

CITY COUNCIL
CITY OF NEW YORK

----- X

TRANSCRIPT OF THE MINUTES

Of the

SUBCOMMITTEE ON PLANNING,
DISPOSITIONS AND CONCESSIONS

----- X

December 2, 2014
Start: 1:19 p.m.
Recess: 1:47 p.m.

HELD AT: 250 Broadway - Committee Room
16th Floor

B E F O R E: INEZ E. DICKENS
Chairperson

COUNCIL MEMBERS:
Darlene Mealy
Ydanis A. Rodriguez
Andrew Cohen
Mark Treyger

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

Baaba Halm, Assistant Commissioner
Government Relations and Regulatory
Compliance, HPD

Jack Hammer
Director of Brooklyn Planning, HPD

Frank Lang, Director of Housing
Saint Nick's Alliance in Brooklyn

1 SUBCOMMITTEE ON PLANNING, DISPOSITIONS
AND CONCESSIONS

3

2 [sound check]

3 CHAIRPERSON DICKENS: Good afternoon.

4 I'm Council Member Inez E. Dickens, Chair of the
5 Subcommittee on Planning, Dispositions and
6 Concessions. I would like to welcome everyone to
7 today's hearing. I want to thank and acknowledge my
8 Sergeant-At-Arms Humberto Collazo and Eugenia Shaw
9 [sic], and, of course, my Land Use Director Raju Mann
10 and Deputy Director Amy Levitan. And, of course, my
11 phenomenal attorney Anne McCaughey. And I want to
12 acknowledge my esteemed colleagues who are members of
13 this subcommittee. Council Member Andrew Cohen, and
14 Council Member Mark Treyger.

15 We have two items on our calendar today.
16 One we will be hearing and voting on, and one will be
17 laid over for a future subcommittee hearing. To
18 start, we are laying over the following item: Land
19 Use Item 147, which is 304-306 East 8th Street for a
20 Section 577 tax exemption for property located in
21 Council Member Rosie Mendez's district in Manhattan.
22 Again, this item will be laid over to our next
23 hearing on December 15th, as the members gather the
24 necessary information for this project.

25

1 SUBCOMMITTEE ON PLANNING, DISPOSITIONS
AND CONCESSIONS

4

2 I am now opening the public hearing for
3 Land Use Item 152, 695 Grand Street for a UDAAP
4 Application submitted by HPD for property in Brooklyn
5 in Council Member Reynoso's district. We have here
6 to testify Baaba Halm, the Assistant Commissioner at
7 HPD Government Relations, and Jack Hammer from HPD.

8 [Pause]

9 CHAIRPERSON DICKENS: Is Frank Lang here?
10 Are you here? Do you want to join them at the same
11 time? You might as well join them at the same time,
12 and save a little time. I would like HPD, I would
13 like the Assistant Commissioner to start please and
14 introduce yourselves.

15 BAABA HALM: Good afternoon, Chair
16 Dickens and members of the committee. My name is
17 Baaba Halm, Assistant Commissioner for Government
18 Relations and Regulatory Compliance, HPD.

19 JACK HAMMER: Jack Hammer, Director of
20 Brooklyn Planning, HPD.

21 FRANK LANG: And I'm Frank Lang. I'm the
22 Director of Housing for Saint Nick's Alliance, a not-
23 for-profit in Brooklyn.

24 [Pause]

25

2 BAABA HALM: Chair Dickens and members of
3 the committee, the HPD is here on Land Use Item 152,
4 which consists of the proposed urban lands use review
5 procedure action for the disposition of an Urban
6 Development Action Area designation, a city owned
7 property located 695 Grand Street, Block 2782, Lot
8 36. This property is a sing-story commercial
9 building that is currently under a lease held by the
10 sponsor, Saint Nick's Alliance, since the 1980s. It
11 is being redevelopment-- redeveloped using state
12 funding that would facilitate the new construction of
13 an eight-story mixed-use building with a mix of
14 incomes. It is anticipated that the project will
15 provide approximately 51 affordable housing rental
16 units. The project stems from proposals submitted by
17 the sponsor to develop the mixed-use building with
18 the assistance of state funding, as I said. The
19 building will contain a mix of studios, one, two, and
20 three-bedroom apartments, including one unit for the
21 superintendent.

