

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

COMMITTEE ON ECONOMIC DEVELOPMENT

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October 4, 2012
Start: 1:15 p.m.
Recess: 1:52 p.m.

HELD AT: Council Chambers
City Hall

B E F O R E:
KAREN KOSLOWITZ
Chairperson

COUNCIL MEMBERS:
Council Member Julissa Ferreras
Council Member Letitia James
Council Member Stephen T. Levin
Council Member James Sanders, Jr.
Council Member Mark S. Weprin
Council Member Ruben Wills

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

Donald Giampietro
Assistant Commissioner
New York City Department of Small Business Services

Gerard Ronski
Counsel and Project Executive
Arverne by the Sea

Jonathan Gaska
District Manager
Community Board 14

Kevin Alexander
President
Rockaway Development and Revitalization Corporation

Darryl Stovall
President
D&S Electrical Corp.

[pause, background noise,
technical, background noise, gavel]

CHAIRPERSON KOSLOWITZ: Economic
Development Committee is now called to order.

COUNCIL MEMBER WEPRIN: [off mic]
Now in session.

CHAIRPERSON KOSLOWITZ: Now in
session. Thanks, Mark. Good afternoon. I'm
Karen Koslowitz, Chair of the Economic Development
Committee. Today's hearing provides the
opportunity to hear Introduction 733, a local law
to amend the Administrative code of the City of
New York, in relation to the boundaries of the Far
Rockaway Empire Zone. Established in 1986, the
New York State Empire Zone's program was designed
to benefit certain areas of the State. Afflicted
with long term unemployment and poverty by
offering a variety of financial incentives to
stimulate private investment, business development
and job creation. A total of eleven empire zones
were established in New York City. Although this
program expired back on June 30, 2010, businesses
that have been certified to receive benefits will
continue to do so. This proposed local law would

1 amend Section 22-712 of the Administrative Code,
2 which contains the authorization and boundary
3 description for the Far Rockaway Empire Zone.
4 Although Empire Zones were originally created and
5 administratively designated at the State level,
6 including the provisions of its many tax benefits,
7 Empire Zones are applied for and operated locally.
8 Each application for an Empire Zone requires the
9 adoption of a local law which both authorizes the
10 application for an Empire Zone and also designates
11 the boundaries of the proposed Empire Zone. The
12 daily operation of an Empire Zone is provided at
13 the local level by a zone administrative board.
14 Among the several functions of zone administrative
15 boards is the task of submitting to the State
16 Department of Economic Development requests to
17 approve revisions of an Empire Zone's boundaries
18 to accommodate a project that would result in the
19 creation of jobs within the zone. In 2005, the
20 boundaries for all Empire Zones were changed,
21 including the Far Rockaway Empire Zone. When the
22 boundaries were revised, however, a small area of
23 the original zone was not included in the newly
24 mapped zone. Nearby, this area is a greatly

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2 publicized Stop-and-Shop supermarket, which was
3 one of the more substantial developments in the
4 Far Rockaway Empire Zone area. Today's hearing
5 seeks to understand the impact that this proposed
6 bill might have for the Far Rockaway community and
7 the Borough of Queens. Thank you to all that have
8 come to participate. I will now call upon our
9 first witness. Before I do that, I just want to
10 recognize my colleagues that are here. We have
11 Council Member Mark Weprin from Queens, Council
12 Member James Sanders from Queens, Council Member
13 Ruben Wills from Queens, and I'm also from Queens.
14 [laughter] So, Queens is in the house.
15 [laughter] Okay. I would like to call Donald
16 [background comments] Giampietro. And your name,
17 who's sitting next to you? [background comment]
18 Okay.

19 DONALD DIAMPIETRO: Okay? Thank
20 you.

21 CHAIRPERSON KOSLOWITZ: Yes.

22 DONALD DIAMPIETRO: Good afternoon,
23 Council Members, Chairperson, and thank you for
24 the opportunity to speak to you today regarding
25 the Rockaway Empire Zone boundary revision.

