CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND CONCESSIONS

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May 17, 2016

Start: 1:37 p.m. Recess: 2:30 p.m.

HELD AT: 250 Broadway - Committee Rm.

14th Fl

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)

Artie Pearson, Director of Land Use Office of Governmental Relations NYC Housing Preservation and Development, HPD

Gary Sloman, Director of Operations
Division of Housing Preservation
NYC Housing Preservation and Development, HPD

Angela Alisia (sic), Vice President Caribe Gardens Tenant Association

Kerry La Botz, Director Low Income Housing Tax Credit Preservation NYC Housing Preservation and Development, HPD

Laura Slutsky, Executive Director Green Preservation Initiative NYC Housing Preservation and Development, HPD

Evelyn Carr, Deputy Director of Third-Party Transfer & Multi-Family Preservation Loan Program NYC Housing Preservation and Development, HPD

Derrick Lovett, President and CEO MDC Community Housing Corp.

[sound check, pause]

[gavel]

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CHAIRPERSON DICKENS: Good afternoon. Τ am Council Member Inez E. Dickens, Chair of the Subcommittee on Planning, Dispositions and Concessions. Welcome everyone to today's hearing. want to thank and acknowledge my Sergeant-at-Arms Raoul Rosario and my Land Use Director Raju Mann, Deputy Director Amy Levitan and my attorneys who have not walked in yet, but Dylan Casey and Julie Rubin. I want to thank everyone for moving to another floor because I know it was a little difficult, but since Zoning was going to take so long, I did not feel it fair to hold us up when we didn't have to so that we could get moving, and not be down here until 6 o'clock. We have nine items. We've also been joined by Council Member Antonio Reynoso, who has an item of Land Use and--and that we're hearing today. We have nine items on our calendar today, and we are starting off with Land Use Item No. 350, 351, 352 also known as Caribe Gardens, which are all related. joined by Council Member Andy Cohen, Council Member Darlene Mealy and Council Member Mark Treyger to

listen to all of today's items. Caribe Gardens'

SUBCOMMITTEE ON PLANNING, DISPOSITIONS
AND CONCESSIONS

application was submitted by New York City Housing
Preservation and Development seeking the approval
from Lindsay-Bushwick Associates, LP to convey two
underutilized parking lots to a new sponsor who will
construct into new mixed-income buildings. HPD also
seeks approval for the extension of Article 5 tax
benefits for 40 years for properties located in
Council Member Reynoso's district in Brooklyn. I'm
going to call up the applicant, and Artie Pearson,
Director of Land Use, Gary Sloman, HPD, Angela
Alisia, Caribe Gardens Tenant Association. Come on
up. It's all right. We don't bite. [laughter] Not
yet. [laughs] John Kelly, Lindsay-Bushwick
Associates. Is that correct?

JOHN KELLY: [off mic] That's correct.

CHAIRPERSON DICKENS: I'm going to ask

that you identify yourselves before you begin your

19 testimony. Begin, please.

ARTIE PEARSON: Good afternoon Chair

Dickens and member of the--the committees. I'm Artie

Pearson, Director of Land Use in HPD's Office of

Governmental Relations, and I'm joined by my

colleague Gary Sloman, who's the Director of

Operations for the Division of Housing Preservation.

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Land Use Nos. 350, 351 and 352 are related items regarding development of a new construction project to be located at Block 3071, part of Lot 10 also know as Parcel A, Boerum Graham, and Block 3072, part of Lot 1, also know as Parcel B, Bushwick Johnson, and it's also known as Caribe Gardens in Council District 34. Caribe Gardens is an Article 5 Redevelopment Housing complex made up of six buildings and underutilized parking area. The current owner, Lindsay-Bushwick Associates, LP is proposing to convey the parking area to a new sponsor and its control who will then lease it to a developer who will construct two mixed-income multiple dwellings. As designated urban renewal sites within the Lindsay-Bushwick urban renewal area, the plan and project as well as tax benefits received approval by the Board of Estimate on August 23, 1980, Calendar No. 23, and provided for the development of 121 Section 8 based rental units for low-income households. Land Use No. 350 will revise the original plan and project to allow for the deletion of the area to be developed, which is Parcel A and Parcel B in order to facilitate the new construction of the two buildings.

