

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND
CONCESSIONS

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July 24, 2013
Start: 1:00 p.m.
Recess: 1:20 p.m.

HELD AT: Council Chambers
City Hall

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

COUNCIL MEMBERS:
Inez E. Dickens
Peter A. Koo
Sara M. Gonzalez
Diana Reyna
Ruben Wills
Julissa Ferreras
Charles Barron

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

Christopher Gonzalez
Assistant Commissioner
New York City Department of Housing
Preservation and Development

Jacqueline Alexander
Assistant Commissioner
New York City Development of Housing
Preservation and Development

2 CHAIRPERSON LEVIN: Good afternoon,
3 welcome to the Subcommittee on Planning,
4 Dispositions and Concessions; I'm Councilmember
5 Steve Levin, Chair of this subcommittee; I'm joined
6 this afternoon by subcommittee members Inez Dickens
7 of Manhattan to my right and Peter Koo of Queens to
8 my left; Council Member Sara Gonzalez of Brooklyn
9 and we're hearing... we're gonna be voting on two
10 items today.. excuse me. [interpose]

11 COMMITTEE CLERK: [off mic]

12 CHAIRPERSON LEVIN: Sorry. So we're
13 voting on... on one item and we're having a follow-up
14 question answered by HPD on another item, so first
15 I'm gonna call Land Use Number 842, 2353 2nd
16 Avenue, Manhattan Community District Number 11,
17 20135677HAM; I wanna call up Assistant Commissioner
18 Chris Gonzalez to put some information on the
19 record. I wanna apologize to my colleagues for not
20 being at the subcommittee hearing yesterday where
21 this item was heard; I was... my flight had been
22 cancelled from Chicago, so I was en route driving
23 back and was unable to make it to the subcommittee,
24 but I wanna thank... [off mic] I wanna thank Council
25 Member Dickens for chairing the hearing yesterday

2 and with that I will ask Assistant Commissioner
3 Chris Gonzalez to amend the record.

4 ASSISTANT COMMISSIONER GONZALEZ: Good
5 afternoon Chair and members of the committee, my
6 name is Christopher Gonzalez, Assistant
7 Commissioner at the Department of Housing
8 Preservation and Development. As follow-up to our
9 hearing on Land Use Item 842, requesting a transfer
10 of City-owned land... City-owned property at 2353 2nd
11 Avenue, Council Members Dickens and Reyna inquired
12 about the registered rents for the property when it
13 was originally regulated back in 1978.

14 As you know, rent stabilization is
15 administered by New York State HCR, so we reached
16 out to see if they could provide us with the
17 information. HCR reported that the rent
18 registration requirement was not put into place
19 until the Omnibus Housing Act of 1983 and since the
20 City took the building in rem in 1978, there was no
21 regulated rent to register at the time the
22 legislation was adopted; therefore we are unable to
23 report back on the exact rent when the building was
24 last rent regulated before 1978.

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2 CHAIRPERSON LEVIN: Okay. Thank you
3 very much Assistant Commissioner Gonzalez. Uh...

4 COUNCIL MEMBER WILLS: [off mic]
5 Council Member Reyna has a question.

6 CHAIRPERSON LEVIN: Council Member
7 Reyna has a question on the item.

8 COUNCIL MEMBER REYNA: Thank you very
9 much Mr. Chair; I just wanted to understand, so if
10 there's no registered rent from 1978; what was the
11 registered rent when the Omnibus Housing Act of '83
12 was put into place?

13 ASSISTANT COMMISSIONER GONZALEZ: The...
14 the... it was under City ownership at that point, so
15 there was no registered rent at the time.
16 [interpose]

17 COUNCIL MEMBER REYNA: So from 1983
18 'til now, present time, there has no... there hasn't
19 been a registered rent? So... [interpose]

20 ASSISTANT COMMISSIONER GONZALEZ: No,
21 because it's been in City ownership.

22 COUNCIL MEMBER REYNA: So the tenants
23 have not been paying rent?

24 ASSISTANT COMMISSIONER GONZALEZ:
25 They've been paying rent, \$65... [interpose]

2 COUNCIL MEMBER REYNA: 55.

3 ASSISTANT COMMISSIONER GONZALEZ: Oh,
4 excuse me, \$55 per room.

5 COUNCIL MEMBER REYNA: \$55 per room and
6 that will continue to be the case?

7 ASSISTANT COMMISSIONER GONZALEZ: No,
8 that... once... once the building is transferred to the
9 developer... [interpose]

10 COUNCIL MEMBER REYNA: Who is the
11 developer; Lincoln, I think?

12 ASSISTANT COMMISSIONER GONZALEZ: The
13 developer is Catspaw [phonetic]

14 COUNCIL MEMBER REYNA: Catsbalm?
15 [phonetic] Mm-hm.

16 ASSISTANT COMMISSIONER GONZALEZ:
17 Catspaw.

18 COUNCIL MEMBER REYNA: Mm-hm. Okay.
19 And... thank you, I'm sorry... and the... I just wanted
20 to understand the... the units, as far as the
21 families living in the four-bedroom apar... all
22 bedroom... all apartments are four bedrooms and the
23 ones that are occupied have how many members in the
24 family?