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2 Again, I am Donald Giampietro, Don Giampietro,
3 Assistant Commissioner at the New York City
4 Department of Small Business Services, so thank
5 you and good afternoon. SBS supports this bill to
6 amend the Administrative Code of the City of New
7 York to extend the boundaries of the Far Rockaway
8 Empire Zone. Specifically, the proposed local
9 law, as you had stated, would amend Section 22-712
10 of the Administrative Code, which upon approval of
11 the Commissioner of the New York State Department
12 of Economic Development, will revise the
13 boundaries of the Far Rockaway Empire Zone again
14 within the Borough of Queens. It was to
15 determine, it was determined that there was a
16 section of commercial space including areas opened
17 for development, to development, that were located
18 just outside of the existing boundary of the
19 current Far Rockaway Empire Zone. This boundary
20 amendment to the Far Rockaway Zone is seeking the
21 inclusion of 44.9 acres of contiguous land into
22 the zone, which will allow the continuation of
23 three significant phases of the Arverne by the
24 Sea, Arverne Development. Arverne is a master
25 plan community which will be described in more

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2 detail by Gerry, and a significant part of New
3 York City's efforts to revitalize the Rockaway
4 Peninsula. The aim of the Arverne Development is
5 to improve the commercial, as well as the
6 residential character and quality of the area,
7 resulting in an increased economic vitality for
8 the Rockaways. The availability of State Empire
9 Zone benefits was considered a significant
10 catalyst by the developer originally, as part of
11 its decision to build and initiate the Arverne
12 Project. To provide a brief context to underscore
13 what you had stated, the Empire Zone Program again
14 was established in the 1980s to benefit certain
15 areas of New York State that faced at that time
16 long term unemployment and were underdeveloped,
17 and some continued as well. The program's intent
18 is to stimulate private investment business
19 development as well as job creation through a
20 variety of financial incentives including New York
21 State tax credits. So, not City credits, New York
22 State. None of the money used for the Empire Zone
23 Credit is paid by the City, as we know. Eleven,
24 as you stated, Empire Zones were established
25 originally in New York City, including the

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2 Rockaways. So this is one of the original
3 intended areas for economic development by the
4 State. Now, to become eligible for benefits, the
5 entities need to be within the Empire Zone
6 boundary, obviously, and be approved by the local
7 administrative board, and submit an application
8 inevitably to the Empire State Development
9 Corporation for final approval. The Board reviews
10 specific key aspects as to benefits within the
11 zone, such as is the entity likely to create new
12 employment opportunities? Prevent a loss of
13 employment within the zone? Is the business
14 enterprise likely to enhance the economic climate
15 of the Empire Zone? And will there be an overall
16 improvement to the community and the quality of
17 life? Upon approval by the local Empire Zone
18 Administrative Board, an application was submitted
19 to New York Commission of Labor, and Commissioner
20 of Economic Development of the State. This is a
21 preliminary application. Once approved, an
22 applicant is granted, this is the standard
23 process, Empire Zone certification, and will be
24 eligible to take Empire Zone benefits. As you had
25 stated, even though the program has sunset, those

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2 that were approved prior still would be able to
3 enjoy this benefit for economic development
4 purposes. Examples of standard benefits, I won't
5 go into the litany of 14 or 15, so I'll relieve
6 you of that. But two primary ones are the Real
7 Property Tax Credit, which is available to
8 qualified Empire Zone enterprises, which we'd seek
9 inevitably, to claim a refundable credit against
10 their state taxes based on how much real estate
11 property they pay to their locality. So, again,
12 it's not off of this City real estate taxes at
13 all. And a wage tax credit for hiring full time
14 employees in newly created jobs. The benefit can
15 be claimed up to five consecutive years, and
16 typically is \$1,500. Could be \$3,000 under
17 certain circumstances if targeted workers are
18 hired. Just a little history here, prior to
19 submission of this bill, the Far Rockaway Zone
20 Administrative Board met before the sunset, we met
21 on June 25, 2010, and passed a resolution
22 authorizing the application to the Empire State
23 Development Corp for a boundary revision. So
24 there was a approval. The Board also approved for
25 consideration the Empire Zone certification of