22 Approximately 41 units will be
23 affordable to families making up to 60% of AMI with
24 rents that range from \$440 for a studio to \$1,308 for
25 a three-bedroom unit. Additionally, ten of the 41

2 affordable units will be permanently affordable under
3 the requirement of the Inclusionary Housing Program,
4 and eight of the units would be reserved for special
5 needs housing. The supportive housing tenants would
6 be referred through Saint Nick's Scatter-Site
7 Supportive Housing Program. The services would
8 generally provide off-site with occasional case
9 managers' visits to tenant units. The remaining nine
10 units are currently underwritten up to 100% of AMI.
11 The building will also have 21,872 square feet of
12 commercial space on the ground floor and amenities
13 will include laundry and community rooms, as well as
14 an outdoor patio located on the building's second
15 floor with seating and play equipment. Council Member
16 Reynoso is supportive of this project.

17 CHAIRPERSON DICKENS: Mr. Hammer, do you
18 have anything you want to add?

19 JACK HAMMER: Nothing to add. I'd be
20 happy to take any questions.

21 CHAIRPERSON DICKENS: Mr. Lang?

22 FRANK LANG: Yes. Thank you all. Saint
23 Nick's Alliance had been serving Brooklyn since 1975.
24 As the Assistant Commissioner mentioned, this
25 building was constructed by us with a ground lease

2 from the City of New York as a one-story taxpayer
3 back in the 1980s when commercial storefronts on
4 Grand Street in Brooklyn were vacant. It became an
5 anchor that allowed us to help create the local
6 Business Improvement District, and it has continued
7 to be an anchor in the neighborhood. As part of
8 trying to achieve additional affordable housing, we
9 applied to the State with the City's support for site
10 control, and we secured the tax credit funding and
11 other funding. And so, the community really can
12 utilize this because with all of the housing being
13 built in the neighborhood, there is very little new
14 affordable housing being built. So I'm happy to
15 answer any other questions, but we thank you very
16 much for your time.

17 CHAIRPERSON DICKENS: Well, thank you for
18 coming down to give testimony. Now, what is
19 currently on the land? Is it still the taxpayer?

20 FRANK LANG: It is a one-story taxpayer.
21 They are just commercial stores. One is a Gem Store,
22 and one is Rainbow Store. The Gem Store has vacated,
23 and the Rainbow Store will vacate at the end of the
24 lease, which is in the summer.

2 CHAIRPERSON DICKENS: So the Gem Store--
3 There were only two commercial units that occupies
4 it. Is that correct?

5 FRANK LANG: That's correct. The site is
6 actually about 14,000 square feet with about 12,000.
7 So two 6,000 square foot commercial with basement.

8 CHAIRPERSON DICKENS: Now, the Gem are
9 they moved out in anticipation of the transfer of
10 title to you, and the construction for the affordable
11 housing that will go on top, right?

12 FRANK LANG: Yes.

13 CHAIRPERSON DICKENS: All right, and did
14 you assist them in moving? Where did they go? Are
15 they still in the neighborhood? Were they providing
16 employment opportunities for people in the community?

17 FRANK LANG: Well, the Gem Store is a
18 chain of stores, and they have a number of other
19 branches. And so, they have moved with the
20 opportunity to negotiate a return to the site when
21 the project is completed. In the interim, there was
22 no opportunity for them to find a space. I don't
23 know. You know, Williamsburg is very difficult to
24 find an interim lease. So what we've done is we've
25 created a pop-up store for the last-- You know,

2 beginning actually next week. There will be a pop-up
3 store on the site, and we work with the Grand Street
4 BID. So there are a number of other activities going
5 on in their space up until we begin construction.

6 CHAIRPERSON DICKENS: Now, what about the
7 employees that were employed at the Gem site?

8 FRANK LANG: Well, there's really not--

9 CHAIRPERSON DICKENS: [interposing] And
10 at the other one. What was the other store? I'm
11 sorry.

12 FRANK LANG: Well, the other Rainbow is
13 still operating right now.

14 CHAIRPERSON DICKENS: What about the
15 employees? What is going to happen with those
16 employees? Are they being guaranteed employment at
17 another Gem site?

18 FRANK LANG: I believe so. I'm not their
19 employer, but Gem they've been a longstanding
20 business, and their employee, the manager there I
21 believe was relocated either to another Brooklyn or
22 one of their Manhattan stores.

23 CHAIRPERSON DICKENS: And what about the
24 Rainbow?

2 FRANK LANG: Well, the Rainbow we have
3 not initiated that with them, but they have actually
4 even more branches including two not that far away
5 within the Williamsburg-Greenspoint area. So we
6 assume that the employees there will be able to be
7 continued with that company.

