

CITY COUNCIL
CITY OF NEW YORK

----- X

TRANSCRIPT OF THE MINUTES

Of the

SUBCOMMITTEE ON ZONING AND
FRANCHISES

----- X

OCTOBER 20, 2015
Start: 10:10 A.M.
Recess: 11:23 A.M.

HELD AT: 250 BROADWAY - COMMITTEE RM, 16TH FL

B E F O R E: DONOVAN RICHARDS
CHAIRPERSON

COUNCIL MEMBERS:

DANIEL GARODNICK
VINCENT GENTILE
ANTONIO REYNOSO
JUMAANE WILLIAMS

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

DEBORAH ROSE
COUNCIL MEMBER

DAVID GREENFIELD
COUNCIL MEMBER

TOM MCKNIGHT
NEW YORK CITY ECONOMIC DEVELOPMENT
CORPORATION

RICHARD MARIN
THE NEW YORK WHEEL

JORDAN MOST
HAMILTON PLAZA ASSOCIATES

MICHAEL HARWOD
ST. GEORGE CIVIC ASSOCIATION

SUBCOMMITTEE ON ZONING
AND FRANCHISES

3

1
2 All righty, good morning, so good morning
3 all righty and I want to start by saying Council
4 Member Antonio Reynoso gets the green star today, is
5 it green star or gold star? Gold star, sorry
6 environmental friendly star for getting here first
7 today and I will ask my colleagues to have a sit we
8 are ready to begin. Good morning I am Council Member
9 Donovan Richards, Chair of the Subcommittee on Zoning
10 and Franchises and today we are joined by the
11 following Council Members: Council Member Dan
12 Garodnick, Council Member Vince Gentile, Council
13 Member Antonio Reynoso, our Chair of Land Use as
14 well, Council Member Greenfield and also Council
15 Member Rose who has an item on the agenda today.
16 Today we'll be, we will be holding a public hearing
17 and voting on 2 items. L.U. No. 288, a modification
18 of a previously approved special permit and L.U. No.
19 289 a modification to a previously approved
20 restrictive declaration. I will now open the public
21 hearing for L.U. No. 288 a special permit,
22 application to allow for the development of
23 observation wheel accessory terminal building and
24 parking garage located in Community district 1 of
25 Staten Island which is in Council Member Debbie Rosie

SUBCOMMITTEE ON ZONING
AND FRANCHISES

4

1 district. And since she is here, I will call on
2 Council Member Rose to make a statement on this
3 issue.
4

5 COUNCIL MEMBER ROSE: Thank you Chair
6 Richards and good morning. Good morning to the Chair
7 and members of the Subcommittee on Zoning and
8 Franchises, I want to thank Rich Marin of the New
9 York Wheel and Tom McKnight from the City's Economic
10 Development Corporation for being here to inform
11 members of the Subcommittee about the changes in the
12 plan for the New York Wheel. I understand that many
13 of these changes have been driven by Geo Technical
14 analysis that found that the soil beneath the
15 northwest corner of site where piles would have been
16 placed for the proposed parking garage is unsuitable
17 for foundation placement. This reduced the overall
18 blueprint for the site leading a, leading to several
19 scale modifications that are before this Subcommittee
20 today. While these changes have given some initial
21 challenges, they have also presented us with the
22 opportunity to revisit the impact that this project
23 will have on my district, on all of Staten Island and
24 on the City as a whole. Throughout this process we
25 have all maintained a positive working relationship

SUBCOMMITTEE ON ZONING
AND FRANCHISES

5

1
2 of mutual respect the benefit of all Staten Islanders
3 and for... for that I am very appreciative. I am
4 especially appreciative to St. George Civic
5 Association who's input has proven to be invaluable.
6 The approval process for these modification has
7 through and necessarily so, though I've also been a
8 strong proponent of economic development and the
9 possibilities that the New York Wheel could bring to
10 Staten Island. My focus has been on coming to an
11 agreement that includes amenities that will benefits
12 the surrounding communities and upland neighborhood
13 as well. That balance has been foremost in my mind
14 through every step of the review and oversight
15 process. As these modification work their way
16 through the community board where they were approved
17 29 to 4 through the oversight of the Borough
18 President and through City Planning Commission, which
19 approved them unanimously. I've been in conversation
20 with the developers and with the administration to
21 ensure that these changes do not adversely impact
22 Staten Islanders. And because of this process and
23 these conversations I can now say that we have
24 reached a point where I can give the modification my
25 support. All of the points of agreement that I

SUBCOMMITTEE ON ZONING
AND FRANCHISES

6

1
2 fought for in 2013 (inaudible 5:26) are positively
3 reflected in these changes. With ongoing oversight
4 and diligence this project will benefit all Staten
5 Islanders and I encourage my colleagues to vote I.

6 CHAIR RICHARDS: Thank you Council Member
7 Rose and now with that being said we will call on the
8 applicant Richard Marin from The New York Wheel and
9 also Tom McKnight who is joining us from EDC. Now I
10 request you just to reintroduce yourself and your
11 organization as well your representing. Thank you,
12 you may begin.

13 TOM MCKNIGHT: Tom McKnight, New York
14 City Economic Development Corporation. I have some
15 short remarks. On behalf of EDC and the City of New
16 York I'm pleased to express my strong support for the
17 Wheel project and it's current applications before
18 the City Council. Since the Wheel received prior
19 approval back in 2013 the project has been moving
20 diligently forward. This is included further
21 designed development extensive agency coordination
22 and comprehensive analysis of condition of the site
23 all of which have led to design changes that are
24 before you today. We view these changes as part of
25

SUBCOMMITTEE ON ZONING
AND FRANCHISES

7

1
2 the evolution of the project and are confident that
3 the core benefits of the project remain intact.

4 On behalf of the City, I would like to
5 reaffirm that the City remain fully committed to
6 working closely with you, the Council and the
7 community on these projects and will continue to
8 address any concerns as the projects advance. The
9 Wheel will transform the (inaudible 7:24)water fund
10 into a major destination for Boroughs, Staten Island,
11 the City and the Region by constructing a 630 foot
12 observation wheel with retail exhibition space
13 theatre, open space and a parking garage. It will
14 bring over 350 construction jobs, 450 permanent jobs.
15 The project will also participate in EDCs higher NYC
16 program to provide permanent jobs to low income
17 individuals. It will provide new and enhanced in
18 connection from St. George to the waterfront with new
19 walkways, bike paths and a new vehicular garage
20 entrance from Richmond Terrace. It will create 7
21 acres of open space and it will maintain all of the
22 820 existing parking spaces throughout construction
23 while adding an additional 150 spaces at the time of
24 project completion.

25

SUBCOMMITTEE ON ZONING
AND FRANCHISES

8

1
2 Overall the project totals about half of
3 billion in private investment and will result in the
4 transformation of a formerly underutilized St. George
5 Waterfront into a major mixed use destination.

6 This project in addition to the empire
7 outlets and lighthouse point just to the south,
8 represents over a billion dollars in private new
9 development on Staten Island's north shore. These
10 major catalytic projects along with the Stapleton
11 Waterfront a little bit further down the north shore
12 take advantage of the supreme public transit access
13 and central location of downtown St. George.

14 Thank you to Councilwoman Rose and to the
15 New York City Council Subcommittee on Zoning and
16 Franchises for your time. On behalf EDC and the
17 City, I hope that this Subcommittee, the Land Use
18 Committee and ultimately the full Council will
19 provide their support for this application. I'll now
20 turn it over to Rich Marin.

21 RICH MARIN: Thank you Tom. Thank you
22 Chairman Richards, thank you Subcommittee Council
23 Members and especially thank you Council Member Rose
24 who without who's support and guidance through this
25 process would have, this project would not have

SUBCOMMITTEE ON ZONING
AND FRANCHISES

9

1
2 gotten this far and would not be as good as it is
3 right now, so thank you very much Council Member
4 Rose.

5 Council Member Rose and Mr. McKnight have
6 done a good job of actually giving you a summary of
7 what I'm going to say but I'll try and be very brief
8 and explaining these modifications. I know you all
9 have copies of this drawing in front of you, so I'll
10 try and talk to these, this from this drawing.