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Land Use No. 351 will allow for the
conveyance of Parcel A and Parcel B to an affiliate
of the sponsor who will then least both parcels to a
developer for the construction of approximately 215
mixed-income rental units. The new owner will comply
with a restrictive covenant placed on Parcel A and
Parcel B that stipulates 28% of the total unitunit
count be set aside for households with the following
AMI: 20% of the units will be affordable to
households at or below 60% of AMI, which is
approximately \$46,620 for a family of three. Four
percent of the units will be affordable to households
at or below 125% of AMI, and 4% of the units will be
affordable to households at or below 135% of AMI.
The balance of the units will be rented at market
rates. The district unit of unit types is still
being determined. However, preliminary units
indicated that at Parcel A approximately 20% will be
studios; 37% will be 1-bedrooms, and 42% will be 2-
bedrooms; and at Parcel B approximately 18% will be
studios; 59% will be 1-bedrooms and 22% will be 3-
bedrooms.

Land Use No. 352 will authorize an additional 40 years of tax benefits under Article 5

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3-bedroom units.

with the original buildings located on the portions of Block 3071 and 3072 not part of the new construction development area. The owner will enter into a new 20-year Section 8 HAP contract for those 121 rental units. Therefore, no tenant will pay more than 30% of their adjusted household income in the rent. The buildings are fully occupied, and the unit types are as follows: 36 1-bedrooms and 62--67 2-bedroom units, which includes a super's unit and 18

approval of Land Use Nos. 350, 351 and 352 in order to facilitate the development of additional affordable housing units that will be part of a new project and the continuation of Section 8 low-income units located by Caribe Gardens. We can answer any questions that you might have.

CHAIRPERSON DICKENS: Next please. Areare you going to give testimony, Mr. Kelly.

JOHN KELLY: [off mic] I don't believe I need to give any testimony.

CHAIRPERSON DICKENS: All right, and I would like to hear from the Caribe Gardens Tenant Association, Angela Alisia.

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2 ANGELA ALISIA: [off mic] Yes, I'm going 3 to.

COUNCIL MEMBER REYNOSO: It's no on. Click the button.

ANGELA ALISIA: Okay, it's on. So good afternoon, Chair Dickens and members of the Subcommittee. Thank you for the opportunity to present testimony this afternoon concerning Land Use 350, 351 and 352. My name is Angela Alisia, and I'm the Vice President of Caribe Gardens Tenant Association, which represents the tenants--the residents of Caribe Gardens Project Based Section 8 Housing development of 121 units in Williamsburg, Brooklyn. I have lived in Caribe Gardens since I was a child and personally understand the importance of affordable housing in New York City. Caribe Gardens is built on the land that the owner is requesting approval from City Council today. The Tenants Association has met with the owner of the property and developer, which will build both affordable and market rate rental housings on its two parking lots, and has come to an agreement with both the owner and developer. As part of the agreement, the owner has agreed to keep Caribe Garden Apartments in HUD

for taking care of my folks in the tenant

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I'm very proud of this tenant 2 association. association. I don't want to say it publicly, but I 3 4 like them very, very much, and they're one of my top tenant associations in the entire district. That's 5 almost like saying you're my favorite but not 6 7 exactly. [laughter] Just and fair development 8 happens only when developers reaping the benefits of booming real estate markets are held accountable to the needs of and values of a community that they are 10 11 coming into. I believe that my community is learning 12 and showing all New Yorkers that development can no 13 longer rely on good faith general or general person's 14 agreements any more. I'm assuming part of the work 15 that Caribe Gardens Tenant Association has realized 16 and I wanted to thank several individuals and 17 institutions that made it possible for a community-18 based agreement to lock in larger benefits that will 19 mitigate the impact of the proposal that we are--20 we're hearing today. I want to thank Ed De Barbieri 21 from the Brooklyn Law School for his invaluable technical assistance or valuable technical assistance 2.2 2.3 in creating the base of the agreement between the Caribe Tenant Association and Lindsay-Bushwick 24 Properties and this group. Along with him, several 25