1 applicants, three applicants subject to this
2 expanded zone. The certification of these
3 applications will be contingent upon this boundary
4 revision, and that's what we see behind here. The
5 Empire State approved a preliminary submission,
6 just 'cause we wanted to ensure that they were
7 part of the process at the beginning. Coming to
8 the close [laughs]. Although the Empire Zone
9 program again sunset on July 31, 2010, projects
10 approved like you stated by the local zone board
11 will still seek, can still seek Empire Zone
12 certification. [background comment] I'm sorry,
13 that was--The boundaries of the Rockaway Zone must
14 be expanded, again I'll underscore that, must be
15 expanded into these contiguous areas so that the
16 applications for the Arverne Project seeking
17 certification can possibly be approved. Which
18 would ensure the continued redevelopment and
19 revitalization of this neighborhood. This is
20 consistent with the mission of the Far Rockaway
21 Zone development plan. The project, according to
22 the developers, and local development
23 organization, will result in construction
24 management office maintenance and ongoing related
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2 jobs, both direct and indirect within the
3 community. The majority of the employees are
4 expected to reside in New York City, particularly
5 in the borough of Queens. To-date, the city has
6 been working with local and community partners in
7 addition to the State's Empire State Development
8 Corp., and is taking all necessary steps towards
9 the processing of the boundary revision
10 application, and will so continuing after. And I
11 would like to thank the Council and the Council's
12 staff for all the assistance we've had to-date.
13 It's been tremendous, and again, thank you.
14 Passage of the local law will authorize the City
15 as we stated to finalize the application and
16 inevitably submit it to the State for approval.
17 To underscore and conclude, extending the current
18 Rockaway Empire Zone will help foster the
19 continued growth of renewed economic activity
20 within the area, and provide consistency with the
21 original plan first envisioned for the area.
22 Accordingly, the agency, SBS, Department of Small
23 Business Services, urges the earliest possible and
24 favorable consideration of this legislation.
25 Again, thank you so much and I will now turn it

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2 over to you Gerry Ronski, representing the
3 developer, who will speak to the particulars of
4 this. Again, thanks.

5 GERARD ROMSKI: Thank you. Good
6 afternoon. My name is Gerard Ronski, and I'm the
7 Counsel and Project Executive of Arverne by the
8 Sea. I've been involved personally with Arverne
9 by the Sea and grew up actually not far from
10 Arverne by the Sea, since its inception in 2001.
11 And I thank you for the opportunity to speak
12 before you today in support of this application,
13 which is a very needed application. The proposed
14 local law, as was explained, would amend Section
15 22-217--712 of the Administrative Code. But
16 Arverne by the Sea is sponsored by the New York
17 City Department of Housing Preservation and
18 Development, it is truly a joint effort with the
19 City of New York. And it frankly has been a
20 remarkably successful effort. It has really begun
21 this to revitalize the Rockaway Peninsula and it's
22 really spearheading the redevelopment of not only
23 the peninsula but also that area of Southeast
24 Queens. As a matter of background, the land where
25 Arverne by the Sea is being constructed was vacant

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2 for over 40 years. And there's a quick shot of
3 the before photo in 2004, of what the area would
4 look like. It was 120 acres or so of simply
5 vacant urban wasteland, which was really patrolled
6 by packs of wild dogs at one point. The area
7 surrounding the area has really been designated as
8 a highly distressed economic area, with a very,
9 very high rate of unemployment. Before our
10 involvement in Arverne by the Sea, there were
11 numerous attempts to develop the project;
12 unfortunately, or fortunately for us, they failed.
13 We were selected as the developer of Arverne by
14 the Sea in 2001. The plan itself requires the
15 installation of a large amount of public
16 infrastructure. The infrastructure, there was no
17 infrastructure that was existing at the time that
18 we got involved in this development. And when I
19 talk about infrastructure, I mean public
20 infrastructure: sewer, water, sanitary lines,
21 telephone lines--soup-to-nuts, new roadways, new
22 everything. It also will include--that's open in
23 the photo behind me of a new Stop-and-Shop, it's a
24 55,000 square foot facility. It's frankly a
25 wonderful addition to the entire Southeast Queens