8 CHAIRPERSON DICKENS: But that was not
9 part of any negotiating. You are just assuming?

10 FRANK LANG: Well, candidly, we operate a
11 workforce training employment program that assists
12 more than 800 people a year in terms of placements
13 for long-time living wage jobs.

14 CHAIRPERSON DICKENS: So did you let
15 these employees know that they come to--

16 FRANK LANG: [interposing] Yes.

17 CHAIRPERSON DICKENS: --you? All right,
18 great.

19 FRANK LANG: We have done that.

20 CHAIRPERSON DICKENS: That's what I
21 wanted to hear. Now, as far as the-- You said that
22 there were-- Commissioner, you said that there were
23 how many that were-- Would it be at about 60% AMI?

24 BAABA HALM: Forty-one of the 51 units
25 will be at up to 60% of AMI.

2 CHAIRPERSON DICKENS: Forty-one. All
3 right, and there will be-- Of that 41, ten or is it
4 the additional ten that will be permanently?

5 BAABA HALM: Ten of the 41 will be
6 permanently affordable under the Inclusionary Housing
7 Program.

8 CHAIRPERSON DICKENS: And so, then what
9 about the balance of 31? What happens with those?

10 FRANK LANG: Well, I'd be happy to answer
11 that. The other 31 will be minimally affordable for
12 40 years. I believe we actually put in our
13 application to the state 50 years in terms of a
14 regulatory agreement when we did the application.

15 CHAIRPERSON DICKENS: You said minimum.
16 What does that mean? I don't know--

17 FRANK LANG: Well, we're a not-for-
18 profit.

19 CHAIRPERSON DICKENS: Will be
20 underwritten by the rent stabilization?

21 FRANK LANG: That's correct.

22 CHAIRPERSON DICKENS: [interposing] What
23 will you use?

24 FRANK LANG: So all of the-- In fact,
25 all of the units will be rent stabilized.

2 CHAIRPERSON DICKENS: And that's the
3 units will stay rent stabilized regardless of
4 tenancy?

5 FRANK LANG: That's correct, but we are
6 not-for-profit, and our purpose is to maintain
7 affordable housing. And so, we have a number of
8 properties that have actually ended their
9 affordability requirements. And what we have done is
10 we have purposely gone out with the City and HPD and
11 extended that. And in the case of additional ones,
12 we work through the Inclusionary Program to extend
13 them in perpetuity. For these ones, we would-- You
14 know, we would look to assume that Saint Nick's is
15 going to be here, and maintain that affordability.
16 That is our charitable purpose and that's our intent.

17 CHAIRPERSON DICKENS: Well, the ten
18 permanent under the inclusionary is just the 20%?

19 FRANK LANG: That's correct. This is
20 what we have here. [sic]

21 CHAIRPERSON DICKENS: [interposing] This
22 is not any additional. It's just the 20%.

23 FRANK LANG: That's correct.
24
25

2 CHAIRPERSON DICKENS: Now, what about the
3 ten other units? There are 41 that's accounted for.
4 What about the remaining ten?

5 FRANK LANG: One of those is the
6 superintendent employee unit. The other nine units
7 are underwritten for affordability at 100% AMI. Part
8 of the funding from the State required that we have
9 some unregulated. In other words, not that they're
10 not regulated, but they're not low [sic] income
11 required. And so, that was part of us securing the
12 funding from the State.

13 CHAIRPERSON DICKENS: So what-- Is that
14 called market?

15 FRANK LANG: It could be market. Right
16 now, we're not targeting them that way, but they
17 could be. That's correct.

18 CHAIRPERSON DICKENS: And when do you
19 expect to put the shovel in the ground, and how long
20 will it take? What is the process that's going to be
21 used for that?

22 FRANK LANG: We are anticipating closing
23 right now in September of 2015. The construction is
24 targeted for two years. We would go through the
25 familiar HPD lottery process or we would do a broad

2 marketing both to least likely to apply citywide.

3 And also very intently locally. We go through and we

4 feel half the units are-- have a preference for

5 local Community Board residents. And then there are

6 often other preferences for physically or visually

7 impaired. We at Saint Nicks have been the

8 Administrative Agent for the 20% affordable on a

9 number of mixed-income 80/20 market rate projects.

10 And so, we're very familiar with the process. We

11 also own and manage 900 units, and we do a lottery

12 and income verification.

13 So we work very closely with a lot of the

14 Brooklyn groups in particular, but we also make sure

15 we go citywide in terms of letting people know.

16 Unfortunately, for the local people quite honestly,

17 as soon as the address is Williamsburg, you get about

18 50,000 applications from people that are not from

19 Williamsburg. And so, the preferences become even

20 more stark in terms of the local preference. Because

21 they become a very small proportion of the total

22 applications.

