14 other cost that has been brought up is just the
15 turnaround time and the addition cost, it's
16 keeping the scaffolding up for another couple of
17 months. It's hiring the expediter. It's just the
18 delays and, you know, keeping the architect and
19 engineer and the contractor, you know, in contract
20 but with delays. And you know, I do hear tales
21 of, you know, stories, I don't mean tales to say
22 that they're not necessarily true, but that there
23 are, you know, stories about delays that they go
24 on for a very long time. And that, you know,
25 they'll say like, you know, they waited for a

3 month to get back something from the staff and
4 then the staff says that, you know, you need to do
5 these 50 things. And they could have said, you
6 know, I've heard that people say that they could
7 have done them in a much better pace had, you
8 know, the LPC not delayed getting back to them.

9 So can you speak to that at all?

10 'Cause it's kind of--the reason that I ask is that
11 there's, you know, a huge inventory at LPC and it
12 continues to grow. But the staff, I mean, you
13 know, there are budget cuts throughout the City.
14 And so how is the staff able to kind of handle the
15 increased applications and the increased inventory
16 at a time when we're scaling back?

17 MS. FERNANDEZ: I mean we certainly
18 understand those concerns. And it's just the
19 truth, of course, that it is an added layer of
20 review. So certainly being designated does add an
21 extra layer of review. And so that will add to
22 the time that something's being looked at. But
23 for example we were just talking about Local Law
24 11, if someone has a safety issue and they have to
25 put up scaffolding to address, you know,
something, we even do emergency approvals. You

3 can get an approval, a quick approval, to do
4 emergency work that doesn't necessarily have to
5 go, won't have to go through that entire process
6 so to speak, if you have to address something
7 right away. And then we'll work with the building
8 owner, again, to just kind of get things done in
9 an expedient fashion.

10 In addition, when you're talking
11 about restorative work or maintenance work, those
12 are things that are done at staff level. And
13 they're usually very quick approvals. And it all
14 depends, again, on the nature of the application.
15 When someone's, you know, applying to do some
16 major changes to a building, that in and of
17 itself, by its nature, will require some more time
18 because, of course, you know, from the applicant's
19 perspective, they'll have a lot more work to do on
20 their end and certainly from our staff's
21 perspective in order to review these things. And
22 then we talked about the public hearing which is
23 something that sometimes can take a lot more time
24 but it's only 5% of the applications that the LPC
25 review. It's only 5% of our permits that we issue
every year have to go to public hearings. So an

3 overwhelming amount of applications, 95% of our
4 permits, are actually done at staff level which is
5 what I just described. And it's something that,
6 you know, if you meet the criteria and the
7 guidelines, if you propose the following and you
8 submit all your materials, we can turn that around
9 fairly quickly. And with that said, you speak
10 about some of the challenges in terms of actually
11 getting things out and our staffing and how we've
12 been trying to address these issues, the
13 Commission has been working now for several years
14 on a huge technological overhaul. We have Pillar
15 which is something that our Chair is familiar with
16 here on the Subcommittee. It's a project that
17 we've embarked on in order to bring all of LPC's
18 systems and things, you know, up to speed. At the
19 same time that's going to be connected to an e-
20 filing component on our website which is also
21 going to allow building owners to apply for
22 permits a lot more quickly, be able to follow up
23 on things. It's very similar to the Buildings
24 Department e-filing system, electronic filing.
25 And so we're certain that that's going to increase
efficiency and the turnaround time for permits.

3 We've also introduced a fast track
4 permit. So that's a set of different work types
5 that are pretty, you know, run of the mill, basic
6 things that a building owner can apply for. And
7 those can be turned around, a completed
8 application, you can get a permit, you know, in
9 five days, you know, five to ten days. You can
10 actually get your permit in hand from the time of
11 submitting a complete application.

12 So we have dedicated staff working
13 on just those types of applications. We've done
14 some staffing changes. We've actually pulled
15 staff from other departments into our permit
16 writing, sort of, capacity in order to be able to
17 handle the added requests from building owners.
18 So we're pretty confident. We've been doing a lot
19 of these changes and trying to start new
20 initiatives to really address some of these
21 concerns.

22 COUNCIL MEMBER LEVIN: Sorry. I'll
23 defer to the Chairman. I know that he has some
24 questions. I have some more but I'll see, maybe
25 you'll cover them and then we'll go back.

CHAIRPERSON LANDER: All right.

3 Thank you. Jerry, I don't know, it's very cold
4 in here so if it's possible to make it a little
5 less cold. We've been joined by Council Member
6 Dan Halloran, member of the Committee from Queens,
7 welcome.

8 So a couple of questions following
9 on a few of the ones Council Member Levin raised.
10 I think we're going to hear a lot later today on
11 the cost questions. And most of those go to a
12 broader set of issues, not necessarily to the
13 specifics. Obviously each owner knows the costs
14 in their building but the broader set of cost
15 questions, I think, are ones that to be honest I
16 think the Committee has grappled with this and
17 we've talked about this before.

18 We haven't collectively done good
19 research to help us really understand it. And so
20 that leaves us in a position where
21 preservationists and the Commission say we believe
22 the permitting process costs are negligible and
23 where folks who are concerned about the
24 implications for their buildings say we believe
25 they're going to be significant. So, one, I'm
encourage to hear you say that you would be open

3 to doing some work together. And I think we have
4 to think about what that looks like because I
5 don't think that folks would be satisfied just
6 with the LPC, you know, coming out with something.
7 But I do think we need to kind of think about
8 stakeholders, some of whom are in the room and
9 some of whom are not in the room and how we break
10 them down a little bit, too, because I think as
11 you rightly say, everyone acknowledges that there
12 are cost differences in the materials to do work
13 to the levels that we would, you know, want for
14 the preservation of the building from a job that
15 wouldn't preserve it, that would strip it. Worth
16 understanding what those cost implications are in
17 some range of circumstances, that's one category.

18 Then there are the process issues.
19 And those I think really fall into a couple of
20 different categories. One, just the typical run
21 of the mill building and what does everyone have
22 in terms of permit fees and some modest additional
23 time. And then there's the stories that Steve
24 mentioned about buildings that for whatever reason
25 wind up with a much longer process, something
happens and what percent of those are there

3 really. Can we really drill down and try to
4 figure out what happened there?

5 So we have some work to do together
6 that I think isn't exactly topical to the, you
7 know, that's for all the work we do together, it's
8 not about the buildings in the proposed Borough
9 Hall Skyscraper District. But I think we would be
10 remiss in our duties if we didn't recognize that
11 we need to work together to try to drill down on
12 that. So I appreciate that I think you've given
13 some answer to how you see those. And I think
14 we're going to hear more. So I want to reserve
15 the ability to come back to you after we've heard
16 from some folks who have perspective on that. And
17 I know some people did some research in advance of
18 this hearing that I think we're going to hear
19 about. So I want to listen and reserve the
20 ability to ask you some more questions about it.

21 But there's questions. You
22 obviously make this important distinction between
23 what can be done at staff level, you know, either
24 because of a certificate of no effect or because
25 it just doesn't rise to the level where a hearing
is needed. So I guess maybe can you give us a

2 little better sense, let's start with just kind of
3 going with restorative work, of the kinds of work
4 on the façades of these buildings that folks are
5 going to have to do over time. What requires a
6 Commission level review? I mean essentially
7 what's in that 5% or the kinds of things that are
8 going to be typically done on these buildings?

9 MS. FERNANDEZ: Yes. So I could
10 probably answer that but we have the pleasure of
11 having Sarah Carroll who is our Director of
12 Preservation here today. And she'll be able to
13 answer that question.

14 CHAIRPERSON LANDER: Okay. Thank
15 you.

16 MS. FERNANDEZ: Specifically.

17 MS. SARAH CARROLL: Hi, Sarah
18 Carroll, Director of Preservation. There are two
19 routes to approval. There's a staff level and a
20 public hearing review. And the way that that
21 happens is that over the years the Commission has
22 adopted rules for certain types of work that the
23 Commission has historically always found
24 appropriate or has always found that it has no
25 effect. So in those cases the Commission adopts a

3 rule that says that if you make this change and
4 follow these set of criteria, we will always find
5 it appropriate and therefore we will delegate the
6 work to the staff.

7 And so we have rules for many work
8 types that allow the staff to write permits. And
9 that's how that works. And the rules are for
10 things like window replacements, air conditioning
11 installations, some rooftop additions, some rear
12 yard additions, signage and restorative work. And
13 so most, if the work that's being proposed is
14 restorative, either maintenance type work, masonry
15 repair or replacing missing features, those
16 permits are almost always eligible for staff level
17 review.

18 It's major changes that have to be
19 reviewed on a case by case basis that usually go
20 to a public hearing. So something for which it's
21 very difficult to create a rule or to codify a set
22 of standards like a new building in a historic
23 district, those are the kinds of things that go to
24 a public hearing.

25 CHAIRPERSON LANDER: I'll come back
and ask about windows in a minute. But I guess

3 one thing I'd like to suggest that I think would
4 be very helpful even, you know, separate from a
5 full cost study together, would be some
6 information for us on some of those categories.
7 What's in the Mayor's Management Report is really
8 bundled up. And so our ability to figure out how
9 long it takes to get what different kinds of
10 permits just isn't that good from what you're, I
11 guess, required to give us or have over the years
12 given us. And so I think to whatever extent in
13 the Mayor's Management Report but also sooner than
14 that if it's possible, that you could break some
15 of these things down by typical categories and
16 give us more clarity on both some of these
17 distinctions but also turnaround times on a wider
18 array of typical applications, it would be
19 enormously helpful to us and to this process in
20 general just to understand some of it is volume,
21 like what are the typical volumes of applications
22 you're getting. Let's break those down into some
23 of the kinds of categories you just gave and give
24 us turnaround times which would much better enable
25 us to understand the nature of what you just said.

And two, I want to ask a little bit

2 of a follow-up, one is on store fronts. So I
3 don't think I was entirely clear whether you were
4 saying--what you were saying had been done already
5 and what was still prospective. What requires a
6 CAPA change and what you're just changing by
7 practice of the agency and when it was done or
8 when it's proposed to be done? So with store
9 fronts in particular, can you give me a little
10 better understanding of either what's been done or
11 proposed to be done with some examples of the
12 kinds of work that might shift from public hearing
13 to staff level?

14 MS. CARROLL: Sure.

15 COUNCIL MEMBER LEVIN: And I'm
16 sorry, Mr. Chairman, what is CAPA?

17 CHAIRPERSON LANDER: I'm sorry.
18 CAPA is the, now you call me out.

19 [Off mic discussion]

20 CHAIRPERSON LANDER: City
21 Administrative Procedures Act. That's the process
22 by which when an agency is promulgating a formal
23 new rule, they put it out for public comment. It
24 doesn't come to us for a vote but it is a
25 mandatory comment period. It's the thing that our

3 potential lawsuit saying was violated in the
4 homelessness--

5 COUNCIL MEMBER LEVIN:

6 [Interposing] Yes.

7 CHAIRPERSON LANDER: --application.

8 And many of the rules of the LPC are governed by
9 CAPA but there's also some things which are just
10 how they do business which aren't in the CAPA
11 rules. And so.

12 COUNCIL MEMBER LEVIN: Thank you.

13 MS. CARROLL: So up until last year
14 we, when we reviewed store fronts, most store
15 fronts required a public hearing except for store
16 fronts in some few districts where we already had
17 rules. So we have rules in the Jackson Heights
18 Historic District for store fronts. We have rules
19 along Madison Avenue. So there are some areas
20 where the Commission has already adopted rules for
21 store fronts and those would be done at staff
22 level. And then the only other option for a store
23 front to be done at staff level is if it would be
24 under our restoration rule which would mean that
25 they would have to find documentation of the
historic store front and then reproduce that.

3 Having said that we also do a
4 number of applications for commercial tenants that
5 don't necessarily affect the exterior. You know,
6 a lot of the applications are for interior work
7 and HVAC equipment and signage. And most of those
8 are done at staff level and in fact are done under
9 this fast track program where they get turned
10 around very quickly from the time that we have a
11 complete application.

12 The Commission adopted new rules
13 for signage this past year. And they became
14 effective September 5th. So now there is a wide
15 range of types of signs that the staff can approve
16 at staff level. And currently we are in the
17 process of putting together a draft proposal for
18 store front rules citywide. But that is sort of
19 in the, right now, we're in the researching phase
20 of it. And we're starting to draft what that
21 might be. And at some point in the near future
22 that would go through a public hearing process and
23 eventually a CAPA process.

24 CHAIRPERSON LANDER: And so what
25 about for this district on commercial on store
front applications? Is this application traveling

3 with a set of rules that would be available to
4 owners for it?

5 MS. CARROLL: Right now the rules
6 that would be available are the signage rules and
7 of course any work that's found to have no effect
8 like the interior alterations and the mechanical.
9 And other than that, the store front changes will,
10 unless they're sort of restoring a historic store
11 front, they're going to require a public hearing.
12 But this is, again, we approve store fronts all
13 the time at public hearings. So the staff is very
14 experienced with it and they're experienced at
15 meeting with the applicant, helping them get their
16 presentation together and sort of shepherding
17 through the process as quickly as possible given
18 the advertisement requirements.

19 CHAIRPERSON LANDER: So but what
20 happened in Jackson Heights that led to district-
21 specific--

22 MS. CARROLL: [Interposing] Yeah.

23 CHAIRPERSON LANDER: --store front
24 rules?

25 MS. CARROLL: There was a demand
for it. There was a major commercial thoroughfare

3 so we did pursue a store front rule for that
4 particular district. But in our research we have
5 found that historically store fronts throughout
6 the City depend not, you know, in a variety of
7 different districts and building types had similar
8 components. So we think that a store front rule
9 citywide is a much better or more effective way to
10 do a rule than to do it by district by district
11 where you can only benefit certain people.

12 CHAIRPERSON LANDER: So I mean that
13 make sense to me on all the ones that we've
14 already designated. But we're only currently
15 considering designating this one. So I guess I
16 would like to follow up with you afterwards to
17 understand how long that process is going to take
18 and if that process is going to take a while
19 whether there's the possibility of exploring a
20 Downtown Brooklyn-specific rule that could perhaps
21 move more quickly. But we'll follow up
22 subsequently on that.

23 All right. My colleagues have
24 questions. So I'm going to just ask one more and
25 then get to them. On windows, one of the other
things we're going to hear about is the--oh go

3 ahead, of course.

4 MS. CARROLL: I'm just reminded of
5 one other thing. In buildings that have multiple
6 store fronts or windows or air conditioning units,
7 multiple repetitive elements, the Commission does
8 have an administrative procedure where you can
9 apply for a master plan for that building. So
10 even--so for windows and air conditioning
11 equipment that initial master plan can be approved
12 at staff level most of the time pursuant to our
13 rules. And a store front master plan would, even
14 if it had to go to a public hearing to get the
15 prototype approved, every subsequent application
16 after that would be a staff level approval. So
17 it's a way that a building that has multiple
18 repetitive elements can get an approval one time
19 for a prototype. And going forward, the tenant or
20 shareholder would only have to file an application
21 saying they're conforming to the master plan. And
22 that also is an expedited turnaround at staff
23 level.

24 CHAIRPERSON LANDER: That's a good
25 transition to my last question which is about
windows. As I think you know one of the things

3 we'll hear from the folks at 75 Livingston is
4 about upper floor windows and the view that they
5 afford. And I guess it relates to the question of
6 sort of at what point in time, essentially, I
7 think there's a feel, an understanding, maybe, a
8 feeling that there was at one point a sort of
9 sense that when we designated something we're sort
10 of designating it at that point in time and you
11 could more or less replace elements that were
12 there with the same element going forward. And
13 that in the more recent past there has been an
14 effort to say some elements, including windows,
15 that may be in place now but that don't conform to
16 the historic elements of the district, that the
17 Commission will say they can stay as long as you
18 don't want to replace them but if you do want to
19 replace them then we may not allow essentially an
20 equivalent replacement. So help us just
21 understand what the rule is there and how you make
22 that decision.

23 MS. CARROLL: All right. So it has
24 always been that, one, when a building or a
25 district is designated, the buildings are
designated as they are. And they can stay that

3 way as long as they choose. But once they make an
4 application to change something then we need to
5 review it pursuant to our rules and guidelines and
6 policies. So if the work, again, meets the
7 criteria for a staff permit, we go ahead and write
8 a permit at the staff level. If it doesn't, it
9 can go to a public hearing. And the Commission
10 routinely approves things at public hearing that
11 the staff just doesn't have the authority to
12 approve.

13 So I should say for restorative
14 work and the Local Law 11 work that we were
15 talking about earlier, the Commission at staff
16 level approves substitute materials. So if
17 someone has an asphalt roof instead of a slate
18 roof at the time of designation, the staff can
19 approve a new asphalt roof or other substitute
20 material. If there's some ornament that is
21 damaged and needs to be replaced, the staff
22 routinely approves fiberglass replacement or other
23 substitute materials that have a less cost
24 associated with it and less maintenance issues.

25 But with respect to windows,
because they cover such a large percentage of the

3 façade and really define that façade in many ways,
4 the staff is only approved on the primary façades
5 of the buildings to approve--allowed to approve
6 windows that match the historic windows. Having
7 said that if a building has lost all of its
8 historic windows prior to designation, the
9 applicants can always go to a public hearing and
10 in many cases the Commissioners have found it
11 appropriate to approve a different window, not
12 necessarily one that matches the historic windows
13 given that over time the building has lost its
14 historic windows.