1 community, but also the peninsula. There's a shot
2 there of the Stop-and-Shop. In addition, there's
3 the upgrade Arverne A line, which is this photo
4 behind me. A new subway station. Well, it's an
5 existing subway station that was upgraded by the
6 Transit Authority, but we built this retail
7 transit plaza for 22,000 square feet. We're also
8 in the process of building a new YMCA community
9 center, which is the 45,000 square feet with two
10 pools--45,000 square feet [background comment]
11 sorry, I'll stay on it. So it's 45,000 square
12 feet with two indoor pools. [background comment]
13 Yes, certainly, I'm sorry, thank you, Council
14 Member. Going back, the YMCA that's under
15 construction is a 45,000 square foot facility. It
16 will contain two indoor pools, it will be open to
17 the entire community, and the developers of
18 Arverne by the Sea have actually agreed to provide
19 one year memberships to all of the new residents
20 of Arverne by the Sea. At the end of the day,
21 Arverne by the Sea will contain 2,300 or so units
22 of housing. As of today, over 1,000 of those
23 units have been constructed and conveyed to new
24 homeowners, most of which I would note are first
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2 time homebuyers. A portion of the development was
3 voluntarily determined to be more affordable to
4 middle income New Yorkers. And at the--later on,
5 we also will be building a new public charter
6 school, approximately 25-30,000 square feet or so,
7 and an additional 150,000 or so square feet of
8 retail, up to 150,000 square feet of retail, in
9 the area which we call Ocean Way, which I believe
10 is referred to in the tides in the application
11 that was submitted to you. That is one of the
12 important areas where the, unfortunately, the
13 prior mapping didn't include it for various, for
14 various reasons that have already been explained.
15 Arverne by the Sea has already won numerous awards
16 and been hailed as one of the most premiere urban
17 developments in the country. It's being developed
18 in a number of phases. In accordance with the
19 City's approved plans for the Arverne by the Sea
20 development, many of the previously existing
21 north/south streets were demapped and taken off
22 the City tax, the City map. New roads were
23 installed. There were rezonings, there were
24 numerous commercial overlays that were inserted.
25 And as a result of that, frankly, the area that

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2 was existing was completely turned into a
3 different area. Unfortunately, the Far Rockaway
4 Empire Zone map didn't catch up to that. That's
5 what we're rally in effect what we're trying to do
6 today, is try to catch up the Far Rockaway Empire
7 Zone map with the existing conditions. We're
8 requesting that the zone be expanded into the
9 contiguous areas. There's existing capacity in
10 the Empire Zone, they're not creating new
11 capacity. It's very important that this
12 application be granted so this great redevelopment
13 can continue. The local board support of this
14 request in June of 2010, and the City actually
15 benefits from these very minor revisions. There's
16 actually no negative impact to the City; in fact,
17 there's a very positive impact in the form of new
18 jobs. As of today, we approximately generated
19 approximately 160 of direct construction jobs,
20 which are being provided by the developer; but in
21 addition to that, we also have many, many indirect
22 jobs by the numerous subcontractors that the
23 developer contracts with. And importantly, I note
24 that in our, all our form contracts, we have a
25 requirement that the subcontractors, to the extent

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2 sufficient staff is available in the local area,
3 which we define sort of as the local zip code,
4 they're required to hire one in four of their
5 employees from the local area. We don't purport
6 to say that we will cure the unemployment ills,
7 but we certainly believe we've made a substantial
8 dent. And I believe Council Member would support
9 that statement. In addition to that, there's also
10 further indirect job creation from the surrounding
11 area. The YMCA, for example, will bring to it a
12 number of new jobs, new administrative jobs. The
13 Stop-and-Shop has already added over 150 new jobs
14 to the community. The retail transit plaza, which
15 is just starting to lease out, is adding
16 additional jobs to the community. So, I thank you
17 for giving us this opportunity. I ask you to help
18 us continue this great redevelopment known as
19 Arverne by the Sea. We're all very passionate
20 about it. We think it's a great asset. We thank
21 the Mayor and the New York City Department of
22 Housing Preservation Development for their
23 support. We also thank the Office of Small
24 Business Services for their support. And thank
25 you very much for this opportunity.

CHAIRPERSON KOSLOWITZ: Thank you.

We've also been joined by Council Member Julissa Ferreras from Queens. [background comment, laughter] I have a few questions. I'm very familiar with the project because I've been around in Queens quite a bit, you know, different jobs and I did a lot of work in the Rockaway. I know Jonathan Gaska very well, we've worked together for many, many years. [background comment "Boo"] And I have, why was this development area not included in the rezoning of the Far Rockaway Empire Zone?