11 The soil conditions that Council Member
12 Rose referenced were indeed a surprise to us because
13 yes we had done a lot of Geo Tech work but we had to
14 do even more Geo Tech work after the application but
15 most importantly when we learned that the department
16 of building shifted from the 08 code to the 2014 code
17 there were specific provisions that provided for
18 standards for buildings in area subject to what's
19 called liquefaction, which is a sizenent condition
20 where the soil basically kind of gets soft and
21 unreliable. Because of that we had to take that
22 portion of the western portion of the design garage
23 reminding of course that the garage is predominately
24 an amenity which the City required us to build. It's
25 not something that we from a commercial standpoint

SUBCOMMITTEE ON ZONING
AND FRANCHISES

10

1 necessarily wanted or needed to build because we
2 believe most of our... our visitors will be coming over
3 the harbor by waterbourne transportation. But in
4 order to accommodate the garage with full 950 spaces
5 that we had committed to, we needed to take the
6 garage and if you will sort of squeeze it in a little
7 bit because it couldn't go onto that portion of the
8 soil that was a subject to this liquefaction. In
9 doing so the size of the garage went up on level from
10 3 levels to 4 levels and became slightly more angular
11 as you would imagine it would happen if you
12 compressed this space and kept the same 950 car
13 parking capability. I will add that 950 cars in the
14 prior design had far greater value and managed
15 parking then the current design, so for the commuters
16 of Staten Island, this is a better facility now
17 because it has far more self-park, which is clearly
18 their preference. We also in order to accommodate
19 that had to make our commercial space in the terminal
20 smaller because there's just so much that will fit on
21 this sight and the garage was a priority to the City.
22 The overall height of the garage only went up by
23 about 13 feet in one section of about 20 feet in
24 width and in the rest of the section of that 1,000
25

SUBCOMMITTEE ON ZONING
AND FRANCHISES

11

1 foot run of the full length of our facility the
2 height of the massing was actually at or below the
3 prior level. So there was only one of one small
4 portion to accommodate that extra level and I might
5 add that's a section which is not really directly
6 impacting to many people because of the hillside and
7 in fact from Richmond Terrace it was taking an
8 elevation from about 30 feet to 43 feet so when you
9 walked along Richmond Terrace it was actually not
10 impeding your view anymore then it had already been
11 impeded by the structure. So the massing was a very
12 minor change in our opinion. The changes to the
13 burming were also necessary because in pulling this
14 structure in and adding the extra level, burming was
15 structural not as possible as it was. So we ended up
16 with a more angular design which was a concern to
17 some when they originally saw it, the
18 characterization I personally liked the best was that
19 we changed this from an English garden to a French
20 garden. The point is that it's still a garden, it's
21 still a beautiful 7 plus acre green roof and we
22 believe still a very beautiful facility just a little
23 different then it was before. But that change also
24 allowed us to create a naturally ventilated garage,
25

SUBCOMMITTEE ON ZONING
AND FRANCHISES

12

1 which is both eco-friendlier and indeed uses less
2 energy than the prior design, there is a little more
3 structure that's being shown but only a little more.
4 The structure is basically similar to what had been
5 approved in 2013. The other thing that did change
6 was that the 1,000 length of our facility along
7 Richmond Terrace has a 50 foot rail right of way that
8 the MTA needs to keep available for future use. It's
9 actually just the siding right now but it will in
10 theory be used in the future for other rail or bus
11 rapid transit. As such, decking over that rail right
12 of way was very much a part of the plan to create the
13 conductivity that the Councilwoman spoke of from
14 upland to down land that was so important to the
15 community. In providing that decking, 1,000 feet is
16 a standard that the MTA has that designate it's as a
17 tunnel that has mandatory mechanical ventilation.
18 Mechanical ventilation was an inferior and less safe
19 ventilation mechanism based on the report of experts.
20 Then natural ventilation because of the way diesel
21 smoke accumulates. As such, we needed to reduce the
22 length of the decking at either end by 100 to 150
23 feet and that changed a little bit of the decking
24 exposure as well. The bulk 800 some odd feet of the
25

SUBCOMMITTEE ON ZONING
AND FRANCHISES

13

1 1,000 feed it still decked over and beautifully
2 landscaped. Those are the fundamental changes that
3 gave rise to all of the conversations around this
4 modification. We did by reducing the size of the
5 terminal have to eliminate a white tablecloth
6 restaurant but we replaced it with an open air
7 alfresco beer garden that quite frankly would be more
8 interesting and useful to the community members and
9 more accessible to them.
10

11 In addition, because of all the stairs
12 and access points that we added for this new design,
13 we actually have more ways to get up and down from
14 upland to down land and we were less able to control
15 those points in entry so that we decided to make this
16 fully accessible 24x7 which was not the case before.
17 So now what you have is site that is available 24x7
18 to community, has more open accessible space, has an
19 amenity like a restaurant that is actually more
20 accessible from a cost standpoint to the community.
21 The playground which is very much the result of hard
22 work with Council Member Rose, which was intended
23 always to serve the community was maintained at the
24 same level as Richmond Terrace as the prior one was,
25 because of the ADA compliant ramp that the City

SUBCOMMITTEE ON ZONING
AND FRANCHISES

14

1
2 planning asked us to put in to make even more
3 accessibility from down land to upland to the very
4 top of the roof. We had to restrict the size so what
5 we did was even thought it's a little bit smaller
6 than the old playground we actually increased with
7 the help of I'm Impaul Freburg (sic)who designs many
8 of the playgrounds in the City increased the play
9 value by changing the equipment to higher quality
10 equipment that was more age appropriate for the
11 community members that would be using it. So we
12 believe we have maintained as the Councilwoman said
13 all of the elements that we committed to in 2013
14 actually improved on some of the elements and I think
15 most importantly we've resulted in what many of
16 believe to be a more beautiful project then we had
17 before, one on which 100 union men and woman are
18 working today and have been for five months and are
19 anxiously awaiting your approval to be able to
20 welcome an additional 250 on to the site to finish
21 the construction. Thank you very much.

22 CHAIR RICHARDS: Thank you, so I just
23 have, so can you go through, so I have to say you
24 just mentioned union jobs. So how many jobs in
25 total?

SUBCOMMITTEE ON ZONING
AND FRANCHISES

15

1
2 RICH MARIN: During construction we peak
3 out about 350 union jobs.

4 CHAIR RICHARDS: Ok.

5 RICH MARIN: And then after construction
6 on full time equivalent employees since we're open 7
7 days a week, 365 days a year. We and with
8 maintenance in the evening we run a complete 24 hour
9 shift, 3 shifts a day. We will have about 450 full
10 time employees.

11 CHAIR RICHARDS: Can you through so, do
12 so MWBE can you speak to particular goals of the
13 (inaudible 18:39).

14 RICH MARIN: Sure, we've had two
15 particular goals here besides being all union during
16 our construction phase and by the way we were all
17 union right from day one as everybody might recall.
18 But when it comes to MWBE I've personally held two
19 sessions with Council Member Rose at our sort of
20 facility in the Ferry Terminal. One is recently is
21 about a week in a half ago. So we've done two of
22 these already, we have had a number of the local
23 contractors that's we've already hired which are MWB
24 I point to someone like Walsh Electric which is a
25 woman owned business based in Staten Island. We've

SUBCOMMITTEE ON ZONING
AND FRANCHISES

16

1
2 also sort of emphasized Staten Island businesses very
3 very heavily and have people like Racon (sic) building
4 our temporary jetty, that's a 3 million dollar
5 contract, so we've... we've tried to favor both Staten
6 Island businesses and MWBE businesses and we fill
7 we're doing a good job of meeting that obligation.

8 CHAIR RICHARDS: So... so I did request a
9 specific number percentage of what so do you have
10 goal in mind?

11 RICH MARIN: Yes we have a goal of 25%.

12 CHAIR RICHARDS: And how do plan to get
13 there? Where are you at now? So you spoke with 2
14 organizations.

15 RICH MARIN: Well it's... it's our numbers
16 are a little bit overwhelmed by our foundation
17 contract which is a 56 million dollar contract
18 provided by Skanska (sic) which unfortunately is not
19 a MWBE company, I think if you excluded that one
20 where in excess of our 25% and I think over time we
21 will be in excess of our 25%, we just have to kind of
22 get past the or if you will water down that huge
23 foundation contract that we had to award already so.

24

25

SUBCOMMITTEE ON ZONING
AND FRANCHISES

17

1
2 CHAIR RICHARDS: So... so overall the
3 project from EDC said is EDC said is a half a billion
4 dollar project.

5 RICH MARIN: Yes. It started as.

6 CHAIR RICHARDS: You said you spoke of a
7 2 million dollar contract that's going to one
8 business.

9 RICH MARIN: Three million.

10 CHAIR RICHARDS: Three million, I'm sorry
11 three million and then you mentioned one other
12 business, how much is going there?