15 CHAIRPERSON LANDER: So that
16 requires a public hearing but there are examples
17 of where the--

18 MS. CARROLL: [Interposing] That's
19 correct.

20 CHAIRPERSON LANDER: And what
21 about, how does a master plan relate to that
22 process?

23 MS. CARROLL: So again, if the
24 application to replace the windows match the
25 historic windows on the primary façades, we could
do a master plan at staff level. And then every

3 tenant after that, forever, could file an
4 application saying I'm conforming to the master
5 plan and there would be a quick authorization to
6 proceed that would be issued.

7 If it required a public hearing in
8 the first instance to do a window that does not
9 match the historic window, they would go to public
10 hearing once, the Commission would take their
11 action that one time, a prototype would be
12 approved. And similarly after that it would be a
13 simple application saying they're conforming to
14 the approved master plan. And the staff would
15 issue an authorization to proceed.

16 CHAIRPERSON LANDER: Okay. Thank
17 you. Let's let our colleagues ask and then we'll
18 come back to you for the last set of questions.
19 So Council Member Arroyo.

20 COUNCIL MEMBER ARROYO: Thank you
21 Mr. Chair. Thank you for your testimony. One of
22 the things that I find myself dealing with is
23 understanding process here. I'm under the
24 assumption that we have kind of a cookie cutter
25 process at the Commission. Is there a publication
the Commission makes public to help individuals

3 understand the process, timeframe? You've given a
4 lot of examples of projects or applications that
5 could go through one process or the other. What's
6 the difference between the different processes?
7 Staff level authority, what is that? How much
8 authority is that? What are the details
9 associated with that? Because at the end of the
10 day, everyone is concerned about how much more is
11 a landmark historic designation going to mean for
12 them as an owner. I don't think anybody in this
13 room wants this district to look differently. I
14 think we all want to preserve the character of our
15 City. But there is a lot of unknown elements here
16 that drive us to reach a conclusion that may not
17 be correct, but for the lack of information.

18 So what publication is there that
19 an individual can use to understand this process?
20 How long it's going to take? How much it's going
21 to cost, et cetera?

22 MS. CARROLL: Well we already do
23 have on our website a number of materials that
24 explain the process. We have our rules and we
25 have guidelines for various work types. And we
26 have some of the master plans that we've approved.

3 So much of this information on what work types can
4 be handled and how and what materials are required
5 in order to process those permits is on the
6 website. We are currently going through a big
7 overhaul of our educational materials. And we are
8 putting together manuals for applicants. And the
9 applicant audience would be both homeowners,
10 building owners as well as architects, contractors
11 and expeditors. And it will be divided by work
12 type. And it will include a summary of the rule,
13 a link to the rule, as well as an explanation of
14 the rule so that people understand exactly what
15 the rule is referring to and why the rule is what
16 it is and a checklist of materials so that
17 applicants can have a better chance of submitting
18 a complete application in the beginning. And then
19 it will have also sample applications. So if
20 you're not sure if the checklist is asking for a
21 specific drawing type and you're not--you're a
22 homeowner and you don't know what that drawing
23 type means, there will be an example packet in
24 that section of that manual. And we are doing
25 that for many, many work types, the most common
work types that we receive. And in addition we

3 will be doing workshops targeted to various
4 audiences including owners, expeditors,
5 contractors, and we will be using these same
6 materials to educate them. Because we've been
7 talking about the staff level process and the
8 Commission level process and the staff level
9 process is often you need the same materials that
10 you would need for a public hearing process except
11 at a public hearing the materials need to be
12 bigger. Because they're being shown in a big room
13 and Commissioners are sitting around a table. So
14 the staff, either way, we need good documentation
15 of the existing condition and good documentation
16 of what the change is that's being proposed.

17 And so if you're working at the
18 staff level, this can be done by email, by
19 emailing photographs, just emailing descriptions.
20 Sometimes drawings are required. And once we have
21 all the information we need to be able to say,
22 yes, it meets all of these criteria and this rule,
23 I can issue the permit, we can turn that permit
24 around pretty quickly. What takes a long time is
25 for the applicants to get us the materials
sometimes. And that's sometimes because they

3 don't know what they need to submit. So that's
4 why we're working on these educational materials
5 to make it really clear from the beginning what
6 you need to submit and why and sort of demystify
7 that process.

8 COUNCIL MEMBER ARROYO: So the
9 Chairman I think asked the question around is, I'm
10 going to frame it a little differently, is there
11 study data that you can provide that can give an
12 estimate of time for an application? The argument
13 is usually it adds a layer of process and cost to
14 the property owner. And I don't know one material
15 from the other and I listen to the advocates a
16 lot. They know a lot more about this stuff than I
17 do. But I have nothing from the Commission that
18 would help me understand that what they're saying
19 to me is correct.

20 MS. CARROLL: Mm-hmm.

21 COUNCIL MEMBER ARROYO: Or that
22 there's a misunderstanding about what they're
23 saying.

24 MS. CARROLL: We can definitely
25 start to look at that work, work type by work type
to see--

1 SUBCOMMITTEE ON LANDMARKS, PUBLIC SITING AND 56
MARITIME USES

2 COUNCIL MEMBER ARROYO:

3 [Interposing] But there is no data that the
4 Commission has--

5 MS. CARROLL: [Interposing] We
6 don't have any currently available--

7 COUNCIL MEMBER ARROYO: --that can
8 be made available?

9 MS. CARROLL: What I can say is
10 right now the staff level permits from the time
11 that they are--the application is complete, we do
12 know the average turnaround time is between eight
13 and ten days. So the outside timeframe is two
14 weeks and that's our target timeframe. But we
15 don't have any data sort of quantifying from the
16 time the application comes in to when the
17 applicant can complete the application. And lots
18 of times that depends on the applicant. But our
19 goal is to try to make sure that we've given them
20 everything that we can so that they can do it as
21 quickly as they can, as they want to.

22 MS. FERNANDEZ: I just wanted to
23 add, we can certainly provide information about
24 costs as they pertain to the processing, you know,
25 fees. So any application costs, we can provide

3 that to you and we can actually provide that now.

4 In terms of overall costs for a project--

5 COUNCIL MEMBER ARROYO:

6 [Interposing] Mm-hmm. And that's part of what

7 I'm--

8 MS. CARROLL: [Interposing] Right.

9 COUNCIL MEMBER ARROYO: --looking

10 for.

11 MS. FERNANDEZ: That's the sort of
12 thing that we, you know, it all depends. You
13 know, that depends. It depends on what the
14 applicant is proposing, who they're hiring, you
15 know, how many--what different components of the
16 project are involved. And so that's the sort of
17 thing where, as I stated earlier, we certainly are
18 interested in either participating in or having an
19 independent body actually do a study like that
20 because that's the sort of data that would be
21 useful to have.

22 COUNCIL MEMBER ARROYO: Right. The
23 argument is that the designation adds costs to the
24 project--

25 MS. CARROLL: [Interposing] Yeah.

COUNCIL MEMBER ARROYO: --and that

3 is the one thing that I think is foremost in the
4 minds of the owners. Not that they don't
5 appreciate the fact that their building has a
6 historic value and we want to preserve that. And
7 I think that that's the argument that always comes
8 before us. This is more expensive for us. Please
9 don't approve this designation.

10 MS. CARROLL: And one thing I just
11 did want to follow up with is that you do not need
12 an expediter to file with the Landmarks
13 Commission. We are very hands-on. Our staff
14 works very closely with property owners. You
15 don't need an expediter. For work that is being
16 filed at the Department of Buildings, DOB requires
17 signed and sealed drawings by an architect or an
18 engineer. And because we approve the same
19 drawings that are going to DOB, we need to have
20 those same architectural drawings. So for work
21 that goes to DOB, where they're required to put
22 together a signed and sealed architectural
23 drawings anyway, they send those exact same
24 drawings to us to review. And anything beyond
25 that is usually email and some photographs that
can also be emailed. And it's usually more

3 something that the owner can put together or ask
4 their contractor and their contractor can give
5 them the answer to a question. But you definitely
6 don't need an expediter. Many times an expediter
7 is involved because they need them to get them
8 through the DOB process.

9 MS. FERNANDEZ: And just to add one
10 more point there, when we're talking about
11 processing fees, and just exactly what Sarah just
12 said. The only time where LPC actually charges an
13 application fee or a filing fee is when there's a
14 Department of Buildings' permit required as well.
15 So for work permits for minor work, so work that
16 you're only required to get a permit from LPC,
17 there is no cost associated with that. And it's
18 also the case that many of those work types, you
19 don't need an architect. You don't need an
20 expediter. A property owner can submit the work
21 and if they have a contractor doing the work, you
22 know, to do repointing [phonetic] for example,
23 they can submit and that's it. There's no other
24 fee associated with that.

25 And with those permits that do
require Department of Buildings permit as well,

2 the fee associated with the landmarks application
3 or filing fee, it's \$95 for up to the first
4 \$25,000's worth of work. So anywhere from, you
5 know, \$10,000 up to \$25,000 worth of work, it's
6 \$95. And then after that it's \$5 for every \$1,000
7 on that. So, you know, in the grand scheme of
8 things it's not a large fee associated with the
9 LPC application.

10 CHAIRPERSON LANDER: Thank you.
11 Yes, no, no, we could--I mean, you know, whatever,
12 obviously there's some broader oversight issues
13 that are being raised here that we'll need to
14 follow up on and figure out the right ways to do.
15 But I haven't been mindful of time so far so I'm
16 going to try to get there. Council Member
17 Halloran had a question. And then I'll try to
18 conclude this panel.

19 COUNCIL MEMBER HALLORAN: Thank you
20 Mr. Chairman. The Brooklyn Borough President
21 expressed his concern of the including of the co-
22 op in the plan. And of course he was the one
23 asking for designation in the other instances.
24 Have you had any conversations with the Borough
25 President about that issue he raised? And in

2 substance, have you had any meetings with the
3 Borough President and the Co-Op Board specifically
4 after he objected to its inclusion?

5 CHAIRPERSON LANDER: And I'll just
6 mention, we're going to hear from the Borough
7 President--

8 COUNCIL MEMBER HALLORAN:
9 [Interposing] Yes, understood.

10 CHAIRPERSON LANDER: --and from the
11 cooperators which is not to say don't answer the
12 question.

13 MS. FERNANDEZ: So the Borough
14 President testified at the public hearing and made
15 his view known to the Commission then. We met
16 directly with the co-op representatives. And the
17 Chair personally met several times with
18 representatives of the co-op. I'm not aware that
19 there were any meetings specifically with the
20 Borough President and the Co-op Board. But we've
21 had conversations about those concerns with the
22 staff. And so certainly we're always available to
23 do so if they so require.

24 COUNCIL MEMBER HALLORAN: Okay.
25 I'm going to just ask one sort of blanket

3 question, a procedural question. I understand
4 that the Chair and my colleague from the Bronx has
5 sort of touched on it. But I would ask you to
6 take notes 'cause there will be a quiz when you
7 come in front of me for the hearings next year
8 when we talk about funding and reporting. The
9 Chair has alluded to the fact that we would like
10 to see some concrete data. And I'm surprised
11 because I sit on seven committees in the City
12 Council. I think that's the most of any Council
13 Member but...

14 CHAIRPERSON LANDER: Council Member
15 Brewer I think is on 27--

16 COUNCIL MEMBER HALLORAN:
17 [Interposing] Brewer has got 27, well, of
18 freshmen, of us freshmen.

19 And in every instance where a City
20 agency comes and testifies in front of us, we're
21 able to look at the types of criteria that we've
22 been discussing. How many people apply for a
23 permit? What the costs are? What the time from
24 opening a permit to closing the permit out,
25 granting the permit? How many are rejected? How
many are modified? How many are approved?

3 Whether or not there are economic hardship
4 applications: how many are approved, how many are
5 denied? How many get all the assistance they ask
6 for? What is the percentage of assistance they're
7 receiving versus what they're asking for? How
8 many buildings have been designated? Of the
9 buildings that have previously been designated, do
10 we know which ones have been abandoned, lay fallow
11 now, or are unrented, unused, based on the
12 designation, based on whatever hardships have been
13 created? Do we, obviously the Committee has
14 talked about cost analysis. The cost analysis is
15 far broader than simply saying what does it cost
16 me to put a slate roof on a Tudor, you know,
17 obviously we know that that's going to be far more
18 expensive than regular shingles. But what other
19 copper flashing has to go on? These things become
20 cumulative. And I'm sure many of our owners would
21 love to know percentage wise how far we're
22 inflating these costs for them as they're doing
23 it. You mentioned that, you know, you have a
24 certain amount of sign-off time, you know, a two
25 week period basically, eight to ten days being the
norm. Obviously that's post-agreeing on what all

3 the materials are that needed to be submitted.

4 Clearly from the time the application is opened
5 until you all get together in one direction, as to
6 what is really needed for the application, I've
7 got to imagine it's far longer than that
8 especially for the layman who doesn't have the
9 money or resources to hire an expediter to do it:
10 the mom and pop shop or even the Co-op Board which
11 often gets a bad rap in terms of City services.

12 So will we be able to see in-house
13 data regardless of whether or not, you know, it's
14 going to take some resources? Are we going to be
15 able to, at the next time your agency is appearing
16 before us, to talk about the summary of what's
17 going on prior to the budget enactment? Will we
18 have this data? Are you willing to give this
19 Committee a commitment to provide that data and
20 not show up here and tell us, oh, we haven't done
21 it yet as many agencies often do? And act, you
22 know, like this is news to them.

23 MS. FERNANDEZ: Well I mean
24 certainly a lot of the data that you've mentioned
25 and many of the things that you've talked about is
information that we can compile or we can look at.

3 It's not something that we have a ready report
4 where we would press a button and it would come
5 up, you know. Different criteria so you have
6 different variables that you would put in to try
7 to figure out what exactly is it that we're
8 looking for. And we try to get an aggregate
9 amount of data to reflect that. At the same time,
10 as I mentioned earlier and I know you have been
11 hearing it for a while because it's something that
12 we're actively working on and really hard and
13 actually in our critical kind of last phase of
14 that project, is really putting in and
15 implementing this new technological upgrade.

16 Once we have this system that is
17 going to be able to house everything currently as
18 it stands, we have our two major departments which
19 are research and preservation have two different
20 databases. And administration has another
21 database. And, you know, there's a lot of in-
22 house kind of tools that have been used over the
23 years to compile information. And that's how the
24 staff's been working. With this new system that
25 we're talking about, it's going to be integrated,
where a lot of this information that previously

3 didn't speak to each other will be speaking to
4 each other in a sense. And we'll be able to
5 better compile information and produce reports
6 that would be able to give you a lot of that
7 information that you have.

8 Will that be ready by the next
9 budget hearing? I don't know. You know, in terms
10 of its capability to actually produce a lot of
11 this information at ready. We certainly will make
12 a concerted effort to provide as much information
13 as we can that speaks to a lot of the things that
14 you've mentioned such as, you know, permit
15 processing times for certain work types. That's
16 the sort of thing that's pretty concrete and we'd
17 probably be able to just, you know, come up with.
18 Some of the other things like costs associated
19 with filing certain types of work, that's the sort
20 of thing, again, that I'm reticent to say that
21 we'd be able to give you hard numbers on because,
22 again, it depends who you pick to do the work.

23 COUNCIL MEMBER HALLORAN: Sure.

24 MS. FERNANDEZ: And, you know, what
25 their fees are. And so it's hard for us to come
up with that. But we can certainly talk about

2 direct costs, you know, filing--

3 COUNCIL MEMBER HALLORAN:

4 [Interposing] Right.

5 MS. FERNANDEZ: --at LPC and things
6 like that. So it's something that we're very much
7 aware of. And we appreciate you bringing it up.
8 But we'll certain keep that in mind and hopefully
9 be able to offer you some information at that next
10 hearing.

11 COUNCIL MEMBER HALLORAN: All
12 right. Like I said, my concern is timetables on
13 all projects. Obviously if you're doing this
14 integration, I'm assuming it's pursuant to
15 specific contracts, either in-house or out-house
16 contracts to integrate your data information
17 systems. I assume that those contracts have terms
18 and periods of time for accomplishment. I'm sure
19 there's policy goals which you have either
20 submitted in the Mayoral report so those would be
21 something that we would like to know about. And
22 just also what the timetable is for providing the
23 common citizen with those wonderful ideas that
24 were just discussed in terms of links and
25 explanation manuals. Those are very important

2 data. Thank you Mr. Chairman.

3 CHAIRPERSON LANDER: Thank you.
4 Council Member Levin you had a couple of follow-up
5 questions. And I think we're doing something
6 valuable here but we also have a lot of people
7 from the district.

8 COUNCIL MEMBER LEVIN: Of course.

9 CHAIRPERSON LANDER: Your
10 constituents.

11 COUNCIL MEMBER LEVIN: Just a
12 couple of very quick questions Mr. Chairman. So
13 in looking at say renovation jobs that are big
14 projects, so say between \$200,000 or \$250,000 and
15 \$2 million. So you mentioned that there's that
16 .5% for every \$1,000 or--

17 MS. FERNANDEZ: [Interposing] \$5
18 for per every \$1,000. Right.

19 COUNCIL MEMBER LEVIN: Per every
20 \$1,000. Okay.

21 MS. FERNANDEZ: After \$25,000.

22 COUNCIL MEMBER LEVIN: Right. And
23 so that's a .5 incremental percentage,
24 incrementally--

25 MS. FERNANDEZ: [Interposing]

2 Right.

3 COUNCIL MEMBER LEVIN: --increase.

4 Is there an increase associated with the size of
5 the job normally? Like I know you can't speak for
6 engineering firms or contractors but is there like
7 a percentage, because of landmarking, is there an
8 additional increase that is tacked on to it just
9 because of the landmarking normally?