GERARD ROMSKI: Well, I wouldn't say the rezoning, I would say, Council Member, that the original zoning, because the area was vacant at the time that the area was being zoned initially, and there was a completely different street map laid out, that it was just not really contemplated at the time. Thankfully, there were some parts of the area that actually more by luck than anything else, were included in the zone, but a good portion of it--and unfortunately, the really most important next phase ... which is the area that's known as the Tides, or Ocean Way,

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2 which really will provide up to 150,000 square
3 feet of retail, together with those resulting
4 jobs, is really being sought to be added into the
5 zone. So, that's sort of the short answer to the
6 question.

7 CHAIRPERSON KOSLOWITZ: When did
8 you realize that it wasn't in the zoning?

9 GERARD ROMSKI: Unfortunately, I
10 didn't realize it until sometime in the early part
11 of 2010. Which is when we actually then made the
12 attempt to have it inserted into the zone. And we
13 were successful with the local board in June of
14 2010.

15 CHAIRPERSON KOSLOWITZ: What made
16 you realize that it wasn't included?

17 GERARD ROMSKI: Well, actually,
18 there were certain, there's certain tax benefits
19 that go hand-in-hand with the Empire Zone, and it
20 was a recognition, and I think it might've been
21 just a new interpretation granted by the New York
22 State Department of Tax and Finance, that sort of
23 triggered it. But I was the one actually who
24 recognize they weren't in the zone in--it was
25 probably May of 2010.

2 CHAIRPERSON KOSLOWITZ: And all
3 these businesses that will come into this area,
4 they will be in the zone?

5 GERARD ROMSKI: Yes, yes, they will
6 be in the zone. But I don't know if they--they
7 will not necessarily obtain the benefits--well,
8 some of them will, the employment credits. They
9 won't get the real property tax credits, but they
10 will get the employment credits.

11 DONALD DIAMPIETRO: Those three
12 entities that will get the certification.

13 GERARD ROMSKI: And I will attest
14 that thankfully a good portion of the Stop-and-
15 Shop was in the zone, and that was really one of
16 the main reasons why Stop-and-Shop came to that
17 area, as you well know, Council Member, it was, if
18 I would've told you back in 2000 that a 55,000
19 square foot supermarket was going to open in
20 Arverne, New York, you might've sort of just took
21 me away.

22 CHAIRPERSON KOSLOWITZ: You're
23 absolutely right.

24 GERARD ROMSKI: But it really has
25 happened. And I think it really is a testament to

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2 why certain economic development incentives are
3 necessary to redevelop of an area such as Arverne.
4 The transformation has been dramatic. I lived in,
5 I mean, I lived in Ozone Park, I grew up there. I
6 used to go down there. I was afraid to go down
7 there. Now it's a thriving, middle class
8 community and it really is a wonderful
9 development, and so--

10 CHAIRPERSON KOSLOWITZ: I've been
11 in the development, and you know, very aware of
12 the growth of the Rockaways, you know, in the
13 last--

14 GERARD ROMSKI: Ten years or so.

15 CHAIRPERSON KOSLOWITZ: --ten years
16 or so. So, you know, I have seen it, and you
17 know, it's a good feeling, and we want to
18 continue, you know, to do that. That Y that you
19 showed, is that the Y that's funded by the Borough
20 President?

21 GERARD ROMSKI: Partial funding,
22 yes. That's correct.

23 CHAIRPERSON KOSLOWITZ: Okay, I'm
24 going to turn it over--

25 GERARD ROMSKI: And also by - -

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CHAIRPERSON KOSLOWITZ: --to
Council Member Sanders who represents that
district.

COUNCIL MEMBER SANDERS: Thank you,
Madam Chair, yes, I am the proud representative of
this gorgeous mosaic, to coin a phrase. But I
will tell you this, Madam Chair, if Arverne by the
Sea were not hiring and trying to do things in the
local community, I would be against this project.
If the Stop-and-Shop had not made a real effort to
get out into the community and hire local, I would
be against this project. If there was no desire
on any part of the corporations involved in these
projects, to expand opportunities for the
Rockaways, I certainly would be against this
project. I'm happy to say that they are among the
people who comply with the wishes of the Rockaways
better than anyone else. They are in the
forefront of making sure that the, all that is in
the Rockaways is good, that is coming to the
Rockaways will be shared by all of the people of
the Rockaways. So, I am ecstatic and in favor of
this, in spite of what my colleague is saying. I
am, I'm very much in favor of this, and I urge all