23 CHAIRPERSON DICKENS: Now, will there be

24 any units that will be handicap accessible?

25 FRANK LANG: [interposing] Yes.

2 CHAIRPERSON DICKENS: In other words, be
3 outfitted with bathrooms that have the handrails,
4 that the sinks will be handicap-- they would be ADA
5 compliant as well as the toilets be raised?

6 FRANK LANG: Yes, absolutely.

7 CHAIRPERSON DICKENS: How many of those
8 units will you have?

9 FRANK LANG: I believe there's five of
10 those. I have to double check, but that was part of
11 both the State and the City HPD requirements. A
12 couple of those units are going to be for the special
13 needs residents because they are-- they are in a
14 condition where they are sometimes frail. And so, we
15 have a couple of those, and then the remainder will
16 be for what I'll call the general applicant pool.

17 CHAIRPERSON DICKENS: Well, when you say
18 general applicant pool, if there are five units that
19 are four ADA compliant--

20 FRANK LANG: [interposing] Yes.

21 CHAIRPERSON DICKENS: --and two of them,
22 because that's what a couple sounds like to me.

23 FRANK LANG: [interposing] That's right
24 that would be three others would be available.

2 CHAIRPERSON DICKENS: And the three
3 others will they be geared towards those that require
4 handicapped--

5 FRANK LANG: [interposing] Yes.

6 CHAIRPERSON DICKENS: --age, or are they
7 going to be when you said general applicant pool?

8 FRANK LANG: Well, we have a-- we have a
9 preference. HPD Marketing adjusts that preference at
10 times. For a time after Sandy, Hurricane Sandy,
11 there was a preference for Hurricane Sandy victims
12 that isn't really as relevant right now in terms of
13 applicants seeking to live in our neighborhood. But
14 there are preferences for instance for municipal
15 employees. There was a percentage of those, and a
16 percentage for mobility impaired and hearing and for
17 visually impaired. And so those units would be
18 targeted to those preferences. And so, we expect
19 those to be filled from that pool.

20 CHAIRPERSON DICKENS: That was my
21 question.

22 FRANK LANG: Yes.

23 CHAIRPERSON DICKENS: When you said
24 general pool, you said that--

2 FRANK LANG: [interposing] Right, I meant
3 that it's not necessarily the unrestricted. It's to
4 be filled from the larger applicant pool.

5 CHAIRPERSON DICKENS: I just want to be
6 assured that those five units would be available for
7 those that require ADA compliant units, and not to
8 the general population that does not need those aids.

9 FRANK LANG: That's correct. Because the
10 building is an elevated building, even the non-
11 handicapped, if you will, all of them have to be
12 accessible and adaptable. So, there is that
13 component is somebody needs it later we can make that
14 adjustment.

15 CHAIRPERSON DICKENS: Thank you. Do any
16 of my colleagues have any questions member, please?

17 COUNCIL MEMBER TREYGER: Thank you,
18 Chair. Just a quick-- A couple of quick questions.
19 Number one, parking is that part of this proposal?

20 FRANK LANG: We looked at parking. There
21 is not a parking requirement because of both
22 affordable housing. With the Grand Street BID, which
23 we helped create, but is a separate organization.
24 Also, we had a concern about a curb cut on that
25 commercial street in carrying the viability of the

2 commercial. So they were in support of our not
3 needing it. It turned out as-of-right, we didn't
4 have to have parking.

5 COUNCIL MEMBER TREYGER: And the second
6 question I had was-- I mean you touched upon this,
7 but just to be clear. So there is no requirement of
8 a certain number of apartments that are cited for
9 people from the local community?

10 FRANK LANG: No, there is. It's 50% of
11 the low income would be set aside for local
12 community. In addition, I believe with any
13 conversation with City Planning as well as the local
14 council member. We also with HPD included in that
15 50% preference residents who can show that they were,
16 if you will, former residents displaced after the
17 rezoning. Can you--?

18 JACK HAMMER: Yes, I can just elaborate
19 on that. So Mr. Lang is referring to actually a
20 request that was made of the borough president during
21 the UDAAP process that HPD consider extending the
22 local preference to former residents of Community
23 Board 1 who lived in the area after the major
24 rezoning 2004 in Greenpoint and Williamsburg. And
25 after that point, for certain developments HPD was

2 able to extend the local preference to former
3 residents. So the question that came up during this
4 UDAAP was can HPD extend that local preference when
5 this project is being marketed? So we responded at
6 the time to say yes we could extend the local
7 preference when this project is marketed to former
8 residents of Community Board 1 who reside in the area
9 after that rezoning. And then left after that point.