10 MS. FERNANDEZ: Like in terms of
11 hard numbers? We can only speak to that
12 incremental percentage based on our processing
13 fees--

14 COUNCIL MEMBER LEVIN:

15 [Interposing] Mm-hmm.

16 MS. FERNANDEZ: --in terms of what
17 a professional is charging to do that sort of
18 work, we can't really speak to that, as you just
19 recognized.

20 COUNCIL MEMBER LEVIN: Uh-huh.

21 MS. FERNANDEZ: but certainly we
22 will reiterate that a lot of this work, most of
23 this work, and I probably would say all of this
24 work, requires Department of Buildings permits.
25 And so we don't require that much more in terms of

3 materials that are being filed than, for example,
4 the Department of Buildings. So when you're
5 talking about architecturally accurate drawings
6 that are signed and sealed, you know, being
7 submitted to DOB, we're saying submit those same
8 drawings to LPC.

9 COUNCIL MEMBER LEVIN: Mm-hmm.

10 MS. FERNANDEZ: Now when we're
11 looking at certain--so for example, rooftop
12 addition, just as an example. We consider
13 visibility is a big factor, you know, so we may
14 require, you know, sight lines, we may ask for a
15 mockup. We may ask for a mockup, you know, when
16 they're reengineering. So it's kind of this thing
17 where a lot of the things that you'd be doing
18 anyway because you're filing a DOB, you do at, you
19 know, for us as well. And then we do require some
20 additional materials like a sample of the brick,
21 let's say, that you're going to be placing there
22 because, again, we're reviewing really the
23 aesthetic effect on the exterior of the building.
24 So that's kind of where the differences may lie.
25 But in terms of the hard kind of architectural
drawings, engineer reports, things like that, if

3 you're filing with DOB anyway, we would use that
4 same information as well.

5 COUNCIL MEMBER HALLORAN: Okay.
6 And then quickly just there's an issue that's been
7 brought up when you do--that you have to get
8 Landmark's approval for an internal renovation.
9 Say you're renovating your bathroom and you have
10 to get a Landmark's approval. As I understand it,
11 I just want to make sure that this is correct,
12 that is a certificate of no effect. It takes a
13 very short amount of time and an owner can do it,
14 you don't have to hire an expediter to do that.

15 MS. FERNANDEZ: Yes. Sorry, I was
16 going to say externally, yes. That is absolutely
17 correct. The Commission does not, unless it's an
18 interior landmark which there are very few of
19 those--

20 COUNCIL MEMBER HALLORAN:
21 [Interposing] Right.

22 MS. FERNANDEZ: --in the City, we
23 don't regulate the interior. We only regulate the
24 exterior. However we do regulate the site. So
25 for instance when you go to the Department of
Buildings to get a permit it comes up, there's an

3 L on it, the Department of Building says, you
4 know, go see Landmarks. If it's interior work
5 only, whatever you're filing with DOB, so if
6 you're changing partitions, you're doing a
7 renovation, whatever, you file those drawings with
8 DOB, you file those drawings with us. We have a
9 staff dedicated to reviewing these and we have
10 expedited CANE. I mean these, we turn around in
11 24 hours, 48 hours, you know, depending on how
12 quickly you get that in to us. And all we're
13 looking at is to see if there is any effect on the
14 exterior. That's it.

15 COUNCIL MEMBER HALLORAN: So
16 nobody's getting a two week delay on their
17 interior renovations because Landmark's holding it
18 up.

19 MS. FERNANDEZ: That should not be
20 an issue. I mean certainly if they are filing for
21 especially an expedited CANE and there's no
22 exterior work, there's no effect on the exterior--

23 COUNCIL MEMBER HALLORAN:
24 [Interposing] Mm-hmm.

25 MS. FERNANDEZ: --then they should
be able to get a Certificate of No Effect right

3 away. It is sometimes the case where an applicant
4 says it's all interior work and once LPC takes a
5 look at the plans we find that there is an effect
6 to the exterior. So for example, you're doing a
7 kitchen renovation and there's a vent associated,
8 you know, with some exhaust vent or you're doing
9 something like that, they consider all the work
10 interior but now they're going to punch a hole
11 through the façade and put, you know, that's an
12 effect--

13 COUNCIL MEMBER HALLORAN:

14 [Interposing] That's façade work.

15 MS. FERNANDEZ: --to the exterior
16 and so then our staff will get back in touch with
17 the applicant and say how can you kind of address
18 this, move it down, don't do that, change it over
19 here to minimize the effect on...

20 COUNCIL MEMBER HALLORAN: The
21 façade.

22 MS. FERNANDEZ: The façade.

23 COUNCIL MEMBER HALLORAN: Are there
24 Federal or State grant programs that are available
25 to landmarked buildings so that it may help...?

MS. FERNANDEZ: I'm going to ask

2 Mark Silberman. There are some benefits that..

3 COUNCIL MEMBER HALLORAN: Or tax
4 credits, things like that?

5 MR. MARK SILBERMAN: Mark
6 Silberman, General Counsel, Landmarks. There are
7 Federal tax credits for income-producing
8 properties. There are also the State has passed
9 some State homeowner tax credits as well as
10 commercial tax credits. And this involves if
11 you're doing work on your property, a certain
12 percentage of the work is eligible for a tax break
13 later on. In terms of direct assistance--

14 COUNCIL MEMBER HALLORAN:
15 [Interposing] Mm-hmm.

16 MR. SILBERMAN: --there's not. The
17 Landmarks Conservancy is a nonprofit organization
18 in the City. They offer low income loans and other
19 grants.

20 COUNCIL MEMBER HALLORAN: Low
21 interest loans.

22 MR. SILBERMAN: Yeah.

23 COUNCIL MEMBER HALLORAN: Okay.

24 MR. SILBERMAN: And some grants and
25 other technical assistance to owners of landmarks.

3 And there are, you know, some--and the Landmarks
4 Commission has a small grant program for low
5 income owners and nonprofits through community
6 development grants.

7 COUNCIL MEMBER HALLORAN: But the
8 tax credit program is the Federal tax credit
9 program, that's accessible. It's not based on,
10 for instance, a co-op could apply for that?

11 MR. SILBERMAN: It has to be
12 income-producing, tax credit. So a co-op
13 generally is not eligible for a--

14 COUNCIL MEMBER HALLORAN:
15 [Interposing] Okay.

16 MR. SILBERMAN: --Federal tax
17 credit.

18 COUNCIL MEMBER HALLORAN: And not a
19 State tax credit either?

20 MR. SILBERMAN: And the State tax
21 credit, there are some commercial tax credits and
22 there are also some homeowner tax credits that
23 they could take advantage of.

24 COUNCIL MEMBER HALLORAN: But
25 nothing for co-ops, they're kind of left out--

MR. SILBERMAN: [Interposing] The

2 State one could be available for co-ops. You have
3 to be in a certain census tract to qualify.

4 COUNCIL MEMBER HALLORAN: Oh.

5 Okay. I have a feeling that this census tract is
6 not going to be--

7 MR. SILBERMAN: [Interposing]

8 [laughing].

9 COUNCIL MEMBER HALLORAN: --one of
10 those.

11 [Laughter]

12 COUNCIL MEMBER HALLORAN: I'm just
13 guessing. And then lastly, and this will be my
14 last question, what type of outreach did LPC do
15 with owners of the buildings prior to calendaring
16 the district? So I mean obviously one thing that
17 we're hearing is a lot of owners are not happy
18 about this. And so what type of outreach did you
19 do to those owners? And particularly with 75
20 Livingston Street, have you met with them, how
21 many times have you met with them and when were
22 those meetings?

23 MS. FERNANDEZ: Okay. I'll begin
24 to answer the question. If there's any follow-up
25 I can ask Kate Daly who is our Executive Director

3 and actually does a lot of the direct owner
4 outreach to owners of potential designated
5 properties, she can answer. But certainly prior
6 to actually considering a historic district, once
7 the Commission has established potential
8 boundaries and is ready to move forward, we sent
9 out notification, written notification to all
10 property owners that their property is of interest
11 to the Commission and that we would like to invite
12 them to a property owner information session.

13 And so we did that with this
14 particular district. We wrote to the property
15 owners within the potential historic district,
16 invited them to the Commission's offices to
17 discuss, to have any questions answered, and so we
18 can talk to them about what we were considering
19 and certainly be able to give them any information
20 that they may need. We do this with all historic
21 districts. We find that it's useful, very useful,
22 because it gives owners an opportunity to be able
23 to hear directly from us, answer any questions,
24 any concerns, you know, what about this, I have
25 that, how do I address this. And so that sort of
thing did happen for this district.

3 Subsequent to that Kate Daly, like
4 I said, she makes herself directly available to
5 any owner who wants to have a subsequent meeting.
6 Sometimes owners don't necessarily want to talk
7 about their specific issues in any group setting,
8 you know, in a meeting like that. So certainly we
9 offer those meetings, one on one, with any
10 property owner who would like to meet with our
11 staff and as many times as it takes as well. So
12 if they want several meetings, that can happen as
13 well.

14 And as I mentioned in our earlier
15 discussions, that's one of the reasons why from
16 calendaring to public hearing to all the way to a
17 designation vote so much time would lapse to allow
18 that sort of outreach to take place. So that's
19 the case.

20 In terms of for 75 Livingston there
21 have been several conversations and meetings. And
22 like I said the Chair personally met with
23 representatives of that building to discuss these
24 issues and concerns.

25 COUNCIL MEMBER HALLORAN: Just one
time or multiple times?

2 MS. FERNANDEZ: I'm under the
3 impression that it was more. It was two meetings
4 with one representative and another meeting with
5 someone else or a conversation also on the phone.
6 And this is the Chair. The staff did meet with
7 owners of 75 Livingston as well.

8 COUNCIL MEMBER HALLORAN: Thank you
9 very much. Thank you Mr. Chairman.

10 CHAIRPERSON LANDER: Thank you.
11 Thank you Ms. Fernandez and the other folks from
12 the LPC. This was a valuable, you know, however
13 long it was spent, and I think we'll have to think
14 about how to sort of pursue it on two tracks here.
15 Obviously we have to evaluate the Downtown Borough
16 Hall Skyscraper Historic District and then there
17 are a broader set of questions. So I'll look
18 forward to following up with you and the rest of
19 the staff there. I think this was a useful
20 discussion that will help us going forward. And I
21 look forward to carrying on from it. And I
22 appreciate everyone who's here and the time you've
23 spent. So thank you.

24 MS. FERNANDEZ: Thank you.

25 CHAIRPERSON LANDER: Please stick

3 around. We will, everybody who is here, we'll
4 keep going. So we do have a long list of people
5 signed up to testify. I think we will try to not
6 ask quite as many questions of everyone who
7 testifies so that we can hear everybody who's
8 here. And I assume they've arranged that we can
9 stay in the room. There was some question about
10 whether we were going to have to go up to either
11 my or Steve's office to continue the rest of the
12 hearing but hopefully we'll be able to be here to
13 do it.

14 So next we have the representative
15 of the Borough President, the Brooklyn Borough
16 President, Richard Bearak from Marty Markowitz'
17 Office and we're grateful that you're here.
18 Please come up and provide your testimony.

19 [Pause]

20 MR. RICHARD BEARAK: I'm Richard
21 Bearak--

22 CHAIRPERSON LANDER: [Interposing]
23 I'm sorry. I apologize. We are going to start
24 using the clock, so we'll ask people to keep their
25 testimony to three minutes, thank you.

MR. BEARAK: All right. I'm

3 Richard Bearak. I'm going to read the remarks of
4 Brooklyn Borough President Marty Markowitz and I'm
5 his Land Use Director.

6 I want to thank Subcommittee Chair
7 Brad Lander and fellow Subcommittee members
8 including Brooklyn's own Steve Levin for allowing
9 me to testify about establishing Brooklyn's first
10 commercial skyscraper center as a historic
11 district. And I want to send a shout out to
12 Brooklyn Heights Association, especially Judy
13 Stanton and Otis Pearsall for advocating on behalf
14 of the skyscrapers and Borough Hall. It was
15 largely thanks to Otis, of course, that Brooklyn
16 Heights was designated New York City's first
17 historic district.

18 The area in Downtown Brooklyn under
19 consideration is a monument to the Borough's
20 history, showcasing many architectural styles and
21 construction technologies. As the Council
22 considers the boundaries of this district, it must
23 do so in a way that preserves the buildings while
24 respecting the wishes of people whose lives and
25 livelihoods may be affected by these changes. In
that regard I have concerns regarding the

3 landmarking of 75 Livingston Street.

4 When I testified before the
5 Landmark Preservation Commission last December I
6 expressed concern as to whether 75 Livingston
7 Street should remain in the proposed district. My
8 concerns stem from whether its residents would be
9 reassured that the building could be subsequently
10 governed by a master plan approved by LPC that is
11 not financially onerous. This approval would have
12 had to come with some understanding regarding the
13 possible use of synthetic materials to replace any
14 failing terra cotta while being responsive to
15 changes already being made to windows and would
16 not add additional maintenance and assessment
17 fees.

18 I applaud the demonstrated
19 commitment of Height's 75 Owner's Corp. to tackle
20 façade upgrades with utmost respect to that
21 building that has architectural merit and is a
22 symbol of Brooklyn's 20th Century commerce. The
23 anticipated financial implications of maintaining
24 the façade with its decorative terra cotta
25 ornamentation and dealing with window replacements
are valid concerns when considering whether this

3 building should be included in the proposed
4 historic district.

5 With all that time that has elapsed
6 since LPC hearing and further opportunity to give
7 consideration to the implications of being part of
8 a historic district, the position of the
9 leadership has not changed. Its position remains
10 that future repair costs subject to LPC
11 regulations would be a financial burden.
12 Therefore I am urging the City Council to exclude
13 75 Livingston Street from the designated historic
14 district.

15 And the Borough President has also
16 sent the letter to the City Council Member Brad
17 Lander regarding 16 Court Street requesting to
18 carve that site out as well. And the Borough
19 President wishes all happy holidays and healthy
20 New Year. Thank you.

21 And I should also add that the
22 Borough President did express a letter to
23 Landmarks, it wasn't mentioned, but roughly in
24 August saying at that point that he at that point
25 decided to exclude it.

[Pause, off mic discussion]

2 CHAIRPERSON LANDER: All right.

3 I'm going to wait to announce that though. Thank
4 you very much Mr. Bearak, I appreciate that. I
5 don't think we have questions. We're going to
6 hear from obviously both 75 Livingston and 16
7 Court Street. So I think we can save our
8 questions about those two buildings for them.
9 Thank you for your testimony and your support for
10 the broader district.

11 All right. So I think what we're
12 going to do now is start alternating between folks
13 more supportive and folks raising questions
14 because LPC obviously is proposing and therefore
15 supporting the designation. We spent a good
16 amount of time with them. I'm first going to call
17 a panel raising in opposition. And so for that
18 first panel let me call Ellen Murphy, Maxine
19 Rockoff, Mary Ann Rothman, and Arnold Lehman, all
20 from 75 Livingston and also the Council of New
21 York Cooperatives and Condominiums.

22 [Pause, witnesses getting settled]

23 CHAIRPERSON LANDER: Please go
24 ahead and push your button so you're being
25 recorded, thank you.

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3 MS. ELLEN MURPHY: Mr. Lehman is
4 not going to be able to testify. He has to leave.
5 My name is Ellen Murphy. I'm the President of the
6 Board of Directors at 75 Livingston, the only one
7 of the district's skyscrapers that is residential.
8 I'm here representing the vast majority of the
9 families who live there to respectfully request
10 that our building which is at the very edge of the
11 area be carved out of the Skyscraper District.

12 We don't want to be excluded
13 because we don't value our building. And we
14 intend to continue restoring it as we have for the
15 past 25 years. Indeed we've invested more than \$6
16 million already to restore its exterior and work
17 is needed nearly every year. The costs have been
18 so high because our building was not well
19 maintained for 50 years and because we hired a top
20 architectural firm and thus paid a premium to have
21 the work done to landmark standards. In effect we
22 voluntarily complied with the spirit of historic
23 preservation and everyone agrees with us on this
24 point. But it has come at a very high cost.

25 Our building is home to 96
economically diverse families with kids, working

2 couples and retirees who have paid, in addition to
3 their mortgages, continuing special assessments
4 and increased monthly maintenance bills in order
5 to preserve the building. The average special
6 assessments per apartment have totaled \$62,000.
7 And just last week we had to impose yet another
8 one for 2012. The added incremental costs of
9 complying with Landmark regulations will be in
10 addition to all of the Department of Buildings'
11 regulations and six new laws that the Council has
12 passed recently that apply to our building.

13 All of these measures have a cost
14 to these families. And the buck stops with them
15 since we have no commercial space to rent. The
16 finances of our building have been battered by our
17 increasing costs and by the economy. Mortgage
18 lenders have tighter underwriting standards now
19 and want to see reserve funds in order to continue
20 offering preferential mortgages to potential
21 buyers. We don't have any reserves. In 2012 we
22 must refinance the building's mortgage. We're
23 concerned about getting a mortgage on favorable
24 terms that will not increase our borrowing costs.

25 The constant cost increases have

3 taken a toll on our families. And in my written
4 testimony I've attached statements from a number
5 of them to explain the personal financial impact
6 it's had.

7 In short we do not see that any
8 quantifiable benefit from this designation
9 warrants imposing a cost differential, nor do we
10 understand how the overall landmark program is
11 damaged by respecting our building's great record
12 of voluntary compliance with restoration work by
13 leaving us out of this district. And we urge you
14 to change the district to exclude our building.
15 Thank you.