13 RICH MARIN: Well first of all it's a 510
14 million dollar project but when you look at the
15 actual contracted amounts, the trade amounts, we have
16 about 157 million dollars for Guilbaine (sic) and
17 probably about 135 million for the wheel builders
18 themselves, so the number of what I will call trade
19 contracts because that 510 includes financing and a
20 lot of other things. The trade contracts are
21 probably a litter under 300 million in total that we
22 have to award. In so our objective would be to have
23 75 million dollars of those contracts going to MWBE.
24 We don't have a specific goal for Staten Island
25 business but we look for whatever Staten Island

SUBCOMMITTEE ON ZONING
AND FRANCHISES

18

1
2 business that we can right now for instance our
3 security is provided by Staten Island firm, our
4 electric is.

5 CHAIR RICHARDS: And that's not an MWBE,
6 the firm?

7 RICH MARIN: Currently no, it's a Staten
8 Island firm but not an MWBE but we are in discussions
9 with an MWBE firm introduced at our very first MWBE
10 session with the Councilwoman. That is in very good
11 standing to pick up the security contract for the
12 next phase.

13 CHAIR RICHARDS: All right, let's go into
14 local hiring for a second because we're not there and
15 I want to hear the more tailored and real plan on how
16 you plan to really address making sure since you said
17 75 million dollars is there for MWBE, we want to hear
18 more of a real plan on how you plan to get there.
19 Can we just go into local hiring for a second so?

20 RICH MARIN: Sure.

21 CHAIR RICHARDS: We're very happy about
22 to have union jobs, good paying jobs. How are you
23 intertwining union and balancing it also with local
24 opportunities?

25

SUBCOMMITTEE ON ZONING
AND FRANCHISES

19

1
2 RICH MARIN: Well the first thing you
3 have to realize, this is a very specialized bill.
4 For example in our foundation bill, this is one of
5 the largest foundations put in because of the what's
6 needed underneath the wheel and we needed to be able
7 to find a firm that was capable of handling it and
8 quite frankly Skanska was one of the few that could
9 do it. So there are some specialized things that
10 quite frankly there isn't the local skill based to be
11 able to handle. On the other hand, every opportunity
12 we have to find a local and or a MWBE company to
13 fulfill that contract we are trying to do that. We
14 have the Gilband (sic) representative who is on site,
15 who is the project manager a fellow by the name of
16 Dan Test, is indeed a Staten Islander in terms of his
17 upbringing, went to high school right in our district
18 and so he has a Fitbit of local knowledge of the
19 various contractors and welcomes them and attends
20 these sessions with us so that we make sure that we
21 keep all of the doors open for both local and MWBE.

22 CHAIR RICHARDS: So what local
23 organizations, so I hear him but are you working with
24 any local organizations to ensure that especially
25 parts of Staten Island that have been undeveloped,

SUBCOMMITTEE ON ZONING
AND FRANCHISES

20

1 I'm sure just like the Rockaways, there has to be
2 some local organizations on the ground doing work
3 every day to try to plug in local job opportunities
4 for locals, so I'm interested to hearing how you're
5 working with them and I haven't, still have not heard
6 a clear indication on what the local hiring
7 percentage goal is from you as well so?

9 RICH MARIN: The local hiring goal was
10 never sort of set as a percentage the way the MWBE
11 goals was set. But if I had to say what is our goal
12 for MWBE for local hires, I would say the same thing
13 I would say 25%.

14 CHAIR RICHARDS: I thing you could do
15 better than that.

16 RICH MARIN: Well were prepared to do
17 better than that if we have qualified local companies
18 and I'm going to give you an example. We actually
19 had one foundation company on Staten Island that
20 would have qualified to bit on the foundation, very
21 big job 56 million dollar job. However, they were
22 too busy with other jobs so they chose not to bid, so
23 sometimes that just happens and I will tell you in
24 the case of Walsh Electric, who done a lot of the
25 early work for us on site and they are both local and

SUBCOMMITTEE ON ZONING
AND FRANCHISES

21

1 women owned, woman owned, there bid for overall
2 electric proposal which a 15 million dollar bid was 6
3 times bigger than any contract they'd ever had.
4

5 CHAIR RICHARDS: So I want to the MW,
6 what I will recommend and I would hope to get a yes
7 on the record from you that there is some sort of
8 task force from led by Council Member Rose perhaps
9 and she, her being able to pull together perhaps
10 there's some local organizations that can be helpful
11 in insuring that local individuals have an
12 opportunity hiring so, can I get that commitment on
13 the record.

14 RICH MARIN: You can get that commitment
15 on the record from me, we welcome Council Member
16 Rose's help on that, in fact I was going to say that
17 the only people that we are really working on that
18 are Council Member Rose, their they only people that
19 have approached us in so, were glad to do that.

20 CHAIR RICHARDS: An will EDC, can EDC
21 play a role here to?

22 TOM MCKNIGHT: And we have been, just to
23 build off on Rich's comments. Two things of note,
24 the project participating in the higher NYC program
25 which is focused on the permanent jobs aspect of the

SUBCOMMITTEE ON ZONING
AND FRANCHISES

22

1 project, so they will be participating and that will
2 be the vehicle to help ensure that local people
3 qualified local people have job opportunities.
4

5 CHAIR RICHARDS: Is there a central
6 location if residence wanted to apply for jobs at
7 this site? Is there a Workforce One Center on Staten
8 Island?

9 RICH MORAN: In fact well there is not
10 just a Workforce One Center at 120 Stivision Place
11 (sic) right next door to Council Member Rose's office
12 but it's on the 3rd floor and we're in negotiation to
13 take up half of the 4th floor as our headquarters on
14 Staten Island because Workforce One is one floor
15 below, we plan to use them and the College of Staten
16 Island which is taking the ground floor of that same
17 building as our continuous ongoing training partners.

18 TOM MCKNIGHT: So this short answer is
19 yes, there will be a central location for local
20 residence who are interested in jobs opportunities.

21 CHAIR RICHARDS: How do you plan to do
22 outreach on this? Is there a plan on outreach or I.

23 {crosstalk}

24 TOM MCKNIGHT: There's already, there has
25 been and they'll continually be outreach through

SUBCOMMITTEE ON ZONING
AND FRANCHISES

23

1 organizations, business originations, the chambers,
2 SIADC, local organizations that we make contact with
3 through the Councilwoman, so there will be a robust
4 outreach.
5

6 CHAIR RICHARDS: Ok. I will go to
7 Council Member Reynoso, but I am very interested in
8 this part of the conversation. And we've been joined
9 by Council Member Richie Torres from the Bronx.

10 COUNCIL MEMBER REYNOSO: Good morning
11 guys, how are you doing? I'm really excited about
12 this project. I think that, I'm from Brooklyn so I
13 don't go to Staten Island that often. The only time
14 I go is to visit Debbie. It is actually true, it is
15 very true. So and to play baseball against the
16 Mayor. So and lose. So I'm excited about this
17 project, I'm really excited about seeing this happen.
18 I'm afraid of height so I probably won't be on the
19 wheel itself, but I think it's an amazing thing
20 that's happening here on the Northshore, you know 650
21 feet it's really going to be something that folks are
22 going to come specifically to Staten Island to do, so
23 the economic development and the economic
24 opportunities are going to be great. What I do, so
25 I'm generally supportive of this project. I do want

SUBCOMMITTEE ON ZONING
AND FRANCHISES

24

1
2 to ask, this because it's such a large contract that
3 is half a billion dollars which is the statement that
4 you guys made and lofty goal is that we're trying to
5 meet with MWBE and local hiring specifically MWBE,
6 which I think is the one that going to be legally
7 mandated, just wanted EDC to talk in regards to
8 there's I guess, there's statistics that show that a
9 lot of these companies a lot of these large
10 organizations don't get to this goal ever or very
11 rarely get to the 25% MWBE goal. And I kind of you
12 know what's the enforcement that happens if you know
13 50% through the project we see that only 10% of the
14 MWBE have been hired or have done the job, what
15 penalties are there in place for that? You know just
16 want to know what your, what you do when they don't
17 meet those goals and if you can give me an example of
18 something you've done somewhere else when people
19 weren't reaching their goals and to holding them
20 accountable to that?

21 TOME MCKNIGHT: Sure well a key point is
22 that there are goals. They're not requirements.
23 There's a flexibility that's necessary acknowledging
24 that projects are unique and require different types
25 of trades and discipline which necessitate the

SUBCOMMITTEE ON ZONING
AND FRANCHISES

25

1
2 vehicle, with that said, those goals are included in
3 our agreement with the Wheel project they are
4 required to use best efforts to reach those goals.
5 It there are reasons they can't reach these goals,
6 they need to demonstrate why they can't reach those
7 goals and we will assist them through different
8 approaches to help them try and reach those goals.
9 And that how we approach projects and they have been
10 by in large successful, they are goal oriented for
11 the reason I explained.

