

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

SUBCOMMITTEE ON PLANNING,
DISPOSITONS AND CONCESSIONS

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May, 6, 2014
Start: 1:38 p.m.
Recess:1:49 p.m.

HELD AT: Committee Room
 City Hall

B E F O R E: Inez E. Dickens
 CHAIRPERSON

COUNCIL MEMBERS: Inez E. Dickens
 Daniel Garodnick
 Mark Levin
 Inez D. Barron
 Andrew Cohen
 Mark Treyger
 Darlene Mealy

A P P E A R A N C E S

Artey Pearson [sp]
Director of Land Use at HPD

Leora Jantife [sp]
Director of Multifamily Preservation Loan Program at
HPD

2 CHAIRPERSON DICKENS: Good afternoon I am
3 council member Inez E. Dickens and as chair of the
4 Subcommittee on Planning, Dispositions and
5 Concessions. I would like to welcome everyone to
6 today's hearing and to thank you for your patients.
7 We have here with us council member Treyger and
8 council member Mealy. We have 3 items on our
9 calendar today. We're laying over 2 of the items.
10 LU57 concerning 611 Pennsylvania Avenue in council
11 members Barron's district and LU57 concerning 1619
12 Lincoln Avenue in council member Mealy's district.
13 These items are being laid over to our next meeting
14 on May 20th at the request of the council members
15 Mealy and Barron. Is that correct council members?

16 UNIDENTIFIED FEMALE VOICE: [off mic] yes

17 CHAIRPERSON DICKENS: The third item on
18 our calendar is LU37 which is an application
19 submitted by the New York City Department of Housing
20 Preservation and Development to amend a previously
21 approved tax exemption pursuant to section 577 of the
22 private housing finance law. For 365 Jay Street in
23 Brooklyn in council member Levin's district. We had
24 and closed the public hearing for this item on May
25 1st but we did not vote on the item because there

2 were several questions from the subcommittee members
3 concerning outstanding violations for the property.

4 I understand that HPD has looked into the issues
5 raised by this subcommittee and has additional
6 information to provide use. I want to acknowledge
7 that council member Cohen has joined the hearing. I
8 will now call on the Director of Land Use at HPD
9 Artey Pearson [sp] and the Director of Multifamily
10 Preservation Loan Program at HPD Leora Jantife [sp].
11 And we've been joined by council member Steve Levin.
12 In who's district that the testimony is about to
13 given. And when you open please identify yourselves.

14 ARTEY PEARSON: Afternoon chair Dickens
15 and members of the subcommittee. I'm Artey Pearson
16 [sp] Director of Land Use from HPD's Office
17 Government Affairs. I have a letter to read into the
18 record regarding land use 37. Dear Chair Dickens, on
19 behalf of the Department of Housing Preservation and
20 Development the following information is submitted in
21 support of the above referenced project. The sponsor
22 for 365 Jay Street, Pratt Area Community Council Inc.
23 is in the process of substantially rehabilitating the
24 project. The HPD approved scope of work includes
25 masonry work, a new roof, new plumbing, upgraded

2 electrical systems, elevator upgrades, new windows,
3 new floors, sheet rocking and painting in the
4 apartments as well as new appliances. The capital
5 improvements also include upgrade to the public
6 areas, installation of laundry facility and HVAC.

7 The work will address any outstanding repair issues
8 and is expected to be completed by November 2014. A
9 \$3,580,598 loan from HPD including city, capital and
10 resio A funds (sic)is being used to fund this project
11 along with a loan from the community preservation
12 corporation, a grant from the New York State of Parks
13 and Recreations, historic tax credits and developer
14 equity. Once the work is completed, the sponsor will
15 obtain the permit certificate of occupancy from the
16 department of buildings. The project will result in
17 the preservation of 18 affordable units that will be
18 affordable to at least 30 years including 12 units of
19 affordable at 60% AMI and 6 units affordable at or
20 below 155% of AMI. Also attached you will find the
21 sign regulatory agreement which adheres the borrower
22 to legal requirements for this project. I hope you
23 find this information helpful. Sincerely, Kimberley
24 Darga. This is the commissioner at Preservation
25 Finance.

2 CHAIRPERSON DICKENS: Council member
3 Levin please.

4 COUNCIL MEMBER LEVIN: Thank you very
5 much madam chair. Thank you very much for your
6 testimony and I wanna thank HPD for working with
7 Pratt Area Community Council over the years on this
8 project and ensuring that there's affordable housing
9 in downtown Brooklyn. If you don't know this
10 building it's a beautiful historic building that is
11 landmarked I believe and it is a great contribution
12 to the architectural integrity of downtown Brooklyn.
13 It's right there on Jay Street. And it's taking a
14 long time to get to where we are now. I'm supportive
15 of this action and supportive of making sure that
16 there's affordable housing in downtown Brooklyn.
17 That moving forward will allow at least some units to
18 exist for people that earn less then 60% of AMI. And
19 this particular instance we're looking at 12 units at
20 60% of AMI or less that meets the need of the
21 community. 6 units at 155% of AMI or below which I
22 was hoping to get a little bit lower but I think that
23 we're because of the ponderous of units at lower than
24 60% of AMI. I think that we're comfortable with that
25 and again this is a lot of work is gone into this and

2 we thank HPD for your forbearance and for bringing
3 this items to us today. Thank you. Thank you madam
4 chair.