16 CHAIRPERSON LANDER: Go ahead.
17 Thank you.

18 MS. MAXINE ROCKOFF: Thank you.

19 CHAIRPERSON LANDER: We'll reset
20 the clock.

21 MS. ROCKOFF: Good morning, good
22 afternoon. My name is Maxine Rockoff. And my
23 husband and I have lived at 75 Livingston since
24 1995. Once we learned about the proposed
25 landmarking designation, we have earnestly tried
to understand how this will serve the public

3 interest and what the process is for having a
4 building landmarked. And some of what we've
5 learned is very disturbing.

6 Arguments for landmarking, as
7 you've heard this morning, essentially negate our
8 concerns, rather than specifying positive benefits
9 that will accrue. So there is the amounts that
10 we'll have to pay are considered to be negligible.
11 But why should there be any additional costs when
12 we have already demonstrated that we are
13 conscientious stewards of our historical building?

14 I have also learned that both
15 professionals and citizens are so fearful of being
16 on the wrong side of the LPC that they won't say
17 here in public today what they've said to me in
18 private. Two architects have told me privately
19 that any apartment that has to change its windows
20 if it's currently no obstruction to 1927 appearing
21 windows will lose its value, will lose value. But
22 they fear reprisals if they speak out here. And
23 the same thing is true of an acquaintance of mine
24 who has been dealing with the LPC who lives in a
25 landmarked carriage house in Fort Green.

I attended the LPC session at which

3 our building was designated as a landmark.

4 Although several of us opposing the designation
5 were present in the room, there was no voice
6 permitted for any dissent. Everybody who was
7 allowed to speak spoke in favor of approving that.

8 Furthermore I have observed that
9 many of the people who most strongly advocate for
10 landmarked buildings have a personal financial
11 interest in having buildings landmarked. These
12 include architects, structural engineers, artisans
13 who restore old buildings, and people who are
14 employed in the landmarking business.

15 Finally I have gradually come to
16 realize that the people who support landmarking
17 our building, even though we have amply
18 demonstrated the harm that landmarking will do
19 have a belief in landmarking that approaches a
20 religious conviction. They believe that they are
21 right and that their beliefs are not subject to
22 discussion or argument.

23 Therefore I call upon you, members
24 of the City Council, to recognize that the
25 opinions and actions of such preservationists
should be balanced by the negative impacts that

3 landmarking will have on those of us who live at
4 75 Livingston Street. You are our only protection
5 against increasingly burdensome and menacing
6 government intervention. Thank you.

7 CHAIRPERSON LANDER: Thank you.

8 MS. MARY ANN ROTHMAN: Good
9 afternoon. My name is Mary Ann Rothman. I'm the
10 Executive Director of the Council of New York
11 Cooperatives and Condominiums. And I thank you for
12 holding this hearing and I thank you frankly for
13 the excellent questions that I've heard from
14 Committee members in the course of this hearing.

15 Our organization represents the
16 more than 500,000 families that live in co-ops and
17 condos in our City in buildings that span the full
18 economic spectrum, from very modest housing to
19 some that are very upscale dwellings. But what we
20 have in common is a commitment to our homes, our
21 communities and to this City where we've put down
22 roots. And certainly my colleagues up here have
23 expressed that beautifully as far as their
24 building is concerned and have proven it with the
25 monies that they've spent to restore their
building.

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3 It goes without saying; I'm here
4 today to express my concerns about the impact of
5 the proposed historic district designation on 75
6 Livingston Street which is one of our members. It
7 goes without saying that the past few years have
8 been lean and uncertain for many New Yorkers.
9 With high unemployment and staging wages in many
10 industries, the cooling of the residential real
11 estate market has posed a challenge for thousands
12 of homeowners and multiple dwellings.

13 The situation has been exacerbated
14 by painful increases in the operating costs of
15 residential buildings, most of which can be
16 attributed to increases from property taxes and
17 City regulations. Including 75 Livingston Street
18 in the historic district will create additional
19 burdens for the homeowners in this building.

20 Ordinary maintenance and repair,
21 even projects like cleaning and painting that do
22 not require a permit from the Department of
23 Buildings will require a discretionary permit from
24 the Landmarks Commission. Critical façade, roof,
25 and sidewalk work that are likely to be made more
expensive by the designation. Even for interior

3 work in their apartments, residents will be
4 required to seek the Commission approval, again,
5 incurring substantial costs and delays. And each
6 day that a scaffold has to remain in place, each
7 new form that must be filed, each time that an
8 explanation has to be made to shareholders of
9 additional requirements for their alteration
10 translates into increased costs to the building.
11 Costs in time and costs in money.

12 Of course we support public safety,
13 environmental conservation, and historic
14 preservation, but we feel the pinch of their
15 costs. Continually driving up the costs of home
16 ownership actually destroys the diversity and the
17 vibrancy of our neighborhoods by driving away
18 seniors and the middle class. As homeowners and
19 staunch supports of our communities we urge you to
20 omit 75 Livingston from the proposed historic
21 district.

22 CHAIRPERSON LANDER: Thank you very
23 much for your testimony. And for staying, hang on
24 one second; we might have questions, for sticking
25 around. I also just want to note, and for
sticking within the time limit, I will note for

3 the record about another 15 emails and letters
4 have been submitted as part of your testimony from
5 other cooperators at 75 Livingston. Council
6 Member Levin do you have questions?

7 COUNCIL MEMBER LEVIN: Yes. Just
8 two quick questions. Just you mentioned this in
9 your testimony, I just wanted to... since the Co-op
10 Board in its current incarnation, since it was
11 converted to residential, has the Co-op Board done
12 anything that--'cause you mentioned to landmark
13 quality, the repairs have been done to landmark
14 quality. Has there been anything in your
15 estimation that has been done in terms of façade
16 work, beau there's a lot of façade work, about \$6
17 million, has anything not been done in the course
18 of the last 15 years that--has anything been done
19 that's not to landmark standards?

20 MS. MURPHY: I'm not aware of
21 anything and it would be highly unlikely because
22 the firm that we have hired--

23 COUNCIL MEMBER LEVIN:
24 [Interposing] Mm-hmm.

25 MS. MURPHY: --is one of the top
firms in the City which prides itself on

3 recommending to owners that they undertake
4 projects to meet landmark standards. So I would
5 be very surprised if there's anything on our
6 building that would not have met landmark
7 standards had we been landmarked. And of course
8 we did pay top dollar to that firm in order--and
9 materials in order to achieve that.

10 COUNCIL MEMBER LEVIN: And actually
11 my second question goes to the firm that you used.
12 Have you inquired with them what type of
13 incremental increase there would be?

14 MS. MURPHY: Yes. I've had, over
15 the last year, a number of conversations with our
16 architectural firm who unfortunately I must concur
17 with what Ms. Rockoff said, that they have told us
18 they do not want to be here with us today or
19 submit anything in writing that would identify the
20 company because they are concerned that their
21 future projects would generate additional scrutiny
22 at the LPC. That may be a totally unwarranted
23 statement however it was their statement.

24 What they have told us is that our-
25 -and we're counting our cost in design for them,
expediting, preparing materials to be submitted to

3 LPC and DOB, responding to questions from LPC, the
4 materials and the supervision of the contractor
5 would add about 5% to every project that we do.

6 Let me also say that some of those are costs that
7 would occur much more frequently because we don't
8 have the money to do everything that needs to be
9 done at one time. So we have to do annual,
10 smaller projects or things that, such as the one
11 we're planning next year, which we have to do and
12 had not planned because 17 of our apartments of
13 our 95 apartments had leaks as a result of the
14 hurricane in August. And those leaks were caused
15 by a façade crack that runs 3 stories of our
16 building.

17 COUNCIL MEMBER LEVIN: Thank you
18 very much. I appreciate it.

19 CHAIRPERSON LANDER: I'd like to
20 ask what you think, if you think, there are things
21 that set your co-op building apart from other co-
22 op and condo buildings that either are landmarked
23 or are proposed for landmarking. And I guess I'm
24 trying to understand the two arguments that you're
25 making. One is there are things sort of distinct
about our building that make it inappropriate for

3 designation, you know, for designation and
4 therefore the Committee should exclude it or a
5 broader argument that I think Ms. Rothman was
6 saying that we should think differently about how
7 we approach co-ops and condos in the designation
8 process because of additional costs which occur.
9 And, you know, it matters very practically for us
10 because there is a landmarks law, there are a set
11 of procedures that we have in the City. What's
12 before us is the question of this building and its
13 position in the district, not a broader set of
14 issues about what should be the standards for
15 designating co-op and condo buildings which may
16 well be appropriate questions for us to consider
17 as a matter of policy but aren't exactly before us
18 today.

19 So help me understand what is
20 unique or different about 75 Livingston. I
21 understand what's different from the other
22 buildings in the proposed district; it's the only
23 residential one. But what distinguishes it from
24 the many co-op, condo and homeowner buildings that
25 have already been designated?

MS. MURPHY: Well it's difficult to

3 answer that because until last year I was a real
4 novice in this whole area and had no reason to
5 become as steeped as I have in the last year. So
6 I don't really know the experience of other co-ops
7 in other parts of the City that either have been
8 or will be in the landmark designation process.

9 But for our building I think in our
10 district, I think I've set out what is different
11 about us. We are, of the skyscrapers, we are the
12 only residential one. We have a, you know, long
13 history of voluntary compliance. And I guess that
14 I feel that that voluntary compliance and the fact
15 that there has been no explanation of any kind of
16 threat that we pose to the district if we're not
17 included as part of it nor any kind of explanation
18 of how we could possibly benefit from this other
19 than additional costs is the reason why we feel we
20 should be excluded.

21 We don't think that there's any
22 likelihood that our building will not continue to
23 look just exactly the way it is. And it will be
24 there because to unwind a residential cooperative
25 order to sell it to a developer is unheard of as
far as I'm aware.

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3 CHAIRPERSON LANDER: And Ms.

4 Rothman, let me ask the same thing to you. I mean
5 your testimony, I heard, you know, as here are the
6 reasons why co-ops and condos are burdened by
7 designation and while an interesting question it's
8 not really the one that's before us today. So do
9 you see something distinct about 75 Livingston,
10 different from all the other co-op and condos that
11 you have questions about? Or?

12 MS. ROTHMAN: I think that my
13 testimony comes from lessons learned in already
14 designated co-ops and condos. It is a burden.
15 And I tried to pull statistics together for
16 today's hearing and didn't succeed. But the
17 ballpark number I would look at is much more like
18 10% than a 5% increment in the costs. And time is
19 also, I don't think we can stress how very
20 important the cost of time and people's time is.

21 So I think 75 Livingston is
22 distinct in the proposed district because it is
23 the only residential building and a residential
24 building owned by all of the people who live there
25 and proving its commitment to maintaining the
building in the best possible way. But that's

3 what co-ops and condos are. I mean it is people
4 who set down roots in the community and want to
5 maintain their buildings to the best of their
6 ability but in a way that they can afford without
7 forcing people out.

8 CHAIRPERSON LANDER: Thank you very
9 much for your time--

10 MS. MURPHY: [Interposing] Thank
11 you.

12 CHAIRPERSON LANDER: [Interposing]
13 Oh sure, okay.

14 COUNCIL MEMBER LEVIN: Sorry. One
15 further question. Because I know that Ms. Murphy
16 there was in terms of next year's repairs, 'cause
17 there's a question of percentage increase and
18 incremental increase, it's important to me. So
19 the estimate for the repair needed in 2012
20 increased from \$250,000 to \$500,000 recently. I'm
21 just wondering, you know, like according to your
22 engineering firm, does that cost, do they say like
23 it's going to--that will then increase because of
24 the size of the job? Are they saying 5% goes
25 along with the size of the job or are they saying
it was 5% of \$250,000 and that fix number will be

2 the same for \$500,000?

3 MS. MURPHY: Because it represents
4 materials as well as the contractor costs, it's
5 going to be 5%; their estimate is that it is 5% of
6 the total cost of the project, not the original
7 \$250,000 which would mean that we'd be looking at
8 only the cost of the architectural firm.

9 COUNCIL MEMBER LEVIN: So basically
10 for a job that's \$250,000, it's \$12,500. For a
11 job that's \$500,000, it's going to be \$25,000--

12 MS. MURPHY: [Interposing] \$25,000.

13 COUNCIL MEMBER LEVIN: That's going
14 to be the incremental, just because of
15 landmarking--just--

16 MS. MURPHY: [Interposing] That is--
17 -

18 COUNCIL MEMBER LEVIN: --in terms
19 of material, I mean you're using the same material
20 anyway. So?

21 MS. MURPHY: Possibly. We don't
22 know that. We don't know that the materials that
23 we've used in the past will be acceptable. We
24 have no way of knowing that. If I--

25 CHAIRPERSON LANDER: [Interposing]

3 You did just say that you believe that all the
4 ones you've used so far would have met the
5 standards.

6 MS. MURPHY: Possibly. But I don't
7 know.

8 CHAIRPERSON LANDER: Okay. You
9 said you thought they would though, right, so?

10 MS. MURPHY: Well that's my
11 opinion--

12 CHAIRPERSON LANDER: [Interposing]
13 Right.

14 MS. MURPHY: --and I'm not a
15 professional in this regard--

16 CHAIRPERSON LANDER: [Interposing]
17 Fair enough. You can't give that approval--

18 MS. MURPHY: [Interposing] Can I
19 say one final thing?

20 CHAIRPERSON LANDER: Sure.

21 MS. MURPHY: I'd like to reiterate
22 something that's been said earlier. Ms. Rothman
23 said about the quality of the questions that you
24 all have asked. And I can only tell you from
25 somebody going through this process that it is a
very flawed process. And there needs to be, in my

2 estimation, the kind of research that you have all
3 requested and it needs to not just include the
4 Landmarks Preservation Commission, it needs to
5 include CYNOC, representatives of the contractors
6 who work on these buildings, in order to give you
7 the kind of information you really need to know as
8 you're making decisions that are going to have a
9 very, very important impact to people who live in
10 my building. And I wish you had it now. It is
11 unfortunate that you have to make a decision based
12 on your hunches because none of us really know.
13 And it's way past time in this City where LPC
14 controls 28,000 buildings for you to get answers
15 to the questions that you asked.

16 CHAIRPERSON LANDER: I hear you.
17 Okay. And I do agree that I think that there is
18 in order to have data that has, you know, real
19 credibility across the board, there needs to be
20 everyone involved in that--

21 MS. MURPHY: [Interposing] We'll
22 volunteer to help you.

23 CHAIRPERSON LANDER: Thank you very
24 much for your time and for sticking around. All
25 right. And now I have an announcement to make.

2 Well first let me note that we've been joined by
3 our colleagues Council Member Charles Barron from
4 Brooklyn and Council Member Peter Koo from Queens.
5 However they haven't joined us out of a special
6 enthusiasm for this Committee. So we have to do
7 the following thing which I think will only add
8 five minutes--

9 COUNCIL MEMBER LEVIN:

10 [Interposing] Not even.

11 CHAIRPERSON LANDER: --to this
12 proceeding. Council Member Levin chairs the other
13 Land Use Subcommittee on Dispositions and a few
14 other things.

15 COUNCIL MEMBER LEVIN: We're right
16 on that.

17 CHAIRPERSON LANDER: They have
18 three members for a quorum. So what we're going
19 to do is briefly recess this hearing. No one has
20 to leave or go out of the room. They are going to
21 gavel in. They have one item with an agency and
22 no one else signed up to testify. Hopefully all
23 of that will take five minutes. We will then re-
24 gavel in this hearing and continue with testimony.
25 The next panel up when we do that will be Andrea

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2 Goldwyn from Landmarks Conservancy, Jane McGroarty
3 from the Brooklyn Heights Association, Joan
4 Goldberg and Phil Magnuson. So you guys please
5 stick around. The others of you, if you want to
6 grab a quick cup of coffee, you could, come back
7 in five minutes. This hearing is recessed.

8 [Gavel banging]

9 [Pause]

10 CHAIRPERSON LANDER: Sorry
11 everyone. This will be very, very brief.

12 [Pause]

13 [Start Landmarks_12-14-
14 2011_part3.MP3]

15 CHAIRPERSON LANDER: All right.
16 We're ready to reopen the Landmarks Subcommittee
17 hearing. Do I need to say anything more than
18 that?

19 [Pause]

20 CHAIRPERSON LANDER: Okay. Thanks
21 everyone for your patience. I apologize for that
22 additional delay. But otherwise that meeting
23 wouldn't have been able to happen until after
24 we're done with all of this. And there were no
25 more available rooms. So we are now going to

3 continue the hearing. And I had called the panel
4 previously. Andrea Goldwyn from Landmarks
5 Conservancy, Jane McGroarty from Brooklyn Heights
6 Association, Joan Goldberg, and Phil Magnuson. If
7 folks could take seats, that would be great. And
8 again we'll put folks back on a three minute clock
9 and now alternate panels until everyone who has
10 signed up to testify has had the opportunity.

11 [Pause]

12 CHAIRPERSON LANDER: Great, Jeff
13 [off mic comments] thank you.

14 MS. JANE MCGROARTY: Good--well
15 I'll say now good afternoon, even though it says
16 good morning.

17 CHAIRPERSON LANDER: [Chuckling]

18 MS. MCGROARTY: Good afternoon
19 Chairman Lander and members of the Committee. My
20 name is Jane McGroarty. I'm the current President
21 of the Brooklyn Heights Association and speaking
22 on behalf of the Association in strong support of
23 the Borough Hall Skyscraper Historic District.
24 I'm an architect and would have experience working
25 in landmarked buildings throughout the City and
I'll welcome any questions from the Committee.