12 COUNCIL MEMBER REYNOSO: Is these are or
13 what role are you playing in making do you guys have
14 a list of all MWBE's do you make available to them
15 with qualified folk in making sure they work.

16 TOM MCKNIGHT: Sure so just to separate
17 the MWBE from the local piece.

18 COUNCIL MEMBER REYNOSO: Yes, I'm don't
19 MWBE, do worry about the local part, let's do the
20 MWBE.

21 TOM MCKNIGHT: Yes.

22 COUNCIL MEMBER REYNOSO: The goal
23 because, to be honest goals... goals are made up, you
24 don't need to hit them. You guy do as much as you
25 can to make sure you get to you know that you get as

SUBCOMMITTEE ON ZONING
AND FRANCHISES

26

1
2 close as possible and then they make an effort and
3 the local hiring is exact same thing, except one is a
4 goal and one is not written but there both just you
5 know made up things that were hoping we achieve, so I
6 just want you know what our best efforts, you know
7 what systems are in place by EDC that help us get
8 there?

9 TOM MCKNIGHT: Right, so at EDC we have a
10 pretty robust MWBE program and administration
11 blueprint and the project will participate in that.
12 It has been ongoing, there have been multiple
13 outreach sessions with MWBE firms to help build
14 capacity to help them understand that there's a
15 project underway. There's been a lot of outreach to
16 help drum up interest and engagement around that
17 process. We've worked closely with the Councilwoman
18 on that. We've, worked closer with local
19 organizations on that to get the word out. The
20 program is in place, we have to get the firms into
21 the program so that they're aware what's available to
22 them and to help build capacity.

23 COUNCIL MEMBER REYNOSO: And just so a
24 heads up, the name of the organization that's doing
25 the foundation is called Skanska (sic), what is it?

SUBCOMMITTEE ON ZONING
AND FRANCHISES

27

1
2 RICH MARIN: Skanska, one of the largest
3 constructions companies in the world.

4 COUNCIL MEMBER REYNOSO: And there and
5 just so there gonna stay the largest if there the
6 only one receiving the contracts which is trying why
7 we're trying to make it so that we do everything
8 possible to allow for other folks to receive these
9 large contracts and start developing their base and
10 just be able to compete against these large
11 organization and... and I get what you're saying about
12 the quality and the capacity of the work that needs
13 to get done and whether or not you can get those
14 qualifications but the only way we get there on the
15 MWBE's get there is they get a shot at it as well, so
16 maybe they won't get the entire contract or the
17 entire foundation but they're small, they can
18 possible do smaller one. Just want you guys to go
19 all out. This what I would love to say that when
20 this is done that you guys met all your goals and
21 this is like the premiere project. One of the
22 premiere projects in the City of New York when it
23 comes to development.

24 RICH MARIN: Well the one thing I will
25 say and I think the Council Member Rose would agree

SUBCOMMITTEE ON ZONING
AND FRANCHISES

28

1 with this, of all the major projects on the North
2 Shore I believe I'm the only one who's both sponsored
3 both of the MWBE sessions and personally attended
4 both of the sessions. We're the only project amongst
5 those that have been at both of these session to make
6 sure that our outreach is as thorough and competent as
7 can be, so I... I... I believe the process is all about
8 the effort we put in and we're putting in the effort.
9

10 COUNCIL MEMBER REYNOSO: Thank you.

11 CHAIR RICHARDS: Just going back to...
12 Skanska for a second so are they and I'm going also
13 go back to Debbie in a second. So are they using
14 sub-contractors on this job as well?

15 RICH MARIN: Yes.

16 CHAIR RICHARDS: Ok they are. And can you
17 tell us what the pay is on scale for is it living
18 wage, for most of these subs?

19 RICH MARIN: Well for... for...

20 CHAIR RICHARDS: Well what percentage?

21 RICH MARIN: Kind of, for the kind of
22 people and union workers that are working on this
23 site now, I don't think living wage becomes a serious
24 issue because the, were paying them considerable more
25 than living wage. I... I have committed to the City

SUBCOMMITTEE ON ZONING
AND FRANCHISES

29

1
2 that we will be a living wage organization and we
3 plan.

4 CHAIR RICHARDS: So everybody on the job
5 right now is receiving at least a living wage?

6 RICH MARIN: I believe so, the only.

7 CHAIR RICHARDS: No, I don't want to
8 believe. I want to know.

9 RICH MARIN: Well, the only area I'm
10 going to hedge my comment a little bit to be
11 perfectly truthful is in our security force which is
12 a local company, it's not an MWBE but like I said it...
13 it... is likely to hand over to a MWBE shortly and I
14 just don't know exactly what the top level is for
15 those people. It's a local firm, it may be living
16 wage at this point, I hope it is. I will check that.

17 CHAIR RICHARDS: All right, we would love
18 the information back. If I'm betting person because
19 I know security jobs all over the City and a lot of
20 are in living wages, I would probably be right if I
21 said that it probably not receiving a living wage,
22 however, we would love for you to go back into look
23 at that in particular because we know that a lot of
24 the low level security jobs that, most likely being
25 provided in particular at this job or in I'll just

SUBCOMMITTEE ON ZONING
AND FRANCHISES

30

1
2 put it out there may not be politically correct but
3 I'm sure these are people of color who live in
4 certain parts of Staten Island, who don't have the
5 opportunity to... to... to... to break out poverty cycles.
6 So it is a little uncomfortable to say but if I'm a
7 betting person I know that's what's happening on this
8 job so, we would really appreciate you going back and
9 looking at that in particular. So I will now go, I'm
10 going to go back to Council Member Rose and will go
11 to Council Member Greenfield followed by Council
12 Member Gentile also Council Torres.

13 COUNCIL MEMBER ROSE: I'm going to brief
14 but I really would like to thank the Council Members
15 for their drilling down about the MWBE and local
16 hiring, as... as we know we've used words like historic
17 and transformational and this project is really is
18 and that's why I'm supporting this project. It is
19 you know an economic boom for Staten Island but I
20 also and... and this has been my goal throughout this
21 whole process to make sure that the Staten Island
22 community also are beneficiaries of... of the largest
23 that comes to this project. So I really do
24 appreciate my colleagues drilling down on the MWBE
25 and the local hiring and as we've had meetings you

SUBCOMMITTEE ON ZONING
AND FRANCHISES

31

1 know, you know that's this is something that I'm
2 going to be following up on. And... and just you know
3 I was speaking with the community, one of the
4 community members that came to testify today and one
5 of the changes to the project were, was from sort of
6 a mechanical ventilation to open air, so could just
7 for the record talk about the environmental sort of
8 impact in terms of the changes to the design and
9 scope of the project by using the open air
10 ventilation especially in the close proximity of the...
11 of the playground and with the ramping close to the
12 playground. Could you.

14 RICH MARIN: Sure.

15 COUNCIL MEMBER ROSE: Just re-visit that
16 impact. Thank you.

17 RICH MARIN: I would, I would be glad to
18 but unfortunately I have with me Peter Leibowitz from
19 AKRF our Environmental Consultants who in fact
20 studied that exact issue for us.

21 PETER LEBOWITZ: Yes Peter Leibowitz from
22 AKRF, so when the garage changed and it's format we
23 examined that from an air quality basis and
24 essentially of open wall garage with natural
25 ventilation disburses the admissions much more, much

SUBCOMMITTEE ON ZONING
AND FRANCHISES

32

1
2 more in a kind a wide spread pattern, so it's not as
3 concentrated. What we did specific to the playground
4 is we actually did the modeling that said what if all
5 of that was happening right near the playground and
6 now of the potential modeling results showed any
7 level on adverse impact at all, so basically it's a
8 not a change that has any affect including any of the
9 changes to the... the... the ramping that was proposed.
10 So basically from an air quality admission
11 prospective, the project does not have potential to
12 generate impacts to that use.

13 CHAIR ROSE: Is that because the is that
14 because it the exhaust pretty much sort of
15 dissipates.

16 PETER LEBOWITZ: Right.

17 COUNCIL MEMBER ROSE: We as what would
18 have been the difference than with the mechanical
19 tower.

20 PETER LEBOWITZ: So with the mechanical
21 tower and I don't remember exactly where it's located
22 now but basically would have been mechanically
23 ventilated to a single point emission you know
24 essentially it smokes type of thing that would of
25 taken all of the ventilated in the garage and put

1
2 into at one point. So for the first EIS when that
3 was the case we modeled that point and it's closest
4 location to any sensitive use like the playground,
5 like the sidewalk. And it's similarly was a
6 sufficient distant and height that it did not have an
7 impact.