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of the students who provided much assistance and were exposed to the reality of community development and its challenges. I really want to thank the Brooklyn Law School and staff for that. Adrianna Montgomery from the Urban Justice Center for her support of the Tenant Association and making all our meetings. really appreciate that. In addition, I want to thank Congresswoman Nydia Valazquez, her District Manager Evelyn Cruz who were extremely important in pushing this through. And last but not least I want to thank and acknowledge the many individuals who took it upon themselves to educate and empower their peers and ensure that Caribe Gardens tenants would have a voice in this process and that is the Caribe Gardens Tenant Association. Angela, thank you so much for coming, and being here today and for all your hard work and the amazing work you did. The Tenant Association was installed--as soon as you were installed, I think you had to jump right into negotiating. So the amount of work that you got done in that short amount of time was second to none. It was remarkable. So thank you for that. I do want to acknowledge the good faith efforts both by Lindsay-Bushwick properties and that group who are also here, especially Abe and David

Shorts for inspecting this community on lending and 2 3 understanding its many concerns and challenges my 4 community faces. So thank you guys. The proposal 5 will reach several important goals to preserve and crate affordable housing in my community. The most 6 7 important component for the -- for me is the legally 8 binding commitments that will renew a 20-year Section 8 Contract for 121 of our families. It is always going to be on the line and the most important part 10 11 of it. In addition, the extension of Article 5 tax 12 benefits would trigger a restrictive declaration 13 mandating the construction of 28% affordable housing in two new buildings totaling 215 units, of which are 14 15 20% at 60 AMI; 4% at 125 and 4% at 135, and the rest 16 will be market rate. I also do want to thank HPD who I called several times, maybe three weeks before and 17 I said I don't want to do this because I can't 18 19 guarantee it, and you guys sat there and did 20 everything possible to make me feel comfortable with 21 that. Whatever we're asking for we're going to get 2.2 for the community in this case. So I really want to 2.3 thank HPD for the hard work that they did in making sure that everything was up to snuff. And finally, I 24 25 want to thank my great Williamsburg organizer who

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Alexis Rodriguez and my--who was the organizer that was on this project non-stop, and I also want to thank the head organizer Kevin Wilmington for the work he was doing in supporting Alexis in this project. And I'm going to recommend an approval by this committee on this project. It is one of the few times that I really feel comfortable with moving forward with this in my district because of the work that this tenant association did. Thank you, Chair, for your time.

CHAIRPERSON DICKENS: Thank you so much.

Before I open it up to my colleagues for any
questions. This to district associates, the existing
development is 100% Section 8, is that what I'm
understanding.

GARY SLOMAN: That's correct.

CHAIRPERSON DICKENS: And who was going to be the new sponsor for the new developments, the two new. Do you know?

GARY SLOMAN: Slate Properties.

CHAIRPERSON DICKENS: And we've heard from Council Reynoso that he's in agreement. What does the average area income in--in that part of the Williamsburg? Does anybody know?

information up and get that information back to you. CHAIRPERSON DICKENS: Just the source.

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ARTIE PEARSON: Okay.

CHAIRPERSON DICKENS: I would like to know. All right, I'm going to throw this open to my colleagues. Are there any questions from my colleagues? All right, seeing none, I'm going to ask are there any questions from--any additional questions from the public? [pause] Are there any-any other members of the public wishing to testify? Seeing none, I will close the public hearing on Caribe Gardens Land Use Items 350, 351 and 352. [coughs] I will now open the public hearing on Land Use Item 357, Madison Street Cluster. An application was submitted by HPD seeking the approval to

2 establish a 35-year tax exemption under Article 11 of

3 | the Private Housing Finance Law for properties

4 | located in Council Member Cornegy's District in

5 Brooklyn. I'm going to call up the applicant Artie

6 Pearson. If you'd stay seated please, and Kerry La

7 | Botz. Is that correct?

yourselves, please.