3 The proposed district is located on
4 the eastern periphery of Brooklyn Heights Historic
5 District which was the first to be designated in
6 New York City. As proposed the Borough Hall
7 Skyscraper District accords preservation status to
8 a collection of 21 architecturally distinctive,
9 large-scale, early 20th Century office buildings,
10 the most decorative of which being 75 Livingston.

11 This cluster of tall buildings that
12 form this district had a central role in
13 Brooklyn's development and illustrate an important
14 chapter in New York City's history. As Commission
15 Chair Tierney has said, these were the skyscrapers
16 of their day which gave Brooklyn its commercial
17 heart and its skyline. I hope you'll all read the
18 Landmark Commission's designation report that
19 outlines the historic and architectural
20 significance of the proposed district and why it
21 is worth protection and preservation.

22 The BHA supports the designations,
23 the district's designation, especially because it
24 contains 75 Livingston, the former Chamber of
25 Commerce Building which is now residential above
the first story. Its current shareholders have

3 been responsible stewards and it is emblematic of
4 the richly varied architecture of the other
5 buildings forming this historic civic center of
6 Downtown Brooklyn.

7 Chairman Lander, our members hope
8 you will lead your Subcommittee on Landmarks to
9 respect and abide the judgment of the Landmarks
10 Preservation Commission. We ask you to keep your
11 eye on the prize by approving the Borough Hall
12 Skyscraper District with its proposed boundaries
13 intact.

14 In conclusion I and others who
15 perform work on landmarked buildings have offered
16 advice and assurance to the residents of 75
17 Livingston who are fighting to take their building
18 out of the proposed district. And it should be
19 mentioned that not all residents are in agreement.
20 We've met with some of the shareholders of 75
21 Livingston in the offices of our Council Member
22 Steve Levin who is fortunate to be representing 7
23 historic districts at present time. And we tried
24 to familiarize them with the steps involved in
25 making exterior alterations so as to demonstrate
that the process is frequently far more

3 expeditious for buildings of their type, high rise
4 buildings, that are subject to Local Law 11 than
5 for some of the smaller buildings in landmarked
6 districts.

7 The Councilman found this to be
8 supporting and informative. Thank you.

9 CHAIRPERSON LANDER: Thanks very
10 much.

11 MS. ANDREA GOLDWYN: Okay? Good
12 day Chair Lander and members of the Subcommittee.
13 I'm Andrea Goldwyn, speaking on behalf of the New
14 York Landmarks Conservancy. The Conservancy
15 supports designation of the entire Borough Hall
16 Skyscraper Historic District and urges the Council
17 to affirm that designation.

18 Almost six years ago, the
19 Conservancy, the Brooklyn Heights Association and
20 the Municipal Art Society joined forces to
21 investigate whether landmark protection could be
22 extended to the significant group of buildings
23 along Court Street which had been left out of the
24 Brooklyn Heights District. We were galvanized by
25 the demolition of the 1857 Brooklyn Gas Light
Company headquarters on Remsen Street. That

2 demolition with little fanfare of one of the
3 oldest and finest commercial buildings in the area
4 made it clear that something needed to be done.
5 The report we produced recommended a new historic
6 district running from Montague to Livingston
7 Street.

8 In many ways this is not only a
9 great collection of buildings, it is also the
10 symbolic center of Brooklyn. Spanning a century
11 of high-quality commercial and municipal
12 architecture, these structures survive as a
13 testament to the development and distinct identity
14 of the Borough's first business district.
15 Collectively they tell the story of the growth and
16 development of Brooklyn's core. There are
17 aesthetically, historically and culturally
18 significant structures and therefore they all are
19 worthy of inclusion in a historic district.

20 Nevertheless some would try to
21 cloud that fact with rumors of purported costs and
22 with scare tactics. We have heard unsubstantiated
23 arguments that designation will increase owners'
24 costs substantially. Conservancy staff has spoken
25 to professionals at eight architecture and

2 engineering firms with experience working on older
3 buildings in and out of historic districts and
4 they have indicated that this is simply not the
5 case. A summary of those discussions is attached
6 to the testimony.

7 Those practitioners have told us
8 that the costs of materials, labor, filings, and
9 professional fees for designated buildings are not
10 significantly higher than for unprotected
11 properties. We've heard examples, excuse me,
12 arguments that designation will impede commercial
13 activity. Instead we suggest looking at the
14 examples of SoHo, TriBeCa or Ladies Mile where
15 landmark designation has led to busy commercial
16 thoroughfares.

17 Property owners in New York City
18 face a myriad of rising expenses from fuel costs
19 to DOB requirements to ever-higher property taxes.
20 Landmark designation does not automatically
21 require any actions or impose any costs. And when
22 work is performed the additional costs are
23 minimal.

24 In fact the designation has been
25 shown to have positive benefits such as

2 stabilizing and increasing property values as
3 stated by the City's Independent Budget Office in
4 its 2003 report. This is one of the reasons that
5 so many neighborhoods have requested landmark
6 designation. Owners of over 29,000 designated
7 buildings in over 100 historic districts across
8 the City are properties in communities that are
9 thriving. The evidence that designation works is
10 everywhere.

11 Carving up this district would be a
12 blow to the City's efforts to protect the superb
13 architecture that gives New York its special
14 character. And we ask that you affirm the
15 designation of the district in its entirety.
16 Thank you.

17 CHAIRPERSON LANDER: Thank you.

18 MS. JOAN GOLDBERG: Hello. My name
19 is Joan Goldberg. I'm a long-time resident and
20 homeowner in Brooklyn Heights. I live in a
21 landmarked house built in about 1820. I'm also a
22 real estate broker. I was asked by people at the
23 BHA to come and speak today and I was asked late
24 yesterday. So I'm speaking extemporaneously. I
25 prepared comments but I listened carefully to

2 everything that everyone said from 75 Livingston.
3 I'm familiar with your building. I'm familiar
4 with the costs and challenges to co-ops in general
5 and in your building in particular.

6 I think that you have, you know,
7 dealt marvelously with all of the challenges that
8 you've had. I don't think landmark status
9 threatens your building. I think it enhances your
10 building. My experience in selling real estate
11 all through the downturn has been that landmark
12 status is desirable to purchasers. Throughout the
13 City and in Brooklyn in particular I sell
14 primarily in Brooklyn but I also sell in other
15 landmarked districts in the City, co-ops and
16 houses.

17 In fact I sell houses in areas that
18 people are desiring to move to now where the
19 purchasers are looking forward to the areas having
20 landmark status. And they talk about it, about
21 working for that. They look to Landmarks for
22 advice as I did when I first bought my home. And
23 I called them up. I bought my home in 1974. And
24 a little gentleman named Mr. Dibble came and was,
25 huh, was very moving. He helped me for years.

2 And he was from Landmarks.

3 I think that this may be about the
4 fear of what landmarks represents. What I hear
5 and I deal with this week in, week out, day in,
6 day out, is that the Department of Buildings is
7 the reason for delays. They're trying to change
8 that. I know people, you know, I know architects
9 working for the Department of Buildings who are
10 changing the codes. They're trying to streamline
11 things. They're trying to improve it. But
12 there's a huge backlog.

13 The issue of time is a matter of
14 appropriate project management. Filing, you know,
15 timely before the scaffolding goes up, before
16 anything else happens. I do believe there are
17 vendors and contractors who will seek to charge a
18 premium for services in a landmark district. It's
19 very important not to use those people. It's
20 important to get multiple bids. It's important to
21 get advice from Landmarks. I don't see them as
22 the bogeyman. I see them as the protectors.

23 I don't think that... I don't think
24 that there is too much historic preservation. I
25 think there is too little.

2 CHAIRPERSON LANDER: Thank you.

3 MS. JOAN GOLDMAN reading testimony
4 of MR. PHIL MAGNUSON: I'm reading testimony from
5 Phil Magnuson. Obviously I'm not Phil. Dear
6 Council Member Lander: I am writing to restate my
7 support of the Borough Hall District, recently
8 approved unanimously by the Landmarks Commission
9 with the inclusion of 75 Livingston Street. On
10 December 7th, 2010, I prepared the following text
11 to the Landmarks Commission and wish to now submit
12 it to you and your Committee for your
13 consideration.

14 Though not originally from
15 Brooklyn, I have lived in Brooklyn for 31 years.
16 I received my architectural degree from Pratt in
17 1982 and have practiced architecture in New York
18 since that time. I moved to 75 Livingston Street
19 in 1983 and have been a shareholder for 23 years
20 and served several terms as a Board and Building
21 Committee member.

22 During the course of these years I
23 have had the pleasure of participating in the
24 building's improvement and restoration as a
25 notable, handsome structure. I have also been

2 gratified to witness the changes in this, my
3 neighborhood. The coming to life of vacant
4 commercial properties, revitalization of store
5 fronts along Court and neighboring streets, the
6 replacement of an X-rated theater with a thriving
7 multiplex, and the construction of several major
8 mixed use buildings in place of empty lots and a
9 derelict municipal parking garage.

10 The proposed Borough Hall
11 Skyscraper District with the splendid Greek
12 Revival Borough Hall on North Plaza as its focus
13 are both figuratively and literally the urban
14 center of the Borough. It is the primary civic,
15 business, and transportation focus of the Borough.
16 The Federal and County Courts, the Borough
17 President, and the Borough Civic Agencies all
18 reside here. At the more immediate level it is
19 the focus around which the surrounding newly and
20 not so newly vibrant neighborhoods of Metro Tech,
21 Fulton, Downtown, Court Street South, and Brooklyn
22 Heights revolve. Although each of these
23 neighborhoods maintains its particular identity,
24 they all share Borough Hall and the surrounding
25 streets as a common commercial district, green

3 market, transit hub, and town square.

4 Since suffering the decline of
5 early mid-century, the ravages of urban renewal
6 and the doldrums of the 1970s, the area is now
7 well on its way to a successful return to cohesion
8 and vitality. Like so many urban areas, it has
9 enjoyed and benefited from the expansive economies
10 of the last 20th and early 21st Century. Also like
11 so many inner city districts now returning to
12 robustness it is rich with a varied, significant
13 and potentially endangered architectural context.

14 The assemblage of important, large-
15 scale, early 20th Century skyscrapers, 75
16 Livingston being the most remarkable, along Court
17 Street, each with their own exuberant and
18 historical styles, coupled with the solid
19 classical backdrop of the Municipal Building frame
20 and embrace Borough Hall, its northern plaza and
21 the Court and Montague Street corridors with
22 richness and scale benefiting the official and
23 commercial heart of Brooklyn.

24 The skyscrapers substantial
25 presence and individual architectural characters
embody a brick and mortar celebration of the

2 historic vitality of Brooklyn. And when taken as
3 a whole, play a significant role in defining the
4 singular quality of the area. Recognition of the
5 Court Street skyscrapers and the numerous smaller-
6 scale buildings for these qualities, coupled with
7 their contribution to the integrity of the greater
8 Borough Hall District will be a timely step in
9 recollecting and preserving Brooklyn's urban
10 richness and will be an important step towards
11 further supporting the present and future
12 renaissance of this unique place at the heart of
13 the Borough. Thank you in advance for your
14 thoughtful consideration and support of the
15 Skyscraper District. Phil Magnuson, AIA, Lead AP.

16 CHAIRPERSON LANDER: Thank you very
17 much. Council Member Levin, do you have any
18 questions for these--?

19 COUNCIL MEMBER LEVIN:
20 [Interposing] Just one question. And actually it
21 goes to kind of the question of I've heard from a
22 lot of folks that question the architectural
23 significance of a number of these buildings but 75
24 Livingston in particular. And it's, you know, I
25 look at it and I think it's a nice, handsome

2 building. Is there a consensus out there? I mean
3 I know it's not in the AIA book of significant... is
4 there a? What's your sense of that or what's your
5 opinion on that? Whether or not this is like a
6 truly historically significant building.

7 MS. GOLDWYN: I'm not an
8 architectural historian but I think Francis
9 Maroney [phonetic] and I think it is in the AIA
10 Guide. I could be wrong. But I think, you know,
11 the Landmarks Preservation Commission who are the
12 experts consider it architecturally significant.
13 And I think, you know, if you sort of ask an
14 ordinary citizen walking down Court Street, what's
15 the most interesting looking building, I would
16 imagine that a majority would say 75. But that's...

17 COUNCIL MEMBER LEVIN: Okay. I
18 just wanted to throw that out there.

19 CHAIRPERSON LANDER: Ms. Goldwyn I
20 just wanted to ask you, actually I meant to ask
21 this earlier, both of the Co-op and Condo
22 Association and of the LPC, do we have any sense
23 of how many co-op and condo buildings of the
24 29,000 designated buildings, how many are co-ops
25 and condos?

2 MS. GOLDMAN: I'm afraid I don't
3 have that. I know it's come up and we're going to
4 go back and take a look at that and we could get
5 that information to your office.

6 CHAIRPERSON LANDER: Okay. Thank
7 you very much all for your time and testimony and
8 for staying within the time and for sticking
9 around until now. It's very, very helpful to have
10 all the testimony. Thank you.

11 Our next panel will be Mike
12 Slattery from the Real Estate Board, Piccinich if
13 he's still here from 16 Court Street, Katie Lyon
14 from the Court Livingston Schermerhorn BID and
15 Paula Ingram also from the Court Livingston
16 Schermerhorn BID.

17 [Pause, witnesses getting settled]

18 MR. MICHAEL SLATTERY: good
19 afternoon. I'm Michael Slattery representing the
20 Real Estate Board of New York. We are here to
21 oppose the Borough Hall Skyscraper Historic
22 District. In December of 2010 we expressed our
23 opposition to this district in the New York City
24 Landmarks Preservation Commission. Within the
25 district boundaries are a number of buildings that

2 are not historically significant and that make
3 this entire designation questionable. For
4 example, 52 Court Street is described in the
5 designation report as having no style and not
6 determined architect or builder. It has been
7 significantly altered with a 2-story extension
8 with reconfigured openings added and the corners
9 replaced. It's not architecturally significant
10 and has been altered so that whatever original
11 design it had, it no longer exists. The same is
12 true of 62 Court Street which is also described as
13 style, none, and architect builder, not
14 determined. Alterations to 62 Court include new
15 store front infill, 2 added floors and the façade
16 of the upper stories have been resurfaced. 200
17 Montague Street was built in 1959, 1960, decades
18 after most of the other buildings and was
19 dramatically altered in 2006 with a new curtain
20 wall on the upper stories and a reconfigured store
21 front. There is absolutely no public purpose in
22 landmarking buildings of this nature.

23 We also objected to the district's
24 designation at the City Planning Commission on the
25 grounds that it conflicts with carefully planned

2 special Downtown Brooklyn zoning district that was
3 established by the City Council in 2001 and the
4 Downtown Brooklyn plan passed a few years later.
5 These actions were aimed at catalyzing development
6 and strengthening Downtown Brooklyn as a regional
7 business district. Some areas were meant to be
8 transitioned to the neighboring historic district,
9 not a historic district themselves.

10 As you can see from the Commission
11 report, several Commissioners agreed that the
12 designation process here is flawed. We agree with
13 the statement of Planning Commissioner Karen
14 Phillips that the zoning district maintains the
15 contextual character while continuing the
16 rejuvenation of Downtown Brooklyn.

17 On the other hand, the historic
18 district designation, we believe, will negatively
19 impact redevelopment of the area. Given the many
20 different types of renovations that might be
21 undertaken and the various LPC approvals required
22 it's unquestionable that there are extra costs
23 associated with landmark approvals and these costs
24 can be significant.

25 However it's also clear that

2 property owners and brokers who face the issue of
3 the additional months of times and added
4 uncertainly make it more difficult to bring in a
5 new retail tenant. The added costs of landmarking
6 come from the Landmark fees plus the expenses of
7 having to have designs redone over and over in
8 response to the Landmark Commission's iterative
9 and subjective review. Other losses include
10 paying rent on space while waiting for approvals
11 and landlords having to hold space waiting to see
12 if the store front design would be approved.

13 Additional expenses are incurred
14 when LPC requires certain materials that may be
15 more expensive than other replacement materials.
16 Those properties that are under-built also lose
17 out when they want to add a rooftop addition to
18 create additional rentable space and it gets
19 denied by LPC.

20 All these factors work against
21 property owners who are trying to fill their
22 vacancies and reposition their property to make a
23 greater contribution to the neighborhood and the
24 City. We believe that the City Council has the
25 ability to better integrate preservation with

2 zoning, housing and economic development and we
3 urge the Council to say no to the Borough Hall
4 Skyscraper District.

5 CHAIRPERSON LANDER: Thank you.

6 MR. SLATTERY: You're welcome.

7 : Thank you for the opportunity to
8 testify regarding the proposed Downtown Brooklyn
9 Skyscraper Historic District. My name is Carol
10 Nuzzo; I'm the Property Manager for 16 Court
11 Street, SL Green Realty, which is located inside
12 the boundaries of the proposed district.
13 Unfortunately Ed Piccinich was to speak but he had
14 to leave. He had a meeting.

15 I am here today to urge the
16 Committee to turn down the proposed district or at
17 the very least carve 16 Court Street out of the
18 proposed district. Inclusion in the district will
19 make it significantly more difficult for SL Green
20 to lease commercial, retail, and office space at
21 16 Court Street in the midst of an already
22 difficult economic climate.

23 SL brings a unique perspective to
24 the table as one of the largest owners of
25 commercial properties, both landmarked and non-

2 landmarked buildings. In the City we are very
3 proud of our entire portfolio. We own many
4 properties throughout New York, predominantly in
5 Manhattan and decided to invest in Brooklyn as
6 part of a long term strategy to expand our
7 presence, particularly in Downtown Brooklyn.