8 COUNCIL MEMBER ROSE: Ok, thank you and I
9 do want to say Rich we have worked together on the
10 MWBE and you know I am, I'm grateful that you know
11 that you've been you know so forthcoming and
12 receptive to the MWBE on Staten Island and you have
13 hosted both. I don't want to give the impression
14 that, that has not happened. It has, but... but we
15 also need to see now the trickle down of effect of
16 you know of those meetings of the meet and greets and
17 whatever, I want, I really truly want to make that a
18 reality. We put forth the effort and I want to see
19 the community actually benefit from the efforts that
20 you've made.

21 RICH MARIN: Yes, we take it seriously,
22 we will track it seriously and we will report back
23 seriously on it.

24 CHAIR RICHARDS: Thank you, I will go to
25 Council Member Greenfield.

SUBCOMMITTEE ON ZONING
AND FRANCHISES

34

1
2 COUNCIL MEMBER GREENFIELD: Thank you Mr.
3 Chairman and thank you for your testimony today, I'm
4 just curious about a couple of things. What's the
5 cost differential between the original plan and the
6 current plan?

7 RICH MARIN: The original plan was
8 started at about 250 million and it's now 510 million
9 dollars.

10 COUNCIL MEMBER GREENFIELD: Ok let me
11 revise that, what the cost differential between
12 the plan that was agreed upon in 2013 that we signed
13 off on in the City Council and the plan that you're
14 currently coming back up with today on October 20,
15 2015.

16 RICH MARIN: The... the plan that was
17 approved was estimated at the time to be about 350
18 million dollars and the current plan is 510 million
19 dollars.

20 COUNCIL MEMBER GREENFIELD: What... what
21 changed in terms cost?

22 RICH MARIN: I would start by saying that
23 the amount of civil engineering and the amount of GEO
24 technical engineering required on this project far
25 exceeded our expectations. The load issues and the

1 quality of rock underneath the Wheel itself, was,
2 were considerably different then we had originally
3 hoped. The rock for instance, the serpentine rock
4 that has layers of natural epitasis in it, so there
5 were all sorts of issues which we encountered about
6 that. That certainly added to the overall cost.
7 Part of that cost increase quite frankly is an
8 average 20% partum cost increase in just building in
9 New York City because of the high level of activity.
10 But It's really been a combination of those elements
11 and those two elements and a little bit of some of
12 the added amenities that we've you know had to put in
13 to meet all over our obligations.

14
15 COUNCIL MEMBER GREENFIELD: The added
16 amenity since the project was approved?

17 RICH MARIN: Yes.

18 COUNCIL MEMBER GREENFIELD: Such as?

19 RICH MARIN: Well for instance the added
20 cost of putting in the... the landscaping and ramping
21 that had to go in for the ADA compliant ramp. When
22 we changed this configuration we added many more
23 ramps and many more great staircases if you look at
24 the prior plan, they're many more access points,
25

SUBCOMMITTEE ON ZONING
AND FRANCHISES

36

1 which had to do with making this new plan work. And
2 those were quite costly.

3
4 COUNCIL MEMBER GREENFIELD: Got it.

5 What, so the main focus of the changes have to do
6 with the GEO technical analysis, is that correct?

7 RICH MARIN: That's correct. That's what
8 drove most of the changes.

9 COUNCIL MEMBER GREENFIELD: Got it. What
10 is I'm just curious, what is the GEO technical
11 analysis have to do with the elimination of the water
12 feature?

13 RICH MARIN: It didn't really have
14 anything to do with the elimination of the water
15 feature. The water feature was part of the cost
16 containment to make the added cost of all of the
17 changes we had to make more... more let's just say
18 reasonable. The... the water feature, please
19 understand was never really a fountain, it was a
20 scrim (sic), it was a small amount of water on top of
21 a surface because of the... the levels that we were
22 dealing with, it was a very small amount of water.
23 If you'd like to hear about the water feature I
24 happen to have our senior partner from Ampaul

25

SUBCOMMITTEE ON ZONING
AND FRANCHISES

37

1 Freiburg (sic) who designed it and indeed recommended
2 eliminating it if you'd like to hear from him.
3

4 COUNCIL MEMBER GREENFIELD: No, I'm just
5 curious, my only point is that we're discussing, when
6 we're discussing the context of it, which is
7 perfectly acceptable I just want to be clear on the
8 record right, so some changes are related to the GEO
9 technical analysis others are not, some have to do
10 with cost.

11 RICH MARIN: Absolutely.

12 CONCIL MEMBER GREENFIELD: It's ok, I
13 just want to.

14 RICHA MARIN: Absolutely.

15 COUNCIL MEMBER GREENFIELD: Make sure the
16 record reflect that completely as to why it is the
17 changes are being proposed here today.

18 RICH MARIN: Well just to that point,
19 let's also be honest about it. On the, on the bad
20 soil condition, you can build on it.

21 COUNCIL MEMBER GREENFIELD: Yea.

22 RICH MARIN: It's just so darn expensive.

23 COUNCIL MEMBER GREENFIELD: Sure.

24 RICH MARIN: That you can't afford to
25 build on it, so yes, there are certain things that we

SUBCOMMITTEE ON ZONING
AND FRANCHISES

38

1 eliminated because of cost for instance. Having to
2 squeeze down the size of... of our program space in our
3 terminal. Something I certainly didn't want to do
4 but we did in order to accommodate mostly the
5 maintaining the parking obligation that we had. So
6 yes there were certain compromises we've made because
7 of cost because the cost had risen so darn high.
8

9 COUNCIL MEMBER GREENFIELD: And lower the
10 size of the playground as well.

11 RICH MARIN: No, that was not a cost
12 issue. The play, we were glad to make the playground
13 the exact same size if we hadn't had to if I may just
14 point to it. Right here if we, if we hadn't had to
15 make an ADA compliant ramp up to the top, that used
16 the what remaining space we would have expanded the
17 playground to the original size, so instead knowing
18 that we only had a limited amount of size on that
19 level. We actually first suggested putting it at a
20 higher lever but City Planning reminded us that would
21 not be as community friendly. So to maintain the
22 community friendly level of the playground and still
23 have the ADA compliant roof, we only had so much
24 space, so instead we commissioned the MPFP to make
25

SUBCOMMITTEE ON ZONING
AND FRANCHISES

39

1
2 sure that the play value was actually maintained or
3 enhanced which is what they did.

4 COUNCIL MEMBER GREENFIELD: I think, I...
5 I... I think the moral of the story from our
6 prospective honestly is were not particular thrilled
7 in general when applicants come in and try to change
8 projects and were supportive of the project and I
9 think that the Council Member here Debbie Rose has
10 done fantastic work under the circumstances but part
11 of the questioning and part of our concern is just
12 the general philosophy right, which is that when we
13 like to believe and think EDC I image likes to
14 believe this as well that when we sign off on a
15 project the project is done, right and not that folks
16 come back later and say well we didn't realize, we
17 didn't know it was too expensive, we didn't figure
18 this out, you know in our few you know that... that is
19 part of the, that is part of the nature of the
20 business. So folks who develop in this town is to
21 sort of have a good understanding of what projects
22 are and what they will cost and how prices do rise in
23 all of that from our perspective should be taken into
24 consideration, so it's not that we're, it's not that
25 we're opposed to changes just it's not something that

SUBCOMMITTEE ON ZONING
AND FRANCHISES

40

1 quite frankly we're thrilled about. I see our friend
2 from EDC would really like to weigh in on this, so
3 will give him the opportunity. Will give him the
4 opportunity to do so.
5

6 RICH MARIN: I need, I need, I need to
7 say two things to that, quite frankly. The first one
8 is I think you were very rarely presented with a
9 project that is as unique and.. and structurally as
10 challenging as this one. This is, this is the
11 largest in the world ever built of one of these
12 things.

13 COUNCIL MEMBER GREENFIELD: Yea.

14 RICH MARIN: And it, and it really, there
15 isn't a lot of history to draw on to.. to be exact at
16 every state, so yes there have been more changes
17 perhaps then normal. Secondly, the biggest cause of
18 the change was an uncertainty by DOB as to whether
19 the 08 code or the 14 code would apply to us. When
20 the 14 code was applied to us obviously we complied
21 and did everything, but part of that was the
22 standards for liquefaction. So in all fairness a lot
23 of those changes were not because of things that we
24 overlooked or didn't spend the time to consider
25 properly but rather they were simply changes that we

SUBCOMMITTEE ON ZONING
AND FRANCHISES

41

1
2 had to deal with. The same with the MTA changes,
3 those weren't known to us. A lot of these things
4 only developed over... over time and in 2014 after the
5 initial approval.