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KERRY LA BOTZ: That's correct.

CHAIRPERSON DICKENS: Oh, very good. I can call her. (sic) Director of Low Income Housing
Tax Credit Preservation at HPD. Begin and identify

ARTIE PEARSON: Artie Pearson, Director of Land Use at HPD's Office of Governmental Relations. Land Use No. 357 consists of an amendment to exemption area comprised of 396-A Monroe Avenue, 246, 242, 446--I'm going to say 442, 446, 448, 452 and 464 Madison Street, 319, 414, 401 and 403 Putnam Avenue, 851 Marcy Avenue, 273 Jefferson Avenue, 165 and 188 Hancock Street, 40-400, 404 and 409 Thompson Avenue in Council District 36 and it's known as the Madison Street Cluster. On May 26, 1996 the City Council approved the disposition of the buildings under a former rehabilitation program that was by NEP. Currently, the initial tax credit compliance

period has ended, and the investor is exiting the 2 3 ownership structure. The sponsor is not proposing to 4 reposition the loan and seek additional rehabilitation funds. The Madison Street--Street 5 Cluster is made up of 18 buildings of 102 units 6 7 including two superintendants units. Of the total number of units, 94 are occupied and 6 are vacant. 8 There is a mixture of unit types with--throughout the portfolio including a studio, and 1 to 4-bedroom 10 11 apartments, the two superintendant units and one commercial unit at 44 Thompson Avenue. 12 The income 13 target for the rental units are multi-tiered 14 including 50, 60 and 165% of AMI. As units become 15 vacant the AMIs will be restricted--restricted up to 16 120%. HPD provides Section 8 vouchers to eligible 17 Therefore, rents will average between \$590 tenants. 18 and \$938. Rehabilitation of the property is going to 19 include roof and window replacements as well as 20 window bars with egress gates for the first floor. 21 The side and cornice repair, exterior door 2.2 replacement, installation of security cameras and hot 2.3 water heater replacement. In addition, there will be energy efficiency work to include the installation of 24 weather stripping, ice (sic) installation, plumbing 25

affordable to the area?

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ARTIE PEARSON: Correct.

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CHAIRPERSON DICKENS: And what is the -- is this spread. Because you say 13 years of 50%, 44 units of 60%. Are they spread between the studio, 1bedroom, 2-bedroom. I don't--I don't--I'm asking because I don't like everything to be a--a studio at the 50% and then the 3-bedroom is the 165.

ARTIE PEARSON: The AMIs are spread throughout the building.

KERRY LA BOTZ: That's right.

ARTIE PEARSON: Uh-huh.

CHAIRPERSON DICKENS: I have no further questions. Do my colleagues have questions? Council -- Council Member Mealy.

COUNCIL MEMBER MEALY: Could you explain to me what you just said about the Section 8? If they can get Section 8, they will be able to-- Well, Section 8 is going crazy right now. You--you can't practically get it. So, what will happen to those units if the majority do not get Section 8?

> ARTIE PEARSON: They have Section 8 now.

KERRY LA BOTZ: We did an offer of Section 8 to existing tenants.

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2 CHAIRPERSON DICKENS: Is this a project 3 based Section 8 residence?

ARTIE PEARSON: No, it isn't.

KERRY LA BOTZ: So existing tenants have been offered Section 8. They will stay in place, and they'll be assisted with Section 8 in terms of—their—their rent payments.

COUNCIL MEMBER MEALY: So, will any new tenants get--have that same opportunity?

KERRY LA BOTZ: We are putting an additional bonus requirement on this project, which the sponsor has agreed to.

COUNCIL MEMBER MEALY: How much percent?