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2 speakers to be as wordy as I am [laughter] which
3 means very few words, because if I was a betting
4 man, which I'm not, I'm betting that you have the
5 vote right now. And we should not chance that
6 vote in any manner. Having said those things ,I
7 urge all of my colleagues, I think that this is
8 fantastic, we need to approve it, and I want to
9 thank the Chair for putting up with my colleague
10 here. Thank you. [laughter]

11 CHAIRPERSON KOSLOWITZ: We are not
12 voting today, though.

13 COUNCIL MEMBER SANDERS: I will say
14 this, Madam Chair, I have to leave, there is a
15 very MWBE hearing taking place, over another one
16 of my bills, across the street. So, this is, must
17 be Sanders' month. All right. [background
18 comments] All right, having said that, I'm going
19 to take my leave, but I leave you all in good
20 hands, with the exception of one. [laughter,
21 background comments]

22 COUNCIL MEMBER WILLS: I think mark
23 Weprin is going to be mad about that comment.

24 CHAIRPERSON KOSLOWITZ: Okay.
25 Council Member Wills.

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2 COUNCIL MEMBER WILLS: Good
3 afternoon, sir. I just have three quick
4 questions. I know that you mentioned that you
5 would be developing a new public charter school.
6 How does that affect the public schools in the
7 area?

8 GERARD ROMSKI: Well, there's a,
9 according to the Department of Education, there's
10 a need for some additional seats. The requirement
11 of a charter, of a charter school was really part
12 of the original RFP, back in 2000. There was a
13 requirement that a site be designated in a new,
14 frankly, a charter school be instructed. All
15 we're doing is sort of following the instruction
16 of the RFP.

17 COUNCIL MEMBER WILLS: No, no, no,
18 I'm--I follow that, but what I'm asking is, it's
19 going to help the overcrowding of the public
20 schools that are already there.

21 GERARD ROMSKI: Yes.

22 COUNCIL MEMBER WILLS: That's what
23 I was--

24 GERARD ROMSKI: Yes, yes, yes, yes.

25 COUNCIL MEMBER WILLS: Okay.

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2 GERARD ROMSKI: That's the point, I
3 guess, exactly, thank you, Council Member.

4 COUNCIL MEMBER WILLS: What, if
5 any, any enhancements to the mass transit
6 infrastructure, 'cause I know you spoke about
7 sewer and different things like that. But what
8 if, are there any, have been any - -

9 GERARD ROMSKI: [interposing] Yes,
10 there's actually been a substantial amount of
11 reinvestment into the existing elevated A line.
12 For many of you who actually drove out there, you
13 would, that structure is elevated, it was built,
14 actually it was the old - - railroad, it was at
15 grade in the 1930s, they elevated it. It's
16 encased in concrete. That concrete was
17 unfortunately spauling and you saw in a number of,
18 I believe when you were the Deputy Borough
19 President, there was an incident out there where a
20 large piece of concrete fell. Thankfully, that
21 whole area is being redone, right directly
22 actually our parking actually right now,
23 underneath the Retail Transit Plaza, is being
24 impacted, because they're doing the work, which is
25 good, we're not complaining about it. But there's

1 a lot of reinvestment done. The whole entire
2 station, which is here, was recently renovated.
3 It's now actually known as the Beach 67 Street,
4 Arverne by the Sea train station. And it centers
5 around, it really is a transit oriented
6 development at the end of the day, Arverne. So,
7 but yes, there's been a lot, there's, the short
8 answer, there's been a lot of investment into the
9 public infrastructure on the transit end.
10

11 COUNCIL MEMBER WILLIS: Okay. And
12 for my last question, have you been impacted, for
13 do you foresee being impacted by the recent
14 hospital closure?

15 GERARD ROMSKI: [pause] I,
16 certainly the need for public hospital facilities
17 is great in the Rockaways. The impact of the
18 hospital closure I think is still sort of
19 underway. I think there's been an attempt to
20 formulate, with the Addabbo Health Center, some
21 emergency clinic or some walk-in clinic type of
22 process. So, we're hopeful that the future is a
23 little better than it is right now in regard to
24 the healthcare treatment being provided in the
25 Rockaways.

2 COUNCIL MEMBER WILLS: No, the only
3 reason why I asked you those three questions,
4 because there was discussion about using this as a
5 pathfinder model for developments elsewhere in the
6 borough.