10 COUNCIL MEMBER TREYGER: Well, that's
11 certainly good to know because many neighborhoods
12 across the city have been rezoned, and there were
13 some impacts after that. So that's good information
14 for us to take back to our districts, and I thank you
15 for that. The last part is the other 50%. How do
16 you publicize the availability of these apartments?

17 FRANK LANG: So there are a few ways.
18 One is, as I mentioned to the Chair, we have to do
19 what's called least likely to apply. We do
20 advertisements in newspapers, and reach out to
21 community groups to populations that are no really
22 prevalent in that neighborhood. Okay, let's say
23 Asian-Pacific Islanders. I believe African-Americans
24 in that particular-- Let's say those are two of the
25 categories. In addition to that, we would do a

2 citywide publication, and it would be on HPD's
3 Housing site. For people that are registered, they
4 can check off the box, and that's often why we're
5 getting 50,000 applications now in Williamsburg
6 because it's easy to check off the box. In addition,
7 we reach out vigorously to other community groups,
8 and let them know about the opportunity.

9 COUNCIL MEMBER TREYGER: When you say you
10 reach out to local newspapers, I mean do you-- is
11 that multi-ethnic?

12 FRANK LANG: That's correct. So it
13 would-- Locally it would be at the Greenpoint
14 publication an English language and Spanish language
15 newspapers. There would be other ones in the city
16 that target different populations.

17 COUNCIL MEMBER TREYGER: Right, because
18 certainly locally you want to reach everyone, but I
19 would also argue that when you reach out to the
20 boroughs or the city making sure that we're reaching
21 in multi-ethnic communities. That definitely because
22 historically that was not the case.

23 FRANK LANG: That is correct, and we try
24 and do that. I mean one of the realities is that as
25 much as we would like to think about it, a lot of

2 people have a preference where they're going to
3 respond. And we could advertise in 40 of the local,
4 let's say targeted newspapers, but maybe only five or
5 six are going to have people that really are going to
6 respond. And so, then for us it becomes spending
7 that affordable housing funds for the building on
8 those papers. So it's a balance, and we reach out.
9 And that's why we do the least likely to apply in
10 particular because there is not representation in
11 that way in these areas.

12 COUNCIL MEMBER TREYGER: Thank you.

13 Thank you, Chair.

14 CHAIRPERSON DICKENS: Of course. Are
15 there any other question? We have been joined by
16 Council Member Ydanis Rodriguez. Any other
17 questions. All right. I am closing the public
18 hearing on Land Use 152. I thank you all three for
19 coming down to give testimony. I note for the record
20 that the application we are voting on today has the
21 full support of Council Member Reynoso.

22 COUNSEL ANNE MCCAUGHEY: Yes.

23 CHAIRPERSON DICKENS: I will now call on
24 Counsel to call the roll on a vote to approve.

25 COUNSEL ANNE MCCAUGHEY: Chair Dickens.

1 SUBCOMMITTEE ON PLANNING, DISPOSITIONS
AND CONCESSIONS

22

2 CHAIRPERSON DICKENS: Aye.

3 COUNSEL ANNE MCCAUGHEY: Council Member

4 Rodriguez.

5 COUNCIL MEMBER RODRIGUEZ: Aye.

6 COUNSEL ANNE MCCAUGHEY: Council Member

7 Cohen.

8 COUNCIL MEMBER COHEN: Aye.

9 COUNSEL ANNE MCCAUGHEY: Council Member

10 Treyger.

11 COUNCIL MEMBER TREYGER: Aye.

12 COUNSEL ANNE MCCAUGHEY: By a vote of 4

13 in the affirmative and no abstentions, and no

14 negatives Land Use Item No. 152 is approved and

15 referred to the Full Land Use Committee.

16 CHAIRPERSON DICKENS: I would like to

17 thank HPD and, of course, the members of the public,

18 my colleagues, the Counsel and Land Use staff for

19 attending today's hearing. This hearing is hereby

20 adjourned. [gavel] But I am holding the vote open

21 for ten minutes to allow any late members to vote.

22 Thank you.

23 [Pause]

24 MALE SPEAKER: Council Member Mealy.

25

1 SUBCOMMITTEE ON PLANNING, DISPOSITIONS
AND CONCESSIONS

23

2 COUNCIL MEMBER MEALY: I vote aye, and
3 this committee now is adjourned. [gavel]

4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

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 that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date December 8, 2014