8 We've invested nearly \$15 million
9 at 16 Court Street since our acquisition in 2007
10 in anticipation of securing rents averaging \$40
11 per square foot. Unfortunately due to the
12 economic climate, rents are averaging at \$25 per
13 square foot and the building is nearly 13% vacant
14 with a potential vacancy rate of 43.8% for next
15 year, whereas the rest of our portfolio averages
16 3.5% vacancy rates and significantly higher rents
17 per square foot. Meanwhile on Court Street alone
18 there is a 17% vacancy rate.

19 When you consider these statistics
20 you realize that this strip can't bear the
21 additional costs associated with landmarking.
22 Upon reviewing our investments at 16 Court Street
23 and analyzing what the costs of those projects
24 would have been if the building was in a historic
25 district at the time, we found premiums associated

2 with the historic district status totaling more
3 than \$1 million or 30% higher.

4 For example the \$3.5 million we
5 invested in our Local Law 11 work, lobby
6 renovation and window replacement would have cost
7 \$4.54 million, a premium of \$1.4 million if we
8 were under the jurisdiction of Landmarks. Our 10-
9 year capital plan for the building calls for
10 additional work. The premium costs if the
11 building is included in the district will be \$3.2
12 million more, making it 65% higher than the cost
13 for the same work if the building is carved out.

14 We are committed to repairing and
15 maintaining this building to the highest standards
16 but simply cannot incur the premiums associated
17 with inclusion in the district on top of reduced
18 profits from leases and high vacancy rates. It is
19 challenging enough in these times to convince
20 tenants to lease space. For the Council to
21 exacerbate these costs and make it more expensive
22 would be devastating in this economic climate.

23 Additionally this historic district
24 would severely impact the ability to maximize the
25 value to retail properties in the district by

2 creating the inability to maximize the glass store
3 fronts which are a requirement of high end
4 retailers as we know from our portfolios in
5 Manhattan and therefore limits our interest in
6 purchasing retail properties in the proposed
7 district.

8 I urge the Committee to turn down
9 this proposed historic district or at the very
10 least carve 16 Court Street out of the district's
11 boundaries and give us incentives to continue to
12 invest in Brooklyn's future. Thank you for your
13 time and consideration.

14 CHAIRPERSON LANDER: Thank you.

15 MS. PAULA INGRAM: Good afternoon.
16 Thank you for hearing our testimony. My name is
17 Paula Ingram. I've been a residential and
18 commercial broker for over 35 years and have owned
19 dozens of buildings in the landmarked and non-
20 landmarked areas. I've renovated and sold dozens
21 of buildings over these 35 years.

22 It is a myth that landmark brings
23 more value to properties. It is location,
24 location, location. It is schools and subways and
25 transportation. I just completed a survey among

3 numerous brokerages in Downtown Brooklyn including
4 Boerum Hill and Carroll Gardens and Brooklyn
5 Heights. And they all concur that it is location
6 that makes the value. And many people prefer
7 buying in non-landmarked areas because of the
8 additional costs. If you compare apples to apples
9 as I have done when I spoke to these brokers, they
10 all concur the same.

11 I also am representing the Court
12 Livingston Street BID. I initiated this BID years
13 ago with Pam Lehman from my building at 75
14 Livingston. I also live there also. And we
15 decided that we had to take hold of our community
16 and we created this Business Improvement District.
17 I am on the Executive Board.

18 The improvement district in the
19 area is in Downtown Brooklyn as you know. It's
20 bounded by Court Street on the west, Flatbush
21 Avenue on the east, Atlantic Avenue and
22 Schermerhorn Street on the south and finally
23 Joralemon Street and Livingston Street on the
24 north. It contains roughly 68 block faces, 180
25 properties and 150 retail businesses.

Of the 20 properties or 21

3 properties included in the proposed Borough Hall
4 Skyscraper District, 6 are located in the CLS BID.
5 Two properties located out of the CLS BID are
6 owned by CLS BID members. The overwhelming
7 majority of the CLS BID's Board of Directors,
8 representatives of the district's property owners,
9 commercial tenants and residents wish to express
10 their opposition to the proposed historic
11 district. I'm very sorry that Mona Gorham who
12 owns 32 Court had to leave because her tenant, the
13 retail tenant, was delayed for six months. He
14 lost his free rent period and she will submit
15 something to you.

16 A limited architectural historic
17 merit: many of the proposed buildings clearly are
18 of limited architectural historic merit. I don't
19 have to reiterate what everyone has said. And
20 they should be excluded.

21 Potential negative impact on
22 economic development: the CLS BID is concerned
23 that historic district designation impedes
24 economic growth on Court Street, a critical
25 commercial corridor. Businesses looking to move
into the commercial corridor will be deterred by

3 the added costs and requirements of doing business
4 in a historic district. I own a commercial real
5 estate company. I do the leasing in these
6 buildings and an additional \$2.75 on top of what
7 they are now paying will exclude a lot of small
8 businesses. Thank you.

9 CHAIRPERSON LANDER: Thank you.

10 MS. KATIE LYON: Good afternoon.
11 My name is Katie Lyon. And along with Paula
12 Ingram I represent the Court Livingston
13 Schermerhorn BID which includes Court Street
14 between Joralemon and Atlantic. As Paula stated
15 the overwhelming majority of our Board of
16 Directors who are the property owners, the
17 commercial tenants, and the residents in this area
18 wish to express their opposition for the following
19 reasons.

20 First, many of the proposed
21 buildings clearly are of limited architectural and
22 historic merit. As we've heard over and over
23 again a number of the buildings have no historic
24 façade elements whatsoever.

25 Second and we think more important,
the BID is concerned that historic designation

3 will impede economic growth on Court Street.

4 Again this is a critical commercial corridor that
5 is undergoing a major transformation right now.

6 In terms of the office market,
7 Downtown Brooklyn has been a value-oriented
8 market. We compete directly with Jersey City,
9 Stamford, and White Plains for companies that are
10 looking to reduce their operating costs. As it
11 stands now, according to a Cushman and Wakefield
12 the Downtown Brooklyn area has a total office
13 vacancy rate of 9.6%. At this time we're
14 concerned that the added costs and requirements
15 for doing business related to historic designation
16 will only facilitate the loss of jobs along this
17 commercial corridor.

18 In terms of retail for the first
19 time in decades Downtown Brooklyn is seeing
20 significant interest by both local and national
21 retailers. For example on Schermerhorn Street we
22 now have a 3-star Michelin restaurant at the
23 Chef's Table at Brooklyn Fair. On Fulton Street,
24 Shake Shack is opening on Monday. H & M and
25 Express are all opening new stores. On Court
Street, as you know, the City is selling the first

3 two floors of the Brooklyn Municipal Building to a
4 developer specifically to activate this
5 underutilized corner with retail.

6 This project has the power to
7 dramatically change the retail environment on
8 Court Street by connecting the pedestrian
9 experience from Fulton Street to Atlantic Avenue
10 for the first time. And we are concerned that the
11 proposed district will only stifle the momentum
12 that has finally spread to Court Street.

13 Importantly we have heard concerns
14 from a number of existing retailers on Court
15 Street that the added cost, time and scrutiny will
16 make it difficult to make needed upgrades to their
17 store fronts. We are also mindful that 75
18 Livingston, a complex residential building, is
19 within the proposed district. It is apparent that
20 historic designation will place a burden on the
21 building's shareholders and will impose real
22 hardships on many of the residents.

23 For these reasons the CLS BID
24 believes that historic district designation for
25 Court Street is misguided and damaging to the
future economic success of this area. Thank you.

2 CHAIRPERSON LANDER: Thank you very
3 much for your testimony. Ma'am, I apologize
4 'cause you're not who was signed up. Can you
5 just, from 16 Court, can you tell me your name?

6 MS. NUZZO: My name is Carol. Last
7 name is Nuzzo.

8 CHAIRPERSON LANDER: Okay.

9 MS. NUZZO: N-U-Z-Z-O.

10 CHAIRPERSON LANDER: Great. Thank
11 you. So I wanted to ask a couple of questions of
12 you. First, the numbers that you gave in your
13 testimony were dramatically higher than anything
14 else we've heard this morning. We heard 5%. We
15 heard 10%. So I wonder if you could provide us
16 some additional data or evidence or description of
17 why you think it would be, I guess I heard a
18 number of basically 25%, an extra \$1 million, and
19 then 65%.

20 MS. NUZZO: We have a construction-
21 -

22 CHAIRPERSON LANDER: [Interposing]
23 What are the--?

24 MS. NUZZO: --we have a
25 construction department in the City at 420

2 Lexington which is our headquarter building. And
3 they did some research. They actually went online
4 to Landmarks Preservation and using their
5 guidelines came up with the numbers.

6 CHAIRPERSON LANDER: Can you
7 provide us with that analysis--

8 MS. NUZZO: [Interposing] I can--

9 CHAIRPERSON LANDER: --with is it
10 based on material--

11 MS. NUZZO: [Interposing] I don't
12 have it with me but yes, it's based on materials
13 and I guess... other.

14 CHAIRPERSON LANDER: I have to tell
15 you. I find it--anyway I look forward to
16 receiving that--

17 MS. NUZZO: [Interposing] I can get
18 that for you.

19 CHAIRPERSON LANDER: --I mean I
20 think the conversation we're having about--and I
21 am committed to the conversation we discussed
22 moving forward about really trying to understand
23 costs. And part of it is because we can't
24 possibly do our job when some people are saying
25 zero, some people are saying 5%, some people are

2 saying 10% and some people are saying 65%.

3 MS. NUZZO: Correct.

4 CHAIRPERSON LANDER: But especially
5 saying it without providing us anything isn't--

6 MS. NUZZO: [Interposing] I may
7 have something in the packet here that Ed left me
8 so I will look--

9 CHAIRPERSON LANDER: --helpful to
10 our process so. Okay. So if you have it, if not,
11 we do have some time. As I said, we're not voting
12 today. And I'd be glad to--

13 MS. NUZZO: [Interposing] Not a
14 problem.

15 CHAIRPERSON LANDER: --understand
16 where that comes from. And then I guess the other
17 question I have about 16 Court is, you know, I
18 understand the argument that we shouldn't do the
19 district in its entirety but I guess I would like
20 to understand better the argument if we do the
21 district anyway, why 16 Court Street in particular
22 would be exempted or excluded as you separately
23 asked. So help me understand the argument for a
24 one building exclusion of 16 Court Street.

25 MS. NUZZO: Okay.

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3 CHAIRPERSON LANDER: Separate from
4 the arguments that we should reject the entire
5 district which I think I understand.

6 MS. NUZZO: Okay. Well in Ed's
7 notes here that he left, he's saying that 26 Court
8 Street which is the building adjacent to us has
9 the exact same, identical, architectural structure
10 which is neo-Romanesque. They were built at the
11 same time using the same predominant materials,
12 brick and limestone and are of similar height.
13 They are 30 stories. We are 36 stories. And he's
14 saying contrary to the expressed goal of the
15 designation report, these two buildings are
16 duplicative and it's therefore unnecessary to
17 designate both especially in the light of the
18 significant economic costs that were noted
19 earlier. 16 Court Street is on the northeast
20 periphery of the proposed district making it the
21 logical duplicate to be removed.

22 CHAIRPERSON LANDER: Okay. So the
23 argument is those two buildings are worthy but we
24 only need to keep one of them.

25 MS. NUZZO: Correct.

CHAIRPERSON LANDER: Okay. All

3 right. Let's see whether someone from 26 Court
4 Street signs up to say we should keep 16 and
5 demolish 26. I don't know--

6 MS. NUZZO: Mr. Z says he's getting
7 \$50 a square foot rent so if he is, God bless him.

8 CHAIRPERSON LANDER: He's in a
9 different real estate market evidently, right next
10 door.

11 MS. NUZZO: Apparently right next
12 door so I don't know how that's happening and he's
13 100% filled but some of my tenants end up there so
14 I don't know. I'm just saying.

15 CHAIRPERSON LANDER: Okay. And
16 then Mr. Slattery I guess I would just like to ask
17 you sort of a similar question I asked before
18 about this district in particular. Generally when
19 the Real Estate Board has been here before it's
20 been saying we shouldn't designate. And I think I
21 sense a general point of view from REBNY that we
22 shouldn't be designating in commercial districts.
23 But I guess I want to understand. Is there
24 something specific to this district as opposed to
25 a broader objection to the burdens placed--and
again this just goes to what our powers are, we're

3 reviewing one district as opposed to a broader
4 question about...?

5 MR. SLATTERY: We have concerns, a
6 number of concerns, one, with this district and
7 with the actions of the Commission in general.
8 Here, there are many buildings which we believe do
9 not, on their face, merit designation. We tried
10 to identify some of those already. Some of the
11 others that are thought to be noteworthy in terms
12 of office buildings, I think, are as we pointed
13 out, somewhat repetitive and all we are doing are
14 designating more of the same buildings that are
15 maybe duplicative. And it's a question of are we
16 designating buildings that really are creative and
17 original and unique and then we get a copy. If we
18 were buying paintings we wouldn't take a copy of a
19 Rembrandt and treat it the same way we would treat
20 a Rembrandt. And I think that's a little bit of
21 what's going on here. We've got buildings in
22 Downtown Brooklyn which are really duplicative of
23 types of buildings that can be found in other
24 places. And even as I was told today and there
25 may be some testimony that will be submitted, even
75 Livingston is a kind of duplicative building

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3 that of which there are better types. Again we're
4 not the architectural historians, that's not our
5 expertise, but the concern is with the standards.
6 And we're hearing these kinds of standards from
7 people who do know this. But also this is a
8 neighborhood which was deemed to be a transitional
9 neighborhood and to place burdens on this
10 neighborhood which are trying to develop Downtown
11 Brooklyn seem to me to be unnecessary and contrary
12 to a larger City planning goal of trying to
13 revitalize Downtown Brooklyn. And the concern
14 that we do have is with the designation process
15 being in some ways isolated and independent from
16 all planning concerns. That was a point that was
17 raised with the Planning Commission. And the
18 Planning Commission in this particular case and
19 somewhat without precedent testified and submitted
20 dissenting opinions about the nature of their
21 review process, about the impediment or impact on
22 planning on the City of New York, and that this is
23 a system that seems to be flawed and needs to be
24 corrected. So we're here partly to talk about
25 this individual process but we're also questioning
the whole process of landmarking and that it's

2 outside the planning process and we think it
3 should be brought in.

4 CHAIRPERSON LANDER: Okay. Thank
5 you. And I mean, again, as I reflected on
6 earlier, I think there is a set of specific issues
7 before us that we have to figure out on a time
8 period for Downtown Brooklyn and that there is a
9 broader set of issues that I think we should also
10 continue to have a dialog--

11 MR. SLATTERY: [Interposing] And I
12 know you've raised them and they're worthy to be
13 pursued. And I would say just, you know, in terms
14 of the landmarking, I know we had, you know, some
15 of our retail brokers come in who have concerns
16 specifically about retail which seems to be a
17 predominant concern. From the standpoint view,
18 they are more than cooperative. They want to come
19 in. They want to help. They actually came up and
20 talked to us and talked to our brokers. But the
21 fundamental issue on the retail, for example, is
22 who's going to bear the costs for landmark
23 approval. I'm the owner or the landlord says, you
24 know, you can lease this space but you have to get
25 landmark approval. And they're saying well why do

2 I want to pay for this when I don't, you know, I
3 don't know if I can get the approval, what's it
4 going to cost me. You get it, you're the
5 landlord. And the landlord's concern is, well,
6 I'm not, you know, I'm getting no rent for this
7 space. If I get the approval then I still don't
8 have a deal. So besides the issue of cost and
9 timing, there are fundamental elements to the
10 process that impede normal business transactions.

11 CHAIRPERSON LANDER: And did you
12 hear--

13 MR. SLATTERY: [Interposing] And
14 there's factors to that and there are cost factors
15 to that.

16 CHAIRPERSON LANDER: And did you
17 hear what LPC had to say about those districts
18 that have a set of store front rules and having a
19 perspective on whether that makes a difference on
20 these issues of whether commercial tenants or
21 commercial landlords can--

22 MR. SLATTERY: [Interposing] Two
23 things--

24 CHAIRPERSON LANDER: --focus in
25 more quickly?

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2 MR. SLATTERY: --store front rules

3 do seem to make a difference. But they need to be
4 specific. Store front rules for SoHo are not
5 going to be the same store front rules for the
6 Upper East Side or for Downtown Brooklyn. So
7 general store front rules don't get you far
8 enough. And a part of that conversation with our
9 retail brokers and Landmarks was simply that
10 question of what do we have to provide you with in
11 order to get signoff. And I understand where
12 they're coming from. They say, well, just a
13 drawing isn't enough. We need to look at
14 materials. We need to look at the quality of the
15 materials. So there's an element of information
16 that is required that goes well beyond what you
17 would have to provide to the Buildings Department
18 to get a signoff. And those are the kinds of
19 developments that need to be factored in and do
20 cost money both in terms of time, preparation of
21 documents, and staff time to do that. And how
22 long--and the cost of money while you're waiting
23 for that process. I think it needs to be looked
24 at comprehensively so in some ways I'm not
25 surprised at the numbers, the 65% is a large

2 number, but in some projects that could be the
3 case depending upon the subject or the nature of
4 the review and how long it takes you.