7 GERARD ROMSKI: Mm-hmm.

8 COUNCIL MEMBER WILLS: So we just
9 wanted to highlight some of the things that may
10 happen later, that seems like they're already
11 being mitigated by the development.

12 GERARD ROMSKI: Certainly.

13 COUNCIL MEMBER WILLS: Thank you.

14 GERARD ROMSKI: Thank you, thank
15 you very much.

16 CHAIRPERSON KOSLOWITZ: Thank you,
17 very, very much.

18 GERARD ROMSKI: Thank you.

19 [background comments]

20 CHAIRPERSON KOSLOWITZ: I'd like to
21 call Jonathan Gaska, the District Manager of
22 Community Board 14; and Kevin Alexander, Rockaway
23 Development and Restoration Group.

24 [background noise/comments]

25 JONATHAN GASKA: Good afternoon.

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2 And I will take the Councilman's advice and not
3 pull victory out of the, pull defeat out of the
4 jaws of victory, and I will be very short. And
5 Council Member Weprin, I'm still waiting for the
6 phone call congratulating me on the Yankees, I'm
7 sure that'll come. [laughter] Someday. Anyway.
8 [background comment] Yeah, I digress. Good
9 afternoon. When I was asked by Beachwood
10 Benjamin, the development team, to testify before
11 you this afternoon, in regards to the expansion of
12 the New York State Economic Development Zone, I
13 gladly accepted. I've been the District Manager
14 of Community Board 14 for over 23 years. The
15 development of the Arverne by the Sea project has
16 forever changed an area that was the site of 50
17 years of government neglect. The Arverne Renewal
18 area was the site of dump outs, packs of wild
19 dogs, as well as drug use and prostitution. The
20 Beachwood Benjamin team has become a welcome
21 partner and neighbor in the renaissance of the
22 Rockaways. They have built quality, affordable,
23 one to two family homes, and throughout the down
24 real estate market they have brought a sense of
25 community and hope to the Arverne area. The

1
2 developers have kept all the commitments they have
3 made to use prior to the community board approval
4 of this plan. Every single one, which quite
5 frankly with 30 years in government is very
6 refreshing to have someone keep some commitments,
7 but they've kept all their commitments. They've
8 built a Stop-and-Shop, which you saw the picture
9 of; they've recently completed the transit plaza,
10 which has brought local, much needed local
11 neighborhood retail to the surround area; and
12 construction has started on the new, long
13 anticipated, state-of-the-art YMCA community
14 center. And that should open, hopefully, next
15 fall. We're looking forward to the build-out of
16 Ocean Way, which is the most important segment
17 that will--under consideration, with its mixed use
18 development, as well as a new charter school which
19 the development will be building, as well. I
20 strongly urge you to vote in favor of this plan
21 and support Arverne by the Sea. Thank you very
22 much.

23 KEVIN ALEXANDER: Good afternoon,
24 my name is Kevin Alexander, and I am the President
25 of Rockaway Development and Revitalization

1 Corporation, and also RDRC was the zone
2 administrator of the Far Rockaway Empire Zone.
3 Similar to what Mr. Gaska said, Arverne by the Sea
4 has forever changed the Rockaways and the
5 perception of the Rockaways. Yes, my [background
6 comments, technical] Test, test, test, test.
7 Okay, all right. I hope everybody heard my first
8 opening remarks. [background comment] Okay.
9 [laughs] I forgot it already. [laughs] The
10 Arverne by the Sea development project has really
11 changed the image of the Rockaways forever. As
12 the economic--local development corporation
13 servicing the entire Rockaway Peninsular, the
14 leverage that Arverne by the Sea brings as we are
15 looking to work with the City and State of New
16 York to attract new businesses and new investment
17 into the Rockaways is happening now. There's
18 still a lot of work to be done; however, the
19 opportunity to show that a major franchise or
20 retailer can do well in the Rockaways in spite of
21 its natural geographic challenges has been
22 answered, and we're using that to leverage to work
23 with private developers and businesses that are
24 looking to come to up and coming and vibrant
25