2 ASSISTANT COMMISSIONER GONZALEZ: Do
3 you have that information? We do not have that
4 information.

5 COUNCIL MEMBER REYNA: Was there any
6 reason why the building was allowed to continue as
7 four-bedroom apartments where you would've been
8 able to size out these apartments so that you would
9 create an increase in what would be more units
10 appropriately designed to fit the families that
11 exist, as well as making sure that the rent
12 structure would be appropriate across the board,
13 rather than a higher rent at \$1875 to subsidize
14 what was a \$250 rent for a four-bedroom apartment?

15 ASSISTANT COMMISSIONER GONZALEZ: Well
16 I think the... you know, the concern there is that
17 when you're talking about splitting up units it
18 transfer... it transfers into the world of what would
19 be considered a gut rehab which would be a lot more
20 expensive; therefore would require, you know,
21 additional input in... in terms of rents from the
22 existing tenants and then from the future potential
23 tenants. So it'd be a higher rent to... to account
24 for the additional costs in what would be a gut
25 rehab.

2 COUNCIL MEMBER REYNA: So there's no
3 program in HPD's portfolio that would have assisted
4 with this?

5 ASSISTANT COMMISSIONER GONZALEZ: At
6 this point no.

7 COUNCIL MEMBER REYNA: And so the... this
8 is part of a cluster; there's no reason why this
9 would not have been able to be accommodated as part
10 of the cluster or the whole cluster is not going to
11 be a gut rehab, none of the buildings in... in the
12 cluster?

13 ASSISTANT COMMISSIONER GONZALEZ: Yeah...
14 Yeah, I'll... I'm gonna defer to my colleague,
15 Assistant Commissioner Alexander.

16 CHAIRPERSON LEVIN: Can you identify
17 yourself for the record?

18 ASSISTANT COMMISSIONER ALEXANDER:
19 Sure. My name is Jacqueline Alexander, Assistant
20 Commissioner at HPD. So each building within the
21 cluster would have its own rehab plan, depending on
22 the needs of that individual building. And so what
23 we do is we look at economies of scale across that...
24 that project, but if a building does not require it
25 to be gut rehabbed we don't... we... we typically don't

2 do it; we just do a substantial rehab and try not
3 to change layouts, as... as much as possible, because
4 it does add to the cost of the construction.

5 COUNCIL MEMBER REYNA: So there are
6 going to be gut rehab in other buildings amongst
7 this cluster?

8 ASSISTANT COMMISSIONER ALEXANDER: We
9 don't have that information in front of us right
10 now, but we could get back to you on that.

11 CHAIRPERSON LEVIN: Can I... can I ask...
12 do you have more questions, Council Member Reyna?

13 COUNCIL MEMBER REYNA: I'm just trying
14 to understand why was this one building, where
15 there's the potential of... we have how many four-
16 bedroom apartments in this building?

17 ASSISTANT COMMISSIONER ALEXANDER: [off
18 mic] Nine units.

19 ASSISTANT COMMISSIONER GONZALEZ: Nine
20 units.

21 COUNCIL MEMBER REYNA: Nine unit four-
22 bedroom apartments, five of which are unoccupied?

23 ASSISTANT COMMISSIONER GONZALEZ:
24 Correct.

2 COUNCIL MEMBER REYNA: We could have
3 created what would have been probably another
4 additional six units if this would have been sized
5 out. And HPD is choosing to dispose of this as
6 four-bedroom apartments, nine units at a rent
7 structure anywhere between \$250 and \$500 and all
8 the way up to \$1875, so that the economics, as far
9 as affordable housing is concerned at \$1875 doesn't
10 work unless you have a family of 10 for a four-
11 bedroom apartment and I doubt that the majority of
12 New Yorkers are in need of four-bedroom apartments.
13 Is that not true?

14 ASSISTANT COMMISSIONER GONZALEZ: Well...
15 what... what was the question?

16 COUNCIL MEMBER REYNA: The sizing out
17 of this building was not a part of what would have
18 been the appropriate measures to dispose of this
19 property based on the fact that there's not a
20 program... it would be too expensive to do a gut
21 rehab.