5 CHAIRPERSON LANDER: Thank you.

6 COUNCIL MEMBER LEVIN: Sorry, I
7 just have one question for Ms. Nuzzo.

8 MS. NUZZO: I have a spreadsheet by
9 the way. So I will--

10 CHAIRPERSON LANDER: [Interposing]
11 Great. I think if we can..

12 MS. NUZZO: Absolutely.

13 CHAIRPERSON LANDER: If we can get
14 that we'll make copies, thank you.

15 MR. SLATTERY: You want it right
16 now?

17 CHAIRPERSON LANDER: That would be
18 great. Thank you.

19 COUNCIL MEMBER LEVIN: My question
20 is does SL Green, I mean currently there's
21 obviously buildings within landmarked districts in
22 SL Green's portfolio that have retail. I mean has
23 it been the experience of SL Green that you've
24 lost tenants; you've had space, retail space,
25 unrented for long stretches of time due to

2 landmarking? Has it been or do you have real
3 experience in landmark designation being
4 burdensome on commercial properties and buildings
5 that you own?

6 MS. NUZZO: We do have three
7 buildings that are landmarked within our
8 portfolio. It's 110 East 42nd Street, 220 East 42nd
9 Street, the old Daily News Building, and I believe
10 it's 1552 Broadway. Specifically I cannot give
11 you specifics on it because I just manage 16 Court
12 Street. Mr. Piccinich, unfortunately, probably
13 could have given you a better hands-on the
14 situation. I can't speak to that.

15 COUNCIL MEMBER LEVIN: Thank you.
16 Thank you.

17 CHAIRPERSON LANDER: I'm sorry that
18 this has taken--

19 MS. NUZZO: [Interposing] That's
20 okay.

21 CHAIRPERSON LANDER: --so long that
22 we can't have him here. Thank you very much for
23 all of your time and for your testimony. The next
24 panel is Lisa Kersavage from the Municipal Arts
25 Society, Simeon Bankoff from the Historic

2 Districts Council, Doreen Gallo from the DUMBO
3 Neighborhood Alliance and Otis Pearsall from
4 Brooklyn Heights.

5 [Pause, witnesses getting settled]

6 CHAIRPERSON LANDER: Thanks to all
7 of you for being here. Go ahead, you can start.
8 Yeah. Sure.

9 MS. LISA KERSAVAGE: Well thank you
10 very much for the opportunity to speak. My name
11 is Lisa Kersavage. I'm the Senior Director of
12 Preservation and Sustainability at the Municipal
13 Arts Society. And I'm pleased to be here today to
14 convey MAS' strong support for the designation of
15 the proposed Borough Hall Skyscraper Historic
16 District, which along with the Brooklyn Heights
17 Association and the New York Landmarks
18 Conservancy, we proposed in 2006.

19 Designation as a district will
20 ensure the protection of this exceptional
21 concentration of commercial architecture and help
22 guide it through vitalization as a dynamic mix of
23 residential and commercial uses. Brooklyn's
24 financial sector experienced unprecedented growth
25 after the five Boroughs were consolidated into

2 Greater New York in 1989. Spanning nearly a
3 century of rich, high style commercial
4 architecture, the proposed historic district forms
5 a cohesive group of late 19th and 20th Century
6 commercial structures from Romanesque to Gothic
7 Revivals as seen in the Montague Court Building
8 and the Central Building to International Modern
9 as seen in Lafayette National Bank. Each building
10 included in the proposed district survives as an
11 intact reminder of the important development and
12 distinct identify of Downtown Brooklyn's central
13 business district.

14 The proposed district will
15 recognize the importance of Brooklyn's
16 contribution to New York City's commercial
17 development and history. While arguments are
18 commonly made that historic district designation
19 will impede a neighborhood's economic development,
20 over 45 years of historic district designation and
21 LPC oversight has proven otherwise. Not only does
22 historic designation not stymie economic
23 development, it often is a lynchpin for a
24 neighborhood's revitalization.

25 For instance when Ladies Mile

2 Historic District was designated in 1989 the area
3 was practically no-man's land, forgotten former
4 department stores and commercial buildings. Today
5 it's one of the City's most vibrant shopping and
6 commercial districts in the City, garnering high
7 rents. The creation of the historic district
8 helped to make Ladies Mile what it is today.

9 We understand there are concerns
10 about the effect the designation will have on
11 residents within the proposed district. Many New
12 York City historic districts including the Upper
13 West and Upper East Side districts and even part
14 of Park Slope contain large residential condo, co-
15 op and rental buildings. They have remained
16 financially stable and desirable after
17 designation.

18 In these districts and many others
19 the LPC's regulations have proven to be flexible
20 and reasonable, ensuring the preservation of
21 buildings, defining features while allowing it to
22 be adapted to modern needs. The City has made
23 serious investments in revitalization and
24 rejuvenation of this part of Brooklyn, from the
25 Downtown Brooklyn rezoning to the creation of the

2 Brooklyn Bridge Park. Preservation of the
3 buildings in the Borough Hall Skyscraper District
4 is an important part of these planning efforts and
5 will help foster Brooklyn's continued renaissance.

6 MAS strongly believes that the
7 buildings in the district merit protection under
8 the landmarks law and that the LPC has correctly
9 drawn the boundaries which has been borne out in
10 the rigorous review of this district. We urge the
11 Council to uphold the agency's designation and
12 approve the district with the boundaries put
13 forward by the LPC. Thank you.

14 MR. SIMEON BANKOFF: Good
15 afternoon. I'm Simeon Bankoff. I'm with the
16 Historic Districts Council. HDC is the citywide
17 advocate for New York's historic neighborhoods.
18 We're here in support of the Landmarks
19 Preservation Commission's designation of the
20 Borough Hall Skyscraper Historic District in
21 Brooklyn; although in truth we're not completely
22 pleased with the boundaries being considered
23 today. We would prefer the designation to
24 encompass the other side of Montague Street and
25 take in the remarkable commercial buildings there.

3 And we testified to that extent at the LPC
4 hearing.

5 The Council has had an extensive
6 presentation on the significance of the district
7 and the reasons the Landmarks Commission felt that
8 recognizing and protecting that significance for
9 future New Yorkers through an act of municipal
10 designation was appropriate. Suffice it to say
11 that we agree with their findings.

12 I will now address what I see is
13 the main issue that is now before this body:
14 whether or not it would be deleterious to the
15 building owners in the district to designate it.
16 Based on HDC's observation and experience working
17 with landmarked property throughout New York City,
18 we would say, insofar as you can predict the
19 future, that landmark status will not drag these
20 buildings into receivership or foreclosure and
21 instead act to benefit them in the long term as
22 stated by its purpose in the landmarks law.

23 Against the concern that this
24 designation is meaningless because these buildings
25 are completely safe from demolition, I would
assert that the primary purpose of landmarking is

2 not and should not be only to protect those
3 buildings that are under threat of demolition.
4 There are literally dozens of landmarked
5 structured which, barring disaster, are never
6 going to be demolished but that doesn't mean they
7 shouldn't be designated. In fact that argument
8 only supports the false and shortsighted NIMBY
9 theory of preservation and does no service to
10 anyone.

11 Furthermore just as we cannot
12 unfailingly predict the future for economic costs,
13 we also do not know everything that might happen
14 in the course of time. HDC is currently working
15 with tenants in a 35-unit, fully occupied, co-op
16 building in the calendared West End Historic
17 District whose board is seriously considering
18 selling the building for redevelopment. These are
19 people who are concerned about losing their homes
20 which they own because their building, which is
21 under consideration for landmark status, may be
22 demolished and this is on West End Avenue in the
23 70's. It could happen anywhere.

24 There is concern that landmark
25 regulations will incur unreasonable costs, remove

3 people from their homes and lower property values.
4 Again we cannot see the future but we have seen
5 the past and this has not happened. The Jackson
6 Heights Historic District is largely co-op
7 buildings and middle income. Since their
8 designation in 1993 the buildings have only
9 prospered, sales and rental statistics shows that
10 units in landmarked properties routinely
11 outperform the same size units in similar
12 unprotected properties. My mother has lived in a
13 landmarked co-op building in Brooklyn since 1993
14 when she paid \$130,000. Apartments the same size
15 in her building now go for \$800,000 on average. A
16 few years ago her building underwent a
17 multimillion dollar waterproofing façade
18 restoration which went through Landmarks.
19 Although no one was forced out of the apartment
20 because of assessment increases that year which
21 was while onerous instituted to pay for necessary
22 work on the building.

23 When you own a landmarked property
24 you actually have the added benefit of having
25 outside expert historic building consultants, i.e.
the Landmark staff, on your side to help you

3 understand what the building actually needs rather
4 than having to take your contractor's word for it.
5 That strikes me as an advantage.

6 MS. DOREEN GALLO: You want to go
7 first? Hi. I'm Doreen Gallo, Executive Director
8 of the DUMBO Neighborhood Alliance. And I led the
9 landmarking campaign for DUMBO's Historic
10 District. And I'm honored to be with all these
11 people that without we wouldn't have been
12 designated. And it took ten years. And we lost
13 half of our historic resources in the process.

14 On behalf of the DUMBO Neighborhood
15 Alliance I urge the Council to support the
16 designation of the Borough Hall Skyscraper
17 Historic District with no exception. The
18 collection of buildings in the Borough's 26th
19 Historic District is architecturally significant
20 and represents a unique clutch of important
21 skyscrapers in Brooklyn. These buildings
22 interplay with the adjacent Brooklyn Heights
23 Historic District, New York City's first historic
24 district and known throughout the United States as
25 America's first suburb in terms of height and
scale. Hence Downtown Brooklyn became the first

3 local business district of great importance
4 outside of Manhattan.

5 The owners of 74 Livingston Street,
6 a building worthy of individual landmark status,
7 have been such great stewards of their building.
8 They have been doing landmark quality restoration
9 of the exterior, that the building's inclusion in
10 the district is a non-issue. Because of their
11 stewardship they know what the costs involved with
12 preservation maintenance are. The historic
13 district will protect their investment and ensure
14 that in the future their building will be
15 preserved.

16 The Landmarks Preservation
17 Commission confirmed the inclusion of 75
18 Livingston Street, one of the most significant
19 buildings in the district. Please believe me when
20 I tell you that every building should want to be
21 in the district. The residents in 75 Livingston
22 should be urging LPC to extend the historic
23 district boundaries. I would be happy to take you
24 on a walking tour of DUMBO, Fulton Ferry, and
25 Vinegar Hill and show you blatant examples of what
can happen to your neighborhood without landmark

2 protection through zoning and public authority.

3 As a neighboring historic district,
4 the DUMBO Neighborhood Alliance welcomes the
5 addition of another protected neighborhood in
6 close proximity to DUMBO.

7 CHAIRPERSON LANDER: Thanks so
8 much. Mr. Pearsall before you testify, I just
9 want to thank you for being here today and for
10 your work and leadership in Brooklyn Heights and
11 in preservation in general--

12 MR. OTIS PEARSALL: [Interposing]
13 Well thank you so much. I appreciate that. So
14 good afternoon Chairman Lander and Council Member
15 Levin. My name is Otis Pearsall. And as leader
16 of the Brooklyn Heights community 7-year campaign
17 starting in the fall of 1958 to achieve in 1965
18 both the landmarks law and designation of the
19 Heights as the City's first historic district, I'm
20 now here to support completion of this
21 preservation work through your approval of the
22 Borough Hall Skyscraper Historic District.

23 To help fill in the entire picture,
24 I'd like to explain just how the segmentation of
25 the Brooklyn Heights preservation story between

2 its residential area encompassed by the 1965
3 historic district and its commercial edge
4 encompassed by the Borough Hall Skyscraper
5 Historic District came about. To begin with, one
6 must remember that when we were getting started in
7 1958 not only was there no landmarks law but there
8 was nothing that might be characterized as a
9 preservation community. So when we approached
10 James Fulton [phonetic], the City Planning
11 Commission, intent as they were on redoing the
12 zoning resolution, it was very much a matter of
13 real life David and Goliath.

14 No one, of course, in this City had
15 attempted a historic district. And while we fully
16 recognized it would be a heavy lift, we had no way
17 of anticipating just how heavy it might actually
18 prove. And so as we sought to delineate a
19 possible district we were at pains to narrow our
20 profile as much as possible against the opposition
21 we knew enough to expect. So at the top of the
22 list we deleted Robert Moses' proposed Cadman
23 Plaza Title I Redevelopment Project. While we
24 were prepared to contest elements of the Moses
25 scheme, we felt that realistically preservation of

2 the many fine buildings on his target site was an
3 issue that had long since left the station.

4 And we felt the same way about the
5 Brooklyn Savings Bank block on which Borough
6 President Cashmore had set his redevelopment
7 sights. But while we believed that the grand
8 historic skyscrapers of Brooklyn's commercial
9 heart along our eastern edge should and could be
10 preserved, we concluded, rightly or wrongly, that
11 in prudence that had to be deferred.

12 Ignorant of any actual facts, we
13 imagined that control of these major buildings
14 would be powerfully connected interests, perhaps
15 in a position to sink our entire fledgling
16 enterprise. Later when we detailed our eastern
17 boundary rationale to the Landmark Commission's
18 first Executive Director Jim Vanderpool [phonetic]
19 and his first Chairman Jeffrey Platte, they agreed
20 that our strategy to defer appeared to make sense.
21 But that agreement was by no means universal. At
22 the November 17, '65 designation hearing, a
23 Brooklyn Heights neighbor, Norville White, later
24 to become editor of the AIA Guide harshly
25 criticized omission of the commercial edge now

2 encompassed by the new district. And he was not
3 alone.

4 Our designation came just days
5 later on November 23, '65 and we were very much of
6 the view that when the dust settled, we should
7 circle back and seek the designation of what
8 essentially is before you today, including of
9 course the very important buildings in the block
10 north of Montague Street. But the time-consuming
11 efforts working with City Planning..

12 I'll read you my last paragraph.
13 I've given you my written statement. The LPC has
14 painstakingly researched and documented
15 designation report, impressively and in my
16 opinion, more than amply supports the new district
17 inclusive of its signature Chamber of Commerce
18 Building at 75 Livingston. Very simply, we are
19 dealing here with no less than the centerpiece of
20 Brooklyn's architectural and commercial heritage.
21 I urge you to vindicate the public interest in
22 preserving this legacy.

23 COMMITTEE STAFFER: Thanks very
24 much to all of you. Council Member Levin, you
25 have questions for this panel?

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2 COUNCIL MEMBER LEVIN: So excuse my
3 ignorance but is there any portion of this
4 proposed district that is directly adjacent to the
5 existing Brooklyn Heights District--

6 MR. PEARSALL: [Interposing] Yes.
7 Yes. I can't tell you exactly where it coincides
8 but it does coincide. There are some gaps.

9 COUNCIL MEMBER LEVIN: Mm-hmm.

10 MR. PEARSALL: We actually proposed
11 continuity.

12 COUNCIL MEMBER LEVIN: Mm-hmm.

13 MR. PEARSALL: But the Landmarks
14 Commission looked at some of the marginal
15 buildings and concluded that a more constrained
16 district would be more valid.

17 MR. BANKOFF: If you look in the
18 designation report--

19 COUNCIL MEMBER LEVIN:

20 [Interposing] Oh, I'm sorry.

21 MR. BANKOFF: --the blue line is
22 the existing--

23 COUNCIL MEMBER LEVIN:

24 [Interposing] I see.

25 MR. BANKOFF: --Borough, Brooklyn

3 Heights Historic District.

4 MR. PEARSALL: Yeah.

5 MR. BANKOFF: What we red-lined is
6 the new proposed district.

7 MR. PEARSALL: We touch at
8 Joralemon Street.

9 COUNCIL MEMBER LEVIN: Got it.
10 Okay. Thank you very much, I appreciate it. Mr.
11 Chairman.

12 CHAIRPERSON LANDER: Thank you very
13 much for sticking around and again to all of you
14 for your work, your time, and your testimony. All
15 right. We have now, I think, what are... we've got
16 three, four, five, six people left to testify. If
17 they're still here so thank you. So on the next
18 panel, I'll ask Arthur Goldstein, Robert Oiner--

19 MR. ROBERT OLIVER: [Interposing]
20 Oliver.

21 CHAIRPERSON LANDER: Oliver, excuse
22 me. And I'm even going to mess this one up even
23 worse, Lori Raphael? It's just Rafael, from the
24 Brooklyn Chamber. The panel after that will be
25 Bob Furman. And then the final panel to close
this out are Barbara Zoeller Gringer and Jordan

3 Barowitz.

4 [Pause, witnesses getting settled]

5 CHAIRPERSON LANDER: Go ahead, yes.

6 MR. ARTHUR GOLDSTEIN: Thank you.

7 My name is Arthur Goldstein, a partner at the law
8 firm of Davidoff, Malito and Hutcher. I'm here
9 representing the owner of four buildings. I'm
10 here with the Vice President, Robert Oliver, who
11 will have separate comments.

12 The four buildings are 44 and 50
13 Court Street, 186 Joralemon and 186 Remsen. Three
14 of the four are buildings, their windows have
15 already been changed, their ground floor has been
16 redone or remodeled, if you will.

17 We strongly agree with the comments
18 made by REBNY and several others. You know, 75
19 Livingston and 16 Court Street. We oppose the
20 district. 186 Remsen has a unique problem. It's
21 5 stories, structurally unsound. Staff is passing
22 around some pictures momentarily which I'll need
23 back but I'll get several copies, color copies, to
24 everyone on the Committee and Council staff.

25 The building has been vacant for
ten years. It is structurally unsound. There is

2 also a memo in there from an engineer/architect.
3 He has both licenses. He's put together a budget
4 to rehab the building. His typing says \$4.5
5 million but I modified it ever so slightly and
6 I'll have him do it, he did not add the "if"
7 scenario, if it's landmarked. So just based on
8 some of the things I heard today, it sounds like
9 for a \$4.5 million project, you might have to add
10 about \$250,000. He's going to do the exact number
11 with any other added costs.