KERRY LA BOTZ: Ten percent, and those

placements will be made through the--HPD's Homeless

Placement Unit, and currently placements made through that unit are coming with--folks are coming with

Section 8.

COUNCIL MEMBER MEALY: Okay, thank you.

CHAIRPERSON DICKENS: Any further questions from my colleagues? Seeing none, are there any members of the public wishing to testify? Seeing none, I will close the public hearing on Land Use

Item 357 Madison Street Cluster and I'm now opening

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up on Land Use Item 364, Jennings Street, an
application submitted by HPD seeking approval for the
termination of an existing Article 5 tax exemption
pursuant to Section 577 of the PHFL, the Finance Law
and the granting of a new Article 11 tax exemption
that is code de minimis with a new regulatory
agreement for property located Council Member
Gibson's district in the Bronx. I'm going to call up

the applicants. Artie, just stay seated. [laughter]

And Laura Slutsky, Executive Director at Green

Preservation Initiative. Begin, please.

Pearson, Director of Land Use in HPD's Office of
Governmental Relations, and I'm joined by colleague
Laura Slustky. Land Use No. 364 consists of an
exemption area containing one multiple dwelling
located at 775 Jennings street. That's Block 2962,
Lot 46 in Council District in the Bronx. On July 27,
2005, Resolution No. 1103, the Council approved the
disposition of Division of Alternative Management
partial tax exemptions under HPD's TIL program. The
property contains 13 cooperative units and is 100%
shareholder owned. Currently, the HP--the HDFC is

under HPD's new Greenhouse and Preservation Program for small buildings. Rehabilitation will consist of capital rehabilitation work such as masonry, roofing, window replacements and concrete site work. Work will also include energy efficient--efficiency and water conservation measures including efficient lighting, building insulation, low flow toilets and bathroom fixtures and energy management. In order to assist with maintaining affordability of these units, HPD is seeking to terminate the current tax exemption, which is set to expire in the Year 2029, and obtain approval of a new Article 11 Tax Exemption that will coincide with a new regulatory agreement for a term of 40 years. And Council Member Gibson has met with the -- the board from this particular building and has indicated her support, and we're available to answer your questions.

CHAIRPERSON DICKENS: All right thank
you. Now, this is an existing one that's going to
get a--a new Article 11 Tax Exemption now along with
a new regulatory agreement?

ARTIE PEARSON: That's correct.

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2 CHAIRPERSON DICKENS: Now, what is the-3 and I didn't see the--I see anticipated AMIs up to

4 120%.

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ARTIE PEARSON: That's correct. This is a TIL building. So the same AMIs are in place as when they were approved when the TIL first occurred.

CHAIRPERSON DICKENS: Could you tell me what that was?

ARTIE PEARSON: It was 120%? Well, I'm sorry. When it was approved it was 2005. I'm sorry. [laughter] And the rest is AMI.

CHAIRPERSON DICKENS: All right, no, no, but I am going to answer for the AMI. So now when—when it was approved in 2005, was that only for ten years? Is that what happened?

ARTIE PEARSON: The tax benefits for example-- Laura, do you have that information.

LAURA SLUTSKY: [off mic] Yes, let me get you the exact one. I believe it went through 2035, so that wasn't--Yes, the existing its agreement went through 2035 for a 30-year period.

CHAIRPERSON DICKENS: And so because there will be upgrades to the systems, in order to make it energy efficient--

ownership co-op. [laughs]

ARTIE PEARSON: This represents what the-the shareholders would not be paying in taxes. So
that it makes the--the ability to pay off their loan
that much more affordable. So this is just projected
out over the--over the--the 40-year, 35-year period?

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ARTIE PEARSON: 40-year period of what they would not have pay.

LAURA SLUTSKY: 40.

ARTIE PEARSON: Yes.

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CHAIRPERSON DICKENS: You're doing good.

[laughter] Evelyn Carr, Deputy Director at HPD.