1 areas. For the small business owners, Arverne by
2 the Sea and its affiliates have been a great
3 partner, they really have exceeded our
4 expectations in terms of the openness to
5 participation, whether it be local business
6 enterprise, whether it be MWB enterprise, as long
7 as they're qualified, and that's something I
8 really attest to. Again, as the LDC, it's our
9 business to make sure that we're communicating and
10 also honestly speaking, holding Arverne by the Sea
11 accountable. The great work has to benefit those
12 that are coming into the Rockaways, but more, just
13 as importantly, those that are already there. So
14 when we talk about making a portion of it more
15 affordable, the condominium project was great,
16 because now you have local investment, local
17 support, local involvement. And on a go forward
18 basis, Ocean Way, we're really excited about that
19 because we think that we can bring a different
20 type of retail mix into that area, based on the
21 success that they've had so far. So we are
22 looking forward to continue working with them.
23 And as I say to Gerry all the time, I'm going to
24 hold you accountable, because we're not going away
25

1
2 either. Thank you. And we support moving forward
3 with the zone boundary revision. Thank you.

4 CHAIRPERSON KOSLOWITZ: Thank you.
5 We've been joined by Steve Levin, not from Queens,
6 but from Brooklyn. [laughter]

7 COUNCIL MEMBER LEVIN: But I love
8 the Rockaways.

9 CHAIRPERSON KOSLOWITZ: Darryl
10 Stovall?

11 [pause, background noise]

12 DARRYL STOVALL: Hello. [pause,
13 background noise] Hello. Okay. My name is
14 Darryl Stovall and I am the President of D&S
15 Electrical Corp. At this time I'd like to
16 acknowledge the Arverne by the Sea project, the
17 Beachwood organization, the Benjamin Companies,
18 Rockaway Beach Boulevard Construction Company,
19 Gerald Ronski, Nick Mason, Omar Ventegard
20 [phonetic], and the many other people too numerous
21 to mention that work tirelessly to accomplish a
22 project of this magnitude. In 2002, newly
23 licensed in New York City and a longtime resident
24 of Far Rockaway--I'm a 41 year resident in the
25 Rockaways--I had the opportunity to see the

1
2 beginning of Arverne by the Sea as excavation took
3 place at what is now Phase 1A. I would drive by
4 every couple of days and inquire about a
5 opportunity to bid on upcoming work. Being a
6 resident of the Rockaways and a licensed
7 electrical contractor, persistence paid off with
8 the builders giving me several small contracts to
9 provide temporary power and lighting throughout
10 the construction site. In 2004, I was given the
11 opportunity to bid on the first Phase 1A, for all
12 of the models and the housing units. I was
13 awarded the contract and subsequently I was
14 awarded the site lighting contract. After
15 successful completion of those contracts we were
16 awarded Palmer's Landing 121, also the site
17 lighting contract at Sands Phase 21B. During the
18 course of our professional relationship and the
19 opportunities that was afforded us, a Far Rockaway
20 local electrical contractor, from 2002 to present
21 we have had 20 Far Rockaway residents employed by
22 D&S Electrical Corp., on the Arverne by the Sea
23 project, at various stages, from electrical
24 foreman, electricians, electrician helpers and
25 office staff. We have received approximately \$1.7

1 million in electrical contracts to-date, and the
2 experience that allowed us to certify as a MBE
3 with the New York City School Construction
4 Authority. So thanks to all the entities that
5 diligently continued to pursue the vision that
6 they had since 2000, the year 2000, and overcome
7 the many obstacles that were in their way to see
8 this project, Arverne by the Sea, to come to
9 fruition, which has and continues to change the
10 Rockaways forever.

11
12 CHAIRPERSON KOSLOWITZ: Thank you.
13 Thank you very much.

14 DARRYL STOVALL: Sure, thank you.

15 [pause, background noise]

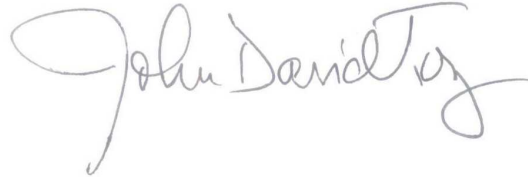
16 CHAIRPERSON KOSLOWITZ: Okay, since
17 there are no other witnesses, this meeting is
18 adjourned.

19 [gavel]

C E R T I F I C A T E

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

Signature

A handwritten signature in cursive script that reads "John David Tong". The signature is written in black ink and is positioned to the right of the printed word "Signature".

Date November 21, 2012