12 Even at \$4.5 million for a
13 building, as you'll see from the pictures, every
14 floor has structural problems that you can
15 basically see from an engineering perspective
16 through the holes. What the memo doesn't tell
17 you, because I pushed him on this, until they take
18 down walls you don't know if it's even worse. But
19 even at \$4.5 million or \$4.75 with the added fees,
20 you can't earn money on this building. You can't
21 do it. He had applied for a demolition permit as
22 was mentioned early in the hearing. He wants to
23 demolish it and put a new building there and take
24 advantage of a little air rights that he has.

25 At \$4.5 million plus, he can't do

2 it. From a construction perspective, no one can
3 guarantee that he could even protect the façade
4 that has cracks in it already. So there's no
5 guarantee that he could do it. It's too costly.
6 And so what we're going to end up, if it gets
7 landmarked and not carved out, is a vacant
8 building for umpteen more years because you can't
9 afford to do anything with it, versus, building a
10 new building, possibly building a little higher,
11 and having an economically viable building.

12 I'm just working off notes here.
13 Wow. All right, let Robert go and I'll see if he
14 has any time that I could make two more comments.

15 MR. ROBERT OLIVER: Good afternoon.
16 I'm Robert Oliver. I'm the Senior Vice President
17 at Joseph P. Day Realty Corp. I have been since
18 about 1980; I've been representing the owners of
19 50 Court, 44 Court, 186 Joralemon and 186 Remsen,
20 since that time continuously.

21 All these buildings share very
22 similar issues and as Arthur mentioned, 186 Remsen
23 in particular has even great issues. And under
24 this landmarking will not be allowed to build
25 itself up the way St. Francis College did right

2 next door. So let me go on to some of the things
3 at 50 and 44 and 186 Joralemon in addition to 186
4 Remsen.

5 The City of New York took 4 floors
6 and moved out of 44 Court Street about 10 years
7 ago. Neither the City of New York, the State of
8 New York, nor the Federal government will move
9 into any of those buildings because they don't
10 meet modern day requirements. Neither of those,
11 any of those buildings, none of them, are ADA
12 compliant nor will they be unless you take the
13 elevator shafts out and put brand new elevator
14 shafts in which I don't think you can do unless
15 you significantly take the building down to its
16 structural steel though I'm not an engineer.

17 The next thing is the security that
18 you have afforded to yourselves here cannot be
19 afforded to you if you decide to move any City
20 agencies into any of those buildings because there
21 is no freight entrance. So freight has to come
22 through the lobby. Therefore you cannot put the
23 Magnetron, the scanner, and all of the barricades
24 that you have, the turnstiles, because you'd have
25 to take them out into the street every time you're

2 bringing construction equipment in, desk chairs,
3 furniture, medical equipment in. I mean a CT scan
4 or anything else you want to bring in for your
5 offices.

6 So it's not going to happen with
7 the buildings the way they are. Metro Tech was
8 built. Old buildings were torn down. And that's
9 where the tenants are going. They're not going--
10 the City agencies are all in the new buildings.
11 You're not putting them into these old buildings.
12 I would like to just say that at 186 Remsen, you
13 can see the pictures; you can see the shape that
14 it's in. This conference room right here could
15 not go into that building. There's a double brick
16 wall going down the middle of it. You would have
17 to sit, you guys would have to sit on one side,
18 they'd have to be on the other side. You can't
19 take the wall down, the building comes down.
20 That's how old it is.

21 It's a dinosaur. Okay. It's a
22 relic. Now I've been asked to read this following
23 statement from Fred Sommer [phonetic] who is the
24 engineer and architect that looked in the
25 building.

2 The anticipated construction costs
3 really do not justify the effort to rebuild to
4 salvage the existing building. My professional
5 recommendation is to tear the building down and
6 design a new building. I leave my 36 seconds to
7 Arthur.

8 MR. GOLDSTEIN: Really the choice
9 is--

10 CHAIRPERSON LANDER: [Interposing]
11 Let me ask him. I'll ask you to elaborate when we
12 get to questions, okay? Just for the purpose of
13 we don't yield time. So we'll ask you questions--

14 MR. GOLDSTEIN: [Interposing] Sure.

15 CHAIRPERSON LANDER: --to get to
16 you afterwards. Thank you.

17 MS. LORI RAPHAEL: Good afternoon.

18 Council Member Lander and... [mic goes on] That
19 would help. Thank you. Good afternoon Council
20 Member Lander and members of the Committee. My
21 name is Lori Raphael and I'm the Director of Real
22 Estate and Development at the Brooklyn Chamber of
23 Commerce. I offer this testimony on behalf of our
24 President Carl Hum.

25 I appreciate the opportunity to

2 testify on the proposal to landmark the Borough
3 Hall Skyscraper Historic District. The Brooklyn
4 Chamber of Commerce, a staunch advocate for job
5 creation and economic development in our Borough,
6 opposes this proposal. This proposal would have a
7 significant negative impact on a critically
8 important Downtown Brooklyn neighborhood.

9 Historically the Court Street
10 corridor has suffered from lackluster activity and
11 consistently has a difficult time attracting
12 significant commercial investment. Local
13 employers, business leaders, and real estate
14 professionals have been nearly unanimous in their
15 opinion that landmarking will make it even
16 tougher.

17 Additionally a majority of the
18 commercial office space in the proposed district
19 is unfortunately already close to becoming
20 obsolete, if not obsolete. This makes the timing
21 for such a proposal extremely troubling. The fact
22 is without significant investment to modernize,
23 this commercial space will likely fall into
24 disrepair as vacancy rates increase and rents
25 diminish.

3 Landmarking these buildings will
4 simply make renovation more expensive and time-
5 consuming and is an investment few are in the
6 position to make right now. With Brooklyn
7 continuing to struggle to recover economically, it
8 makes little sense to move forward on a
9 designation that will impeded Downtown Brooklyn's
10 ability to attract high quality destination
11 commercial and retail tenants and to create and
12 maintain a successful, vibrant, commercial
13 district along Court Street.

14 Therefore the Chamber urges this
15 Committee to reject this ill-advised Downtown
16 Brooklyn landmarking. The Chamber appreciates the
17 opportunity to comment and I'd be happy to answer
18 any questions. Thank you.

19 CHAIRPERSON LANDER: Thanks very
20 much. Mr. Goldstein, let me ask you to make the
21 two additional points.

22 MR. GOLDSTEIN: Okay. So just to
23 elaborate on the configuration. The elevator in
24 186 is situated, also smack in the middle of the
25 building where the engineer said to maximize
space, if they were to redesign it, would be

3 shifted over so that you could just maximize the
4 space and give tenants what they're looking for:
5 more, larger boxes. And in this case you'd still
6 need load bearing walls. He would do columns and
7 eliminate much of the old load bearing walls to
8 create the kind of space that a realtor has to
9 offer tenants so that they could make it into the
10 space that works for them.

11 The other point I wanted to make
12 is, quickly, is the choice here for 186 for this
13 owner, because of what I said before, is vacant or
14 nothing if it's landmarked. Or if it's carved
15 out, he could make it a new building. That's his
16 choice. And over years, the façade, I presume,
17 will just continue to crack. And I'm not--at some
18 point the building will just fall down 'cause even
19 if they force them to do some things to preserve
20 just the façade, I don't think they can force him
21 to spend \$4.5 million. And the government
22 shouldn't be doing that.

23 And my last point is there's a
24 real, I think, a real reason that the Charter just
25 doesn't say landmarks, study it, you're experts,
make your decision. Okay. It goes to City

2 Planning which even the City Planning Commission
3 is wondering what their role is and said they
4 should have a changed role if they're going to
5 continue to have a role.

6 And then it comes to the City
7 Council. And why is that? It's because you are
8 our last hope for situations like this where
9 people who love history, and I do as well, I could
10 sit there and look at some of these buildings and
11 say they're magnificent, but the Council has a
12 role to examine some of these major details that
13 are being brought out. Whether it's individual
14 homeowners, you know, property owners and the
15 residents who may be faced with they're on a fixed
16 income and faced with increased costs. Thanks for
17 that Joanie if you're still here. And, you know,
18 a commercial property owner who just can't deal
19 with this building. And it's going to remain
20 vacant.

21 It's the role of the City Council,
22 I believe, and I hope that you believe and the
23 Committee members believe, that you could look at
24 something like this and look at what the Charter
25 says you have the right to say yes, no or modify.

2 Our first hope since we have four buildings which
3 is 21% of the 19 property owners, I would suggest
4 that you turn down the whole district. In the
5 event that you're not going to do that, then I'd
6 say look for the fact patterns that should be
7 carved out. In our case, we're sort of on the
8 edge of the property and their lines could just be
9 modified ever so slightly and not do a total
10 injustice to the whole district.

11 And the last thing is guidelines
12 which I know we could be waiting for, for years,
13 but the Council ought to be pushing for guidelines
14 if there is going to be a yes vote for this. And
15 we shouldn't have to wait years for guidelines.
16 And the guidelines should really move forward with
17 exempting at the very least the ground floor
18 where, you know, one tenant comes in and has a red
19 design, if they're, you know, McDonald's and
20 another is Subway, six months later maybe taking
21 over the space. They need to get in and out and
22 the negotiations on getting the lease, you know,
23 have to go smooth and you can't say, oh, we have
24 to wait for Landmarks. Thank you very much. I
25 appreciate it.

1 SUBCOMMITTEE ON LANDMARKS, PUBLIC SITING AND 170
2 MARITIME USES

3 MR. OLIVER: Thank you.

4 CHAIRPERSON LANDER: All right.

5 Thank you very much to this panel. And we have
6 three folks left. And they're all fantastic, you
7 know, this has been very high quality testimony
8 throughout the hearings. So I really appreciate
9 those who are sticking around. So our final pro-
10 landmarking panel will be Bob Furman from the
11 Brooklyn Preservation Council. And then after
12 that our final opposition panel, Barbara Zoeller
13 Gringer and Jordan Barowitz from 75 Livingston.
14 Again thank you guys very much for sticking
15 around. All right, well we'll bring people
16 together for the final panel. So we'll have one
17 final pro and con panel together. All right.

18 [Witnesses getting settled]

19 MR. BOB FURMAN: I guess I'm on.

20 Hi. My name is Bob Furman. I'm President of a
21 small preservation group called the Brooklyn
22 Preservation Council whose mission is to do
23 historical commemoration and to assist communities
24 in their efforts to obtain designations. I'm also
25 finishing up an extensive history of Brooklyn
Heights which is profusely illustrated and gives

me some expertise.

3 Most of the points in my written
4 statement have been covered but I do want to
5 respond to some of the arguments that have been
6 made. One of the things is whether 75 Livingston
7 is noteworthy, in particular architecturally. If
8 you take a look at the picture of it, which I hope
9 you can do, you'll see something, I think, that
10 will indicate what is special about it.

11 The upper part of the building is
12 Art Deco which is pretty obvious, you know, the
13 highly decorated and setback thing that was done
14 in the 1920s. But if you look at the bottom,
15 you'll see an arched doorway. That makes it also
16 Gothic. When buildings are done in two different
17 styles, if it's aesthetically successful it makes
18 them extremely special. And this one is. And I
19 think, you know, although I'm not an architectural
20 historian, I've been studying and looking at this
21 building for years and years because I love it.
22 And this is, I think, what I figured out makes it
23 special and I hope that you'll agree with this.

24 Now in terms of some of the
25 arguments that were made by the people against it,

3 what does landmarking do for a building? I think
4 it needs to be reiterated that location obviously
5 is crucial in the value of a property. But I
6 think the point that the Citizens Budget
7 Commission and the Landmarks Commission was making
8 in their study is that all things remaining equal,
9 landmarking does increase the value of a building.
10 In other words if you take two, you know,
11 hypothetically matching buildings, one in a
12 historic district and one outside of a historic
13 district, the one that's in it is going to be
14 worth more money because of the process. And
15 obviously you can take a look at that study. And
16 it's, I think, interesting.

17 One thing that we're concerned
18 about, about 75 Livingston also, is that what'll
19 happen in the future. Suppose the cooperators
20 decide not to maintain the building and it's not
21 landmarked? They're going to have problems. We're
22 going to have problems aesthetically. And I think
23 that's something you ought to take into
24 consideration.

25 A lot has been mentioned about
buildings that are noncontributing to the historic

3 district. And that's certainly important and I
4 sympathize with property owners who may have to
5 maintain but if they want to change the outside
6 and it's in a historic district, the Commission
7 may certainly allow it. But I think the
8 Commission people said and they made a good point,
9 that historic districts need to be contiguous.
10 You can't just have a building over here and a
11 building over there and call it a historic
12 district.

13 So there were a number of buildings
14 that were included in this historic district that
15 are noncontributing because they're dull. So
16 that's important also. So thank you very much.

17 CHAIRPERSON LANDER: Thank you.

18 MS. BARBARA ZOELLER GRINGER: Thank
19 you. My father always said be first or last. And
20 with a name like mine, I didn't get much chance to
21 go first. So good afternoon. My name is Barbara
22 Zoeller Gringer [phonetic]. I want to thank the
23 Subcommittee for giving us the opportunity to
24 speak about 75 Livingston Street. My husband and
25 I were among the original owners when the building
became a co-op in 1982.

3 While the apartments there are
4 known for their great space and individuality, it
5 has not been easy to live at 75 Livingston Street.
6 We have been beset by huge costs, assessment after
7 assessment, in order to maintain the physical
8 structure of our building and its architectural
9 integrity. Throughout, we have met those
10 challenges and fought for the building and
11 preserving its place in the neighborhood. We
12 valiantly fought to change the zoning law to
13 prohibit the totally out of character sliver
14 building that now abuts our building. And at
15 least 25 years ago we could have removed the terra
16 cotta that decorates only 2 of the 4 sides of that
17 building. We did not do so.

18 The map of the proposed historic
19 district looks like a prime example of
20 gerrymandering, reaching out to Livingston Street,
21 solely to include this residential building within
22 a commercial district. And this was done without
23 any prior consultation with us. Clearly the
24 interests of owners of residential property differ
25 from those of commercial landlords. The
26 developers of our co-op recognized this when they

3 moved the entrance of the building from commercial
4 Court Street to residential Livingston Street and
5 changed its address.

6 The residents of Livingston Street,
7 75 Livingston, have proven beyond a doubt that
8 they are concerned, committed citizens, who for
9 almost 30 years have taken great pride in their
10 building despite the considerable cost. It's
11 difficult to understand how after all this time
12 and effort our individual rights can be abridged
13 and subject to the dictates and directives of the
14 Landmarks Preservation Commission and the
15 additional costs that landmark designation entail.

16 The overwhelming majority of the
17 residents of the building oppose a landmark
18 designation. If this Council fails to recognize
19 that interest, it will be giving greater weight to
20 the interests of those who live outside the
21 building than those who live inside it. I
22 respectfully ask the Council and the Subcommittee
23 to vote to exempt 75 Livingston Street, a
24 residential building, from the proposed Borough
25 Hall Skyscraper Historic District. Thank you.

MR. JORDON BAROWITZ: good evening.

1 SUBCOMMITTEE ON LANDMARKS, PUBLIC SITING AND 176
MARITIME USES

2 [Chuckling]

3 MR. BAROWITZ: My name is Jordan
4 Barowitz and I'm a resident of 75 Livingston
5 Street. The proposed action will have a wholly
6 unknown and potentially terrible impact on our
7 building in our neighborhood. In the last 15
8 years, our building has spent \$6 million
9 maintaining our façade. That's an average of \$330
10 per month for each apartment. That's \$4,000
11 annually for each family in my building just to
12 maintain our façade.

13 As you've heard from our neighbors,
14 our building is stretched to the breaking point.
15 The incremental costs of landmarking laid upon
16 other costs imposed by the City is killing our
17 building. It's driving residents away and
18 threatening our ability to get a new mortgage.

19 This proposed landmarking would
20 turn a challenging situation into a potentially
21 terrible one for my neighbors and for my family.
22 Please vote no.

23 In my day job I work for one of the
24 largest real estate companies in the City and I
25 just want to quickly comment on some of the

3 observations about retail in landmarked districts.
4 The comparison between Court Street and Manhattan
5 retail is not a reasonable comparison. Manhattan
6 is the most valuable retail environment in the
7 country. Retailers would do whatever it takes to
8 get into Manhattan. That's why Apple just opened
9 its sixth store in Manhattan.

10 Court Street is struggling. It has
11 a 17% vacancy rate. Making renovations more
12 expensive and imposing strict guidelines on what
13 retailers can do with their store fronts is not
14 going to encourage retail development. It's going
15 to depress it. So I don't think the comparison
16 between Ladies' Mile and SoHo with Court Street
17 holds a lot of water. Thank you.

18 CHAIRPERSON LANDER: Thanks very
19 much. We really appreciate you guys sticking
20 around. This was, I think, even on the last panel
21 there were some new things included from all of
22 you and we really appreciate your time and
23 certainly will, you know, you'll be best
24 remembered for being last--


25 MR. BAROWITZ: [Interposing] Next
time I'll be - - right?

3 CHAIRPERSON LANDER: I do want to
4 thank everyone who has stuck around. I think
5 there was a lot of very useful information
6 presented at this hearing. As I said we're not
7 voting today. I think we actually technically on
8 the clock have until mid-February before we've got
9 to take action on it. I don't know that we'll
10 wait that long but we have some things to follow
11 up on as well. So thanks very much everyone for
12 your time today and with that I will adjourn the
13 hearing.

[Gavel banging]

C E R T I F I C A T E

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

A handwritten signature in cursive script that reads "Laura L. Springate". The signature is written in black ink on a light-colored background.

Signature _____Laura L. Springate_____

Date _____January 12, 2012_____