ARTIE PEARSON: Yes, Artie Pearson, Director of Land Use, Office of Governmental Relations and I'm joined by Evelyn Carr. Land Use No. 365 consists of a technical amendment to a resolution approving the disposition and Article 11 Tax Exemption for six buildings for a six-building portfolio located at 385 Grand Concourse, 1080--1038 Rogers Place, 1129 Morris Avenues, 1183 and 1171 and 1202 Clay Avenue in Council Districts 816 and 17 in the Bronx. Known as Grand and Rogers Cluster, the Council approved the project on June 10, 2015. Under HPD's previous submission, which is Resolution No. 758, it granted tax benefits to the property if a permanent or a temporary certificate of occupancy on the effective date was in place. However, the buildings with the Grand and Rogers Cluster do not have such certificates, but iCards instead due to the date they were constructed. We are seeking a technical correction to the resolution to modify the language in order to allow the application of the tax benefits to these buildings with the iCard. project remains the same as when it was approved last

year, which is the rehabilitation of approximately 87 units with rents affordable to families at 60, 80 and 100% of AMI. The res--the rehabilitation has

actually commenced on some of these buildings and

we're available to answer any questions that you may

CHAIRPERSON DICKENS: [pause] Thank you so much. Now, tell me something about this iCard.

That's--that's interesting. It--this is in lieu of C of O?

ARTIE PEARSON: This was before certificates of occupancy were required by the Department of Buildings.

CHAIRPERSON DICKENS: Oh, I didn't know there was such a thing. So--so this building has a--but if it--if it has the same numeral for iCard and the C of Os has the same requires, then why would this be required to be done if the language originally when it was done referred to a C of O?

ARTIE PEARSON: Because the resolution specifically states that the exemptions cannot be applied to a building, or did not have a permanent or a temporary certificate of occupancy. And because

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have.

CHAIRPERSON DICKENS: All right and soand the buildings will retain the iCard, which is in lieu of this permanent C of O?

[background comments]

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ARTIE PEARSON: It will get a Directive 14. I'm not sure what that means.

CHAIRPERSON DICKENS: I beg your pardon.

I didn't hear you.

ARTIE PEARSON: It will be--it'll get a different document that perhaps Evelyn can explain the difference.

EVELYN CARR: In the event where a building has an iCard in place of C of O and completion of rehabilitation on the property occurred, a Directive 14 is issued for DOB rather than a CO so that the iCards remain in place with the Directive 14.

CHAIRPERSON DICKENS: All right, would you repeat your name, please again and your affiliation.

EVELYN CARR: Yes, my name is Evelyn Carr. I'm the Deputy Director of the Third-Party

occupied city-owned building containing unit and 2 3 Block 2970, Lot 52 in Council District 16 in the 4 The building originally contained two units, Bronx. which were combined into a single unit. Currently, the building is managed and operated by the sponsor 6 7 under a net lease dated from January 2006. 8 sponsor is proposing to include the property in a portfolio of 11 privately owned buildings--privately owned dwellings and multiple dwellings that would be 10 11 rehabilitated under HPD's Low-Income Housing Tax Credit Preservation Program. . 1370 Lyman Place will 12 13 require substantial rehabilitation and will be 14 returned to its original configuration of two 15 apartments with two bedrooms each. In view of the 16 extensive amount of work needed to rehabilitate the 17 property, the sponsor will temporarily relocate 18 because the work cannot be accomplished with the 19 tenant in place. The tenant will be provided with a written agreement that will outline relocation 20 21 rights, and upon completion of the work, the tenant 2.2 will be offered the right to return to an apartment. 2.3 As mentioned, 1370 Lyman Place is part of a larger portfolio of 11 buildings. The other privately owned 24 properties are located at Block 2940, Lot 38; 2964 25