22 ASSISTANT COMMISSIONER GONZALEZ:
23 Right, I believe that's what Assistant Commissioner
24 Alexander said... [interpose]

2 COUNCIL MEMBER REYNA: But part of the
3 cluster could in... could potentially have... and you
4 don't have that answer today... a gut rehab. So if...
5 if the cases that in the cluster there are
6 buildings where there's going to be gut rehab, why
7 was this one property not included in the gut
8 rehab?

9 ASSISTANT COMMISSIONER ALEXANDER: So
10 we look at the conditions of each property
11 separately, so if the conditions of this property
12 did not warrant new wood... beams, replacement,
13 entire systems replacement, we would not seek to do
14 a substantial rehab or a gut rehab in that
15 building. If it's... we're talking about new walls,
16 new kitchens and bathrooms, then this... the... the
17 scope of the work does not require you to do a
18 substantial rehab and we... that is just the basis
19 that we look at what the existing conditions within
20 the building are and then to develop the scope
21 around there. So if there are no major structural
22 issues within that property we typically do not do
23 a gut rehab.

24 COUNCIL MEMBER REYNA: Thank you Mr.
25 Chair.

2 CHAIRPERSON LEVIN: Thank you Council
3 Member Reyna. I just wanna ask; so is... in
4 Manhattan... in Manhattan Community District 11, is
5 there a demand for... for four-bedroom units? I mean
6 is... are people gonna... is... is... are these units gonna
7 be filled up?

8 ASSISTANT COMMISSIONER ALEXANDER: So
9 the... the... the rents that were set were based on
10 comps uh within the area and it does show that we
11 have comparables and that there is a need for this
12 unit size within the community.

13 CHAIRPERSON LEVIN: So there is in fact
14 a need for four-bedroom units in Manhattan
15 Community District 11?

16 ASSISTANT COMMISSIONER ALEXANDER: So
17 our comps are showing that information, yes.

18 CHAIRPERSON LEVIN: Okay. Alright.
19 Council Member Dickens, do you have a question?

20 COUNCIL MEMBER DICKENS: No. No. No.

21 CHAIRPERSON LEVIN: Okay. Okay, seeing
22 none, we... we already voted on this item, so the
23 item has passed out of the subcommittee and the
24 full committee; I wanna thank Assistant
25

2 Commissioners Gonzalez and Alexander for your
3 testimony. Thank you.

4 ASSISTANT COMMISSIONER ALEXANDER:
5 Thank you.

6 CHAIRPERSON LEVIN: Okay. We are going
7 to open Land Use Number 0852; this is the USTA
8 expansion, Community Districts Numbers 3, 4, 6, 7,
9 8, 9 in Queens, C130155PPQ; we had had a hearing on
10 this item last month and it was a spirited hearing,
11 we heard a lot of testimony from supporters of the
12 proposal, from community members that had concerns
13 about the proposal, community members who were
14 outright opposed to the proposal; I wanna thank and
15 acknowledge Council Member Julissa Ferreras for her
16 stewardship of this process as it's come to the
17 Council through the Yulert (sp?) process and her
18 attention to detail throughout this entire process
19 and wanna ask her to deliver a few remarks on the
20 status.

21 COUNCIL MEMBER FERRERAS: Thank you,
22 Chair. Good afternoon, I'm Council Member Julissa
23 Ferreras and I represent the Council District 21,
24 which includes the National Tennis Center, Flushing
25 Meadows-Corona Park. I'd like to thank the

2 subcommittee Chair, Council Member Steve Lemon...
3 Levin and the Land Use staff for their hard work on
4 today's hearing.

5 I'm happy to announce that we've
6 reached a deal on the \$500,000,000 project to
7 expand the National Tennis Center in Flushing
8 Meadows-Corona Park. As part of our negotiations
9 the USTA has agreed to commit to an ongoing and
10 long-term community outreach program, which would
11 not only improve public communications through our
12 Community Board and by month... an example of which
13 would be through the bi-monthly public
14 e-newsletter, but would also bring a number of new
15 programs to our local residents. These programs
16 include our annual Queens Day, which some may
17 remember was a part of our community some time ago,
18 but we're gonna be bringing that back, which will
19 host local... which will reflect the diversity of our
20 boro and our culture.

21 As of this summer, the USTA has also
22 agreed to create an annual job fair exclusive for
23 Queens residents that will provide the community an
24 extra opportunity to secure thousands of jobs
25 available before, during and after the U.S. Open.

2 Local businesses will also reap the benefit from
3 the expansion, as the USTA has agreed to work with
4 local business leaders to develop strategies that
5 will connect them with U.S. Open patrons.