5 CHAIRPERSON DICKENS: Thank you, thank
6 you council member. I have a question. The interior
7 public areas that will be finished by the end of May
8 is that correct?

9 LEORA JANTIFE: Hi.

10 CHAIRPERSON DICKENS: Identify yourself
11 please.

12 LEORA JANTIFE: I'm sorry, this is my
13 first time testifying. Leora Jantife, HPD,
14 Multifamily Preservation Loan Program. That's my
15 understanding the project currently is 50% complete.
16 It should be 100% complete in November at which point
17 it will going to department of buildings for a
18 permanent certificate of occupancy.

19 CHAIRPERSON DICKENS: Alright and the
20 historic facade that will be restored because I
21 understand there we're some problems and some things
22 that had to be done there?

23 LEORA JANTIFE: Thanks my understanding.
24 They have from what I've put together from the
25

2 project is that they received, their using a historic
3 tax credits to deal with the facade of the building.

4 CHAIRPERSON DICKENS: Do any of the
5 members of the subcommittee have any questions?
6 Council member Treyger first and then council member
7 Mealy.

8 COUNCIL MEMBER TREYGER: Thank you chair.
9 I think at the previous hearing we had on this
10 particular property there were just issued raised as
11 far a violations. Class A, class B, class C. Does
12 this work that's and I see and I give credit to
13 council member Levin for putting together quite a
14 coalition here to make this project happen. Does
15 this work address all of those violations? Can you
16 speak to that please?

17 ARTEY PEARSON: Yes, Artey Pearson again.
18 While once the work is complete all of the violations
19 will be cleared from this building.

20 COUNCIL MEMBER TREYGER: And that A,B,C
21 all those?

22 ARTEY PEARSON: All violations.

23 COUNCIL MEMBER TREYGER: Thank you.

24 COUNCIL MEMBERS MEALY: Thank you chair
25 Dickens. One thing I do wish it was more AMI for

2 that location. I know we spoke about it I think it
3 could've been a little lower, but how much city
4 capital resio A money you you will be receiving for
5 this project.

6 LEORA JANTIFE: Currently the project is
7 under constructions so the funds have been expended
8 to PAC. The city capital and resio A combination is
9 a little over 3 million dollars. Unfortunately I
10 actually didn't bring the breakdown between the
11 capital and the resio A but its likely capital is the
12 larger percentage of this.

13 COUNCIL MEMBER MEALY: So November, how
14 long is the loan with HPD? Cause every time I hear
15 HPD does not have any money. So HPD had money for
16 certain projects, so this loan will be paid back
17 when? The 3 million.

18 LEORA JANTIFE: The loan, the
19 construction loan closing happened in June. It's
20 usually an 18 month construction period. It seems
21 like their moving at a fast pace. And then it will
22 convert to a permanent loan and then it will be a 30
23 year mortgage on the loan.

24 COUNCIL MEMBER MEALY: Ok. And this all
25 the work will be done November 2014?

2 LEORA JANTIFE: That's the projected
3 completion date.

4 COUNCIL MEMBER MEALY: The what
5 safeguards you have that it wouldn't go over?

6 LEORA JANTIFE: It's possible that it
7 would take longer to complete.

8 COUNCIL MEMBER MEALY: What safeguards?

9 LEORA JANTIFE: That the construction
10 period will be longer? Usually we we allow a 6 month
11 window. So if were 18 months for construction, then
12 we allow a 6 month window. So it may go 24 months
13 but that within reason.

14 COUNCIL MEMBER MEALY: Ok. Thank you.

15 CHAIRPERSON DICKENS: I'm gonna ask that
16 you provide us with the information on the breakdown
17 between the resio A money and the additional capital.

18 ARTEY PEASON: Ok will put that
19 information together and get it back to you.

20 CHAIRPERSON DICKENS: Thank you. I will
21 note for the record of that this application is
22 supported by council member Levin and who's district
23 this is located. See no other questions and see that
24 testimony is completed I will now call on council to
25

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2 call roll on a vote to approve LU 37 and I recommend
3 a I vote.

4 COUNCIL: Chair Dickens.

5 CHAIRPERSON DICKENS: I

6 COUNCIL: Council member Mealy.

7 COUNCIL MEMBER MEALY: I

8 COUNCIL: Council member Cohen

9 COUNCIL MEMBER COHEN: I

10 COUNCIL: Council member Treyger.

11 COUNCIL MEMBER TREYGER: I

12 COUNCIL: By a vote of 4 in the
13 affirmative, 0 extention, and 0 negatives. Land Use
14 item 37 is approved and referred to the full land use
15 committee

16 CHAIRPERSON DICKENS: Thank you, thank
17 you to my land use staff and thank you to my council
18 and to the sergeant of arms and again I apologize to
19 all for the lateness of getting started with this
20 hearing. The Subcommittee on Planning, Dispositions
21 and Concessions is hereby closed.

22 [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. 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.



Date May 7, 2014