6 COUNCIL MEMBER GREENFIELD: To be fair
7 some of those changes were your fault and some of the
8 changes were not your fault and I would concede that
9 point that the message that I'm trying to relay is
10 not just this particular applicant, it's just in
11 general is that we in the Council are not thrilled
12 when applications that have been approved come back
13 to us for changes because at the time that we approve
14 an application we like to believe that whatever
15 agreements were made will in fact be kept and will be
16 able to move one. So I'm not, it's not matter of
17 pointing finger, I'm just explaining why you're
18 getting a lot questioning today is because there is
19 just overall concern about this concept of coming
20 back and making changes to a project that have been
21 previously approved. Our friend from EDC is really
22 excited about this so I'm happy to give him the
23 opportunity to respond as well.

24 TOM MCKNIGHT: Yea, I just... just to
25 comment on that.

SUBCOMMITTEE ON ZONING
AND FRANCHISES

42

COUNCIL MEMBER GREENFIELD: Please.

TOME MCKNIGHT: I... I think that both Mr. Marin and I would agree that it wouldn't be the first choice to come back and make necessary changes, but... but it was required and the... the origin of the project is, it's a unique project for New York and because of that the zoning framework that the City wanted to put in place here is detailed, it is specific and it allowed for limited flexibility and that's, that is a factor in why we're back here at the Council because it, because it was, it is not standard development project that we're more accustomed to. It is a unique project. As a result of that, there was a decision to be a little bit more specific in the zoning requirements which in this case is a special permit.

CHAIR RICHARDS: All righty. Thank you. Will go to.

COUNCIL MEMBER GREENFIELD: I certainly, I certainly appreciate that I just Tom I just would end with one note which is don't make it habit to come back here too often to change these projects. I respect this and I think that we understand it and certainly we support Council Member Rose who's done

SUBCOMMITTEE ON ZONING
AND FRANCHISES

43

1
2 outstanding work over here, but just in general it's
3 not, it's not a good president that we like to
4 establish and that's quite frankly why we're asking a
5 lot of questions. Thank you.

6 CHAIR RICHARDS: All righty will go
7 Council Member Gentile.

8 COUNCIL MEMBER GENTILE: Thank you Mr.
9 Chairman. Just out of curiosity had the code the
10 2014 code not been imposed you're, you would have
11 been able to put in the supporting structure for the
12 garage in a safe manner, despite the fact that it had
13 that... that... that consistency liquefaction it's
14 called?

15 RICH MARIN: Well that's an interesting
16 sort of philological question more than a practical
17 question. Let's put it this way, the standard that
18 the new code implied required us to do additional
19 testing and when we did the additional testing this
20 particular area of the sight didn't meet those
21 standards. So I think it's fair to say that the code
22 did a good job of keeping us from building in an area
23 where we probably shouldn't have built.

24

25

SUBCOMMITTEE ON ZONING
AND FRANCHISES

44

1
2 COUNCIL MEMBER GENTILE: I see so, again
3 philosophically you would have found that out at some
4 point if you had stayed with the 2008 code.

5 RICH MARIN: We might have, yes.

6 COUNCIL MEMBER GENTILE: I see. I
7 looking at your... you diagram here and you talked
8 about the MTA easement now you're saying that... that
9 at this point is a non-use for the MTA?

10 RICH MARIN: Well the MTA actually has no
11 track there at this moment. They will replace about
12 800 feet of track and it will be a siding where they
13 will park on occasionally train and/or unload a train
14 I meanly like with materials and/or wash trains but
15 it will not be active throughway if you will.

16 COUNCIL MEMBER GENTILE: So that to your
17 knowledge has no plans to extend the railway?

18 RICH MARIN: Well it's a much as the
19 Council Member from Staten Island know it's a much
20 debated issue and there is a desire for many
21 constitutes to have some North Shore transportation
22 capability whether a light rail or a bus rapid
23 transit and what we've done is insured that the site
24 is capable of handling either in the future when the
25 community and the City decided to do something there.

1 SUBCOMMITTEE ON ZONING
AND FRANCHISES

45

2 COUNCIL MEMBER GENTILE: I see. But I do
3 see that you... you have on the, on the map here a
4 shuttle stop for ferry service so is that a shuttle
5 that you'll run?

6 RICH MARIN: Yes.

7 COUNCIL MEMBER GENTILE: You'll be
8 running that shuttle from there?

9 RICH MARIN: Yes, we have an obligation
10 and plan to run shuttles both to the parking garage
11 but also every 3rd or so shuttle based on demand, I
12 will also or committed to taking those shuttle out to
13 Snuge Harbor (sic) cultural center.

14 COUNCIL MEMBER GENTILE: Great.

15 RICH MARIN: To be able to make sure that
16 they cultural on Staten Island benefits from these
17 three to four million people we expect to draw.

18 COUNCIL MEMBER GENTILE: Well that, then
19 you took my last question away from me because I was
20 going to ask you.

21 RICH MARIN: That's... that's committed to
22 our restrictive declaration.

23 COUNCIL MEMBER GENTILE: Excellent,
24 that's good to know, that's good to know. Certainly
25 this area was part of my district when I was in the

SUBCOMMITTEE ON ZONING
AND FRANCHISES

46

1 State Senate, so I know it very well and I know how
2 difficult it has been to get development in this
3 area, so my hats off to Council Member Rose for all
4 the good work she's done to finally, finally, finally
5 make this reality, so thank you and thank all of you.

6
7 CHAIR RICHARDS: Thank you, will go to
8 Council Member Ritchie Torres now.

9 COUNCIL MEMBER TORRES: I have a question
10 for, if I remember if I heard correctly the local
11 hiring goal is 25%?

12 RICH MARIN: Yea, well the MWBE goal is
13 25% there is no stated percentage for local hiring
14 but I said that sort of what will commit to setting
15 as a goal.

16 COUNCIL MEMBER TORRES: You will be
17 willing to expire to 25%.

18 RICH MARIN: Yes, there will be some
19 natural overlaps for instance; Walsh Electric is a
20 local firm that is woman owned.

21 COUNCIL MEMBER TORRES: And if I remember
22 correctly EDC said the vehicle for local hiring would
23 be NYC Hirer?

24 RICH MARIN: On a permanent bases for
25 permanent jobs, yes that's correct.

1 SUBCOMMITTEE ON ZONING
AND FRANCHISES

47

2 COUNCIL MEMBER TORRES: And so does NYC
3 Hirer define local hiring?

4 RICH MARIN: Local hiring would be
5 defined on a I believe at a community district level
6 based on a, based on a percentage or an average.

7 COUNCIL MEMBER TORRES: Ok so the
8 commitment is to have 25% of the workers and the
9 project come from the local community district is
10 that?

11 RICH MARIN: Well on a permanent basis I
12 would hope that we'd have far in excess of 25% from
13 the local community because you want workers that
14 don't have long commutes.

15 TOM MCKNIGHT: Are target for just so
16 were clear on local hiring versus MWBE on the MWBE
17 side as we said the goal is 25% what we seek to
18 achieve through Hire NYC is 15%.

19 COUNCIL MEMBER TORRES: What about the
20 construction jobs.

21 TOM MCKNIGHT: Oh excuse me, 50% 5-0.

22 RICH MARIN: Well I think the
23 construction jobs we're greatly benefited by the fact
24 that 37% of Staten Islanders are union members and
25 that makes it what the largest, the most unionized

SUBCOMMITTEE ON ZONING
AND FRANCHISES

48

1
2 county in America I understand, so a lot of our
3 workers on site that are union members will be from
4 Staten Island but that's not been specifically looked
5 at. We tend... tend to focus on MWBE and local
6 companies, meaning those that are have their
7 headquarters residing in Staten Island.

8 COUNCIL MEMBER TORRES: And I suspect you
9 done many project before so, what's... what's your
10 track record with respect to local hiring and MWBE?

11 RICH MARIN: Actually this is the first
12 Wheel I've ever built and no I.

13 COUNCIL MEMBER TORRES: Another project.

14 RICH MARIN: I'm an investment banker
15 that is and we've every institution I've ever worked
16 in has complied with the MWBE requirements on Wall
17 Street.

18 COUNCIL MEMBER TORRES: Is this your
19 first development or?

20 RICH MARIN: In a manner of speaking yes,
21 I was I did run a... a development company in distress
22 for two years trying to take out of distress which we
23 succeed at and it had 22 projects many of which were
24 in New York but they weren't ground up building like
25 this.

SUBCOMMITTEE ON ZONING
AND FRANCHISES

49

1
2 COUNCIL MEMBER TORRES: Well like Council
3 Member Reynoso I won't ever have the opportunity to
4 visit the Wheel because I'm deathly afraid of heights
5 and I have no skill as a baseball player, so I would
6 never go to Staten Island. But I love Debbie.