6 With the USTA's prominent role in the
7 tennis world, I am pleased to say that they have a
8 greed to offer opportunities to our local community
9 and schools to learn more about tennis through a
10 new program that will allow Queens families to
11 receive coaching from USTA professionals. During
12 the annual Arthur Ashe Kids' Day celebration the
13 USTA will give 5,000 complimentary tickets to
14 Queens children as an opportunity to inspire a love
15 for the outdoors, exercise and healthy living
16 through tennis.

17 There are still details that we are
18 currently working on and we will work on as a
19 community for weeks to come, including agreeing to
20 hiring more local residents and plan to stop cars
21 from parking on grass.

22 In terms of fiscal agreement, the USTA
23 has committed to allocating just over \$10,000,000
24 for improvement to enhance public safety and
25 contribute to the overall maintenance of the park.

2 In the end, this deal will generate \$750,000,000 in
3 revenue annually and create thousands of seasonal
4 jobs for New Yorkers; 800 prevailing wage
5 construction jobs will also be created by this
6 project. I am proud that my community has gotten
7 engaged and demanded a voice in this process. I
8 look forward to working with the USTA to improve
9 the park for everyone. This deal was a long time
10 coming and I can say with confidence that we will
11 all benefit from this expansion.

12 Lastly, I would like to thank the
13 community groups who worked alongside me; the
14 Fairness Coalition of Queens, Make the Road New
15 York, Jackson Heights Green Alliance, Jackson
16 Heights Beautification, Queens Community House,
17 Queens Congregation United for Action, also known
18 as Faith in New York, New Yorkers for Parks and
19 Asian Americans for Equality. Thank you also to
20 Mayor Bloomberg, Speaker Quinn, The Department of
21 Parks and Recreation and my staff, especially my
22 Chief of Staff, Yoselin Genao who worked tirelessly
23 on this deal for our community.

24 I say this as a resident of Queens, I
25 say this as a mom-to-be, but most importantly, I

2 say this as a person who has used that park since
3 the day I was born; you know, the negotiations
4 weren't easy; we were up 'til late night and Ramon
5 knows that we've been calling back and forth, but I
6 want my community to know that every moment that I
7 spent on this I thought of you, so thank you very
8 much. Thank you, Chair.

9 [applause]

10 CHAIRPERSON LEVIN: Thank you very much
11 Council Member Ferreras for your, again, hard work
12 on this and for being tough and for advocating for
13 your constituents and for doing right by them and
14 making sure that... that you... that their best
15 interest is... is the focus of this Council and so I
16 wanna thank you for that. I wanna thank everyone
17 that has taken an interest in this proposal; I
18 wanna thank USTA for... for their willingness to be
19 open and for hearing the community's concerns and
20 for addressing them where possible. And with that
21 I would like to call the roll on Land Use Number
22 0852, C130155PPQ and I would like to ask Counsel of
23 Committee Ann McCoy to call the roll. [off mic] I
24 re... I recommend an aye vote on this item.

25 COMMITTEE COUNSEL MCCOY: Chair Levin.

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2 CHAIRPERSON LEVIN: Aye.

3 COMMITTEE COUNSEL MCCOY: Council

4 Member Gonzalez.

5 COUNCIL MEMBER GONZALEZ: Aye.

6 COMMITTEE COUNSEL MCCOY: Council

7 Member Dickens.

8 COUNCIL MEMBER DICKENS:

9 Congratulations to my colleague, Council Member
10 Ferreras on the hard work; I know it was difficult;
11 I congratulate USTA for being committed to the
12 needs of the community and of course the community
13 groups and I vote aye.

14 COMMITTEE COUNSEL MCCOY: Council

15 Member Koo.

16 COUNCIL MEMBER KOO: Aye.

17 COMMITTEE COUNSEL MCCOY: By a vote of

18 4 in the affirmative, no negatives and no

19 abstentions.. Council Member Barron.

20 [laughter]

21 [background comments]

22 COUNCIL MEMBER BARRON: [off mic] May I

23 be excused to explain my vote? No, I'm gonna vote

24 against this only because the park land that's

25 bein' alienated.. and I know that they're giving

2 back more park land, but the value of the park land
3 that's bein' given back is not as value... valuable
4 as the park land that's bein' alienated, so... and
5 I'm against that kind of alienation and I know
6 you're givin' land back and I think more should be
7 given; I know you worked out stuff, but there's
8 more should be given to communities and surrounding
9 areas, I think, so I'm gonna vote no on that and
10 aye on all the rest.

11 COMMITTEE COUNSEL MCCOY: By a vote of
12 4 in the affirmative, 1 in the negative and 0
13 abstentions, Land Use Item 0852 is approved
14 referred to the Full Land Use Committee.

15 CHAIRPERSON LEVIN: Okay. The hearing
16 on Land Use Number 0852 and vote is hereby
17 concluded and this meeting is adjourned. [gavel]

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C E R T I F I C A T E

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



Date 07/24/2013