7 RICH MARIN: We have lots of other things
8 for you.

9 COUNCIL MEMBER TORRES: So that's why I
10 became an elected official. But thank you Mr.
11 Chairman.

12 CHAIR RICHARDS: Thank you. All righty,
13 all righty, well I want to thank you and.. and
14 certainly Council Member Rose and I don't want to
15 take away from the work that you've done, we really
16 appreciate the sessions you've done and the work that
17 you've done to obviously get here. I will just
18 request that we have in particular, so you said
19 there's a 50% we want to see these things in writing
20 if they can be submitted to the Committee and also to
21 Council Member Rose and then also if we can also have
22 in writing your commitment to also forming a task
23 force which we, which Council Member Rose would lead
24 and perhaps with... with perhaps some local
25 organizations to ensure that there's a long term plan

SUBCOMMITTEE ON ZONING
AND FRANCHISES

50

1 on the local hiring and MWPE piece so. Can I get
2 that commitment on the record?
3

4 RICH MARIN: You have that commitment and
5 my Land Use Attorneys and the front row are here
6 taking corpus notes to that affect.

7 TOM MCKNIGHT: Just to clarify in that
8 last note, there is an agreement both amongst the
9 Wheel as well as Empire Outlets to participate in a
10 Committee that would be led by Councilwoman Rose.

11 CHAIR RICHARDS: That's correct, I just
12 want it in writing. [crosstalk]

13 RICH MARIN: Yes, sure.

14 CHAIR RICHARDS: OK. All righty, all
15 righty with that being said we will now, you're
16 welcomed to leave and reach new heights. I'm not
17 afraid of heights, so I will certainly come and take
18 a ride on the Ferris Wheel. But I also want you to
19 ensure that the residents reach higher heights as
20 well.

21 RICH MARIN: Well as you know, we're...
22 we're letting all Staten Island School Children ride
23 it for free for the first five years.

24 CHAIR RICHARDS: That's great, all right.
25

SUBCOMMITTEE ON ZONING
AND FRANCHISES

51

1
2 RICH MARIN: And all New York City School
3 Children for the first year.

4 CHAIR RICHARDS: Ok.

5 RICH MARIN: Ok.

6 CHAIR RICHARDS: All righty, thank you so
7 much, appreciate it, thank you. All righty, so we
8 will now go to we have one more person who's going to
9 testify on this item and it's Michael Harwod (sic), I
10 think I said it right and he's representing himself
11 and St. George Civic Association as well. Just state
12 your name for the record and then you may begin and
13 just hit the button so we can hear you.

14 MICHAEL HARWOD: Good morning my name is
15 Michael Harwod I'm a resident of St. George, I live
16 in St. Marks Place, I'm also a member of the St.
17 George Civic Association and I've been consulting
18 with the Civic Association Executive Board so I have
19 their permission to speak on behalf of the
20 association as well. We were only notified of this
21 hearing at a quarter to six last night, so I didn't
22 have time to print out testimony and no other member
23 of our community were able to attend and
24 unfortunately this is not terrible surprising
25 situation under these circumstances. I echo Council

SUBCOMMITTEE ON ZONING
AND FRANCHISES

52

1
2 Member Greenfield's comments, he had to leave but
3 there were extensive hearings Ulerb (sic) process for
4 a year where the community was very much involved
5 before this project was approved in December 2013, we
6 had what we thought was extensive input, changes were
7 made in response to our concerns. The community was
8 concerned about having a three story parking garage
9 that was going to block access to the Waterfront but
10 we were promised that it would be completely
11 enclosed, it would be an invisible garage with a
12 green burm (sic) surrounding it, full access to the
13 Waterfront, a lovely playground and it would actually
14 although it would block views from the street level
15 people could walk out and see the Waterfront and it
16 would actually be an improvement. And just to
17 mention the Empire Outlets, we were also had concerns
18 about that but we were promised certain things with
19 that project and particularly as Council Member
20 Richards and Reynoso and others have commented there
21 were promises of local community hiring, there would
22 be job fairs, there would be apprenticeship programs
23 and there would be well paid jobs for locals. So
24 with some reluctance our community board, I mean our
25 St. George Civic Association voted in a close vote to

SUBCOMMITTEE ON ZONING
AND FRANCHISES

53

1
2 approve both of the projects and to support them and
3 go ahead. I was a bit more enthusiastic then some of
4 our other members but people were concerned. Since
5 then in the year and a half that happened since then
6 numerous promises have been broken. The Empire
7 Outlets promised us during the hearings that they
8 could not break ground until they were 50% rented and
9 they would be high end outlet stores and high end
10 food court. They broke ground last April, we found
11 out only last week that they reached their 50%
12 renting which they were promised they couldn't break
13 ground that the City apparently didn't enforce that
14 and we were told we are getting an Applebee's and a
15 Gap. Hardly high end food court, hardly high end
16 shopping that's going to attract tourist to our
17 neighborhood. We're going to get low cost, low wage
18 jobs for retail employees and waiter and waitresses.
19 They were also promised that there would be job fairs
20 and an apprenticeship program to hire local people.
21 Initially they weren't going to go union they were
22 pressed and switched to union St. George Civic
23 Association has not heard one about job fairs for our
24 neighbors and residence, we have not heard anything
25 with the community board about any kind of

SUBCOMMITTEE ON ZONING
AND FRANCHISES

54

1
2 apprenticeship programs that are being set up, there
3 have been no invitations for local residents to be
4 hired. And were thrilled and.. and happy that they've
5 promised union jobs, but I can tell you that when the
6 St. George Court House was built fully union all we
7 saw was New Jersey license plate parked in our
8 neighborhood. We've never heard of anyone local
9 getting the jobs. So you know were thrilled that
10 there's promises going forward and there's going to
11 be wonderful jobs for our local residences to sell t-
12 shirts at the Gap but we have not seen any follow
13 through from that project on the high end
14 construction jobs that as Council Member Richards
15 said will raise our local residents to higher
16 heights. Then we find out a couple of months ago
17 after a year of discussion that these changes are
18 being made to the Wheel project and we were told
19 several days before the community board one was
20 having hearing on these projects and we were told and
21 I'm not, and I'm quoting that the Chairman of the
22 community board told the President of our Civic
23 Association don't bother coming to the hearing
24 because we're going to rubber stamp the project.
25 Those were his words. And sure enough we had a

SUBCOMMITTEE ON ZONING
AND FRANCHISES

55

1 hearing where they allowed two member, two people
2 from the public to speak for, two people to speak
3 against for only two minutes each, which is against
4 the Ulerb rules and not a single community board
5 member asked a single question and they voted to
6 approve this project without finding out anything
7 about how these changes would affect the neighborhood
8 or responding to our concerns. After that frankly we
9 were invited finally into the room to meet with City
10 Planning and Mr. Marin to talk about what the changes
11 were but we were told at that meeting that it was too
12 late because if we asked for any more changes or any
13 further delay he would lose his funding the project
14 would be killed so we had to take it or leave it. As
15 a result of that St. George Civic Association
16 Executive Committee has voted to now oppose this
17 project because we have no choice. Our promises have
18 been repeatedly broken and we have no confidence that
19 those promises will be kept in the future. EDC did
20 not enforce the promise that Empire Outlet made and
21 Mr. Marin I sure comes here in good faith but when
22 that process for these changes began he told City
23 Planning that he didn't think it even, that these
24 were tweaks and they didn't need go through a new
25

SUBCOMMITTEE ON ZONING
AND FRANCHISES

56

1 application in the new ulberb process, he didn't need
2 to come and even if City Planning approved it he
3 didn't need to come before the City Council.
4 Obviously these are not tweaks. We are concerned
5 about the open sided garage, no neighborhood wants a
6 garage on they're Waterfront. Before it was
7 completely enclosed with a burm, with grass sides.
8 Now we got an open sided parking garage with truck
9 and bus fumes coming out to our neighborhood onto the
10 playground. There is now an open ramp, the pictures
11 gone now, the ramp before was covered so children now
12 playing on a ramp where they admit the fumes will be
13 floating up into the children's lungs.

14
15 CHAIR WILLIAMS: Ok I'm going to ask you
16 sum up.

17 MICHAEL HARWOD: I will sum up. The
18 changes to this project are a substantial change to
19 the tenor of our neighborhood and the promises that
20 have been made in the past have not been kept and we
21 have no reason to think they will be kept in the
22 future. We in the neighborhood strongly urge this
23 committee to send back to City Planning so that they
24 can find ways to... to react some of the initial
25 amenities we were promised and just one last thing,

SUBCOMMITTEE ON ZONING
AND FRANCHISES

57

1 Council Member Greenfield asked about the increase in
2 cost and when you were told it went up from 350
3 million to 510 and Mr. Marin said that was because of
4 civil engineering and because of landscaping. I'm a
5 lawyer now, I'm an undergraduate degree I was aboton
6 (sic) the botany major a BS in Botany. Looks like I
7 should have been a landscape architect if it cost
8 them a 150 million dollars for civil engineering and
9 landscaping. The reason that we are not being given
10 full information about this project and we ask that
11 it go back and be presented for further community and
12 put in further review. Thank you.

14 CHAIR RICHARDS: Thank you for testimony.
15 Ok and will just now ask you to... to work with Council
16 Member Rose in particular and stay in touch with her
17 as we move, as we move through this process.

18 MICHAEL HARWOD: We have been and with
19 Borough President Outo(sic) but unfortunately as I
20 say the process was presented to us these changes
21 which are clearly not tweaks as the (inaudible
22 1:06:19)take it or leave it and you guys don't want
23 to be the people cause you're going to be hated on
24 Staten Island and in the City. You guys don't want
25 to be the people who are going to stop this project

SUBCOMMITTEE ON ZONING
AND FRANCHISES

58

1
2 and you're going to be the blame if I lose my funding
3 and if I can get this done. Well you know what he
4 knew about the serpentine rock, he knew about the
5 problems in this neighborhood, he knew about these
6 issues and he should have planned better for this.
7 And if he runs out of money because he didn't plan,
8 that's on him, it's not on us.

9 CHAIR RICHARDS: All right, I have one
10 more question from Council Member Reynoso.

11 COUNCIL MEMBER REYNOSO: So and it kind
12 of speaks to these whole promises situation as oppose
13 to mandates when it comes to MWBE and hiring but it's
14 good to get your prospective on... on this. I think
15 Council Member Greenfield who is the Chair of Land
16 Use sort of appreciated being here to listen to your
17 testimony.

18 MICHAEL HARWOD: I did try to catch him
19 in the hall as he was leaving but.

20 COUNCIL MEMBER REYNOSO: It's just, we
21 got to be very mindful I'm glad we got two sides
22 today, it is very concerning but if we are talking
23 about whether a project goes up or down you know and
24 that we get this opportunity here to make that happen
25 but finances being in jeopardy for any further delays

SUBCOMMITTEE ON ZONING
AND FRANCHISES

59

1
2 you know we're really caught between a rock and hard
3 place here. But ultimately the... the general, the
4 project in general is going to be somewhat similar to
5 what we originally agreed to and hopefully will do
6 our part in trying to hold them accountable and have
7 EDC actually show up and enforce in a real way. But
8 it's just were stuck between a rock and a hard place
9 is you could only imagine.

10 MICHAEL HARWOD: I... I that may be the
11 case but our view is that we who live in the
12 neighborhood are going to be crushed between that
13 rock and that hard place. And our neighborhood, the
14 benefits that we were promised we don't think are
15 going to come to pass as they were originally
16 intended and... and unfortunately we can no longer
17 support this project.

18 CHAIR RICHARDS: Thank you for your
19 testimony. All righty are there any other members of
20 the public who wishes to testify? Seeing none I will
21 now close, officially close the public hearing on
22 L.U. No. 288. And we actually are going to couple
23 this for a vote now to approve this item L.U. No. 288
24 and I would ask the clerk to call the roll.

25 COMMITTEE CLERK: Chair Richards.

SUBCOMMITTEE ON ZONING
AND FRANCHISES

60

CHAIR RICHARDS: I vote I.

COMMITTEE CLERK: Council Member Gentile.

COUNCIL MEMBER GENTILE: I vote I.

COMMITTEE CLERK: Council Member

Williams.

COUNCIL MEMBER WILLIAMS: I

COMMITTEE CLERK: Council Member Reynoso.

COUNCIL MEMBER REYNOSO: I vote I.

COMMITTEE CLERK: Council Member Torres.

COUNCIL MEMBER TORRES: I vote I.

COMMITTEE CLERK: Land Use Item 288 is approved with 5 votes in the affirmative, 0 in the negative and 0 abstentions. And to refer to the full Land Use Committee.

CHAIR RICHARDS: All righty, thank you.

All righty I will now open the public hearing for L.U. No. 289 and application to modify a previously approved restrictive declaration to allow for the conversion of an existing building to a gym. This property is located at 1-37 12th Street, Brooklyn in Council Member Lander district and I just want to put on the record we have a statement in support of this project from Council Member Lander which he also negotiated with the applicant and.. and is working and

SUBCOMMITTEE ON ZONING
AND FRANCHISES

61

1
2 is basically will work with modification to preserve
3 some of the restrictions particularly on this
4 property. So I will now call the applicant up to
5 Jordan Most (sic) who I've got to know over the years
6 from Sheldon Lovell (sic) you were here on good terms
7 today. So as I mentioned before Council Member
8 Lander negotiated with applicant on some particular
9 modifications to preserve some restriction on the
10 property and I will now ask Mr. Jordan Most to... to
11 one present where you're from again and state your
12 name for the record and then to just go through in
13 particular some of the restrictions that Council
14 Member Lander worked on.

15 JORDAN MOST: Jordan Most from Shell
16 Mobel's office (sic) office. I'm half of Hamilton
17 Plaza Associates which owes that shopping center
18 which as some of you may know contain a across the
19 street from a Lowe's is between the Lowe's and
20 Guawans Canal (sic), it's a got a fairly large
21 parking lot, a supermarket, a path mart and a four
22 story building that has some commercial and warehouse
23 uses at the property. The supermarket is allowed
24 there pursuant to a special permit that dates back to
25 board of estimates days, was approved in 1977 and

SUBCOMMITTEE ON ZONING
AND FRANCHISES

62

1
2 1979 it was renewed and there is, there as a
3 condition to allowing the supermarket in excess of
4 10,000 square feet where some conditions that were
5 imposed on the tall adjacent building namely the 3rd
6 and 4th floors were limited to specifically office
7 use and warehouse use. It was largely a reaction to
8 commercial use sensitivity on nearby 3rd and 4th
9 avenues in that neighborhood. Today were seeking to,
10 we were originally seeking to completely remove the
11 restrictions on the 3rd and 4th floor but after
12 discussing the matter with Council Member Lander's
13 Office it was agreed that we would modify the
14 restrictions, particularly to allow a gym a physical
15 cultural establishment that already had secured a... a
16 special permit from the board of standards and
17 appeals in January. Hoping and anxious to get into
18 the 3rd floor space and the so the a the basically
19 the agreement I believe that memorialized in Council
20 Landers statement is that the 3rd and 4th floors would
21 be still limited to office warehouse would now also
22 allow a gym use and a generally use group six retail
23 uses with some limitation as to eating and drink
24 establishments. So it's broaden a little bit but
25 they're still some... some limitations in place. And

SUBCOMMITTEE ON ZONING
AND FRANCHISES

63

1
2 that's really the essence of it. We, the nature of
3 the application that City Planning was also
4 certification Waterfront certification which is
5 already passed through City Planning.

6 CHAIR RICHARDS: So you're not going to
7 come seeking any other changes after this. Can I get
8 that on the record?

9 JORDAN MOST: Well in fact the language
10 that's in the restrictive declaration I'm not making
11 light of that comment actually says that any other
12 uses that other than these stated permitted uses need
13 to be specially permitted by the City Council and the
14 City Planning Commissions, so but we don't plan any
15 other immediate changes to the proposal as it's on
16 the table.

17 CHAIR RICHARDS: Ok great, well we would
18 have a say so in that anyway.

19 JORDAN MOST: Right.

20 CHAIR RICHARDS: I just wanted to put
21 that out there, any questions from my colleagues on
22 this items? All righty anyone else here to speak on
23 this item? All righty seeing none I will now close
24 this particular public hearing and we will now move
25 on to vote to approve L.U. No. 289 with modifications

SUBCOMMITTEE ON ZONING
AND FRANCHISES

64

1
2 that were discussed by Mr. Most. Ok, seeing none,
3 ok. We will now ask the clerk to call the vote.

4 COMMITTEE CLERK: Chair Richards.

5 CHAIR RICHARDS: I vote I.

6 COMMITTEE CLERK: Council Member Gentile.

7 COUNCIL MEMBER GENTILE: I vote I.

8 COMMITTEE CLERK: Council Member Williams.

9 COUNCIL MEMBER WILLIAMS: I.

10 COMMITTEE CLERK: Council Member Reynoso.

11 COUNCIL MEMBER REYNOSO: I vote I.

12 COMMITTEE CLERK: Land Use Item 289 is
13 approved with modifications with 4 votes in the
14 affirmative, 0 in the negative and 0 abstentions and
15 it's referred to the full Land Use Committee.

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 October 27, 2015