SUBCOMMITTEE ON PLANNING, DISPOSITIONS 1 AND CONCESSIONS 33 and Lot 21; Block 2970, Lots 31, 34, 38, 47 and 49, 2 3 and together there is a total of 270 rental--rental 4 units with 16 commercial spaces. Rehabilitation work will be done on the entire portfolio, which will include painting, new roofs, new windows, new kitchen 6 7 and bathroom fixtures, and new appliances. overall project will provide rental housing for 8 9 households with incomes up to 60% of AMI. The actual rents will average between \$979 for a 1-bedroom to 10 11 \$1,087 for a 4-bedroom, and Council Member Gibson has 12 been briefed, and has indicated her support for this 13 project, and we can answer your questions. 14 CHAIRPERSON DICKENS: Counsel, I actually 15 don't remember your name. Give me your name again. 16 DERRICK LOVETT: Derrick Lovett and I 17 apologize for not bringing this state form. 18 CHAIRPERSON DICKENS: Do you have any statement to make at this point? 19 20 DERRICK LOVETT: Oh, no I don't. just sitting here in case you have any questions. 21 That's all. 2.2 2.3 CHAIRPERSON DICKENS: Well, the tenants that's going to be relocating, will that tenant 24

CHAIRPERSON DICKENS: You're saying--

DERRICK LOVETT: --well, she's not the--

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4 we would like for her to recertify. If she doesn't

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recertify, she's still going to have that apartment

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at that rent. She's paying \$413 a month. We will not

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raise her rent. It was a difficult situation with a

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building that's in deplorable conditions, and so what

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we're going to do is all we can to work with HPD.

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We're going to relocate her. She has another place

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two doors down. We're going to move her at our

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expense, take care of any problems that she may have

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financially or anything else. We have this place and

said it on record because a lot of tenants feel that

if you put them somewhere and they never could really

get back into their apartment. So I'm glad you have

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you.

mover her back.

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DERRICK LOVETT: No problem.

it on record that she will be getting back in.

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COUNCIL MEMBER MEALY: I appreciate that.

COUNCIL MEMBER MEALY: Okay, I'm glad you

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CHAIRPERSON DICKENS: Thank you Council

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Member. Council Member Andy Cohen.

COUNCIL MEMBER COHEN: Thank you but

essentially the--the tenant returning is going to get

half--she--the tenant now has the whole--the whole

building, and now the tenant will have half a

building, is that correct?

DERRICK LOVETT: You can say that she has the whole building, but that building is in deplorable condition. So she really doesn't have the whole building. She's living in a very dangerous situation right now, and what we will do is rehab that building. She will have a unit. We've spoken to her. We have a very wonderful relationship. She's looking forward to having it, and returned in a like new condition. We wanted to do something prior. We could not do it because of costs of rehabbing that building. It's not sustainable. In order for us to rehab we have break it into probably a much larger project and this way in economies of scale we are able to rehab this building.

COUNCIL MEMBER COHEN: What--what is the building? It's--it's a house I guess.

DERRICK LOVETT: It's a two-family.

COUNCIL MEMBER COHEN: It's a two-family.

DERRICK LOVETT: It's a two-story house.

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2 COUNCIL MEMBER COHEN: It's a two--a two
3 family attached house?

DERRICK LOVETT: Yes, it attached to one of our--our-our project that we're rehabbing along with it.

COUNCIL MEMBER COHEN: Oh, so the--are the--there are other multiple dwellings and this building is attached to that?

DERRICK LOVETT: To one of them, yes.

COUNCIL MEMBER COHEN: To one of them.

Okay, thank you.

DERRICK LOVETT: You're welcome.

CHAIRPERSON DICKENS: Any other questions from my colleagues? Seeing none, are there any members of the public wishing to testify? Seeing none, I will close the public hearing on Land Use Item 370--Land--Land--Lyman Place and opened Preconsidered Land Use Gladys Hamptom House. An application submitted by HPD for the termination of the current Article 5 Tax Exemption and approval of a new Article 11 [pause] --Presconsidered Land Use Item Gladys Hampton House Application submitted by HPD for the termination of the current Article 5 tax exemption approval of new Article 11 real property

2 tax exemption pursuant to Section 577 of the Private

3 Housing Finance Law for property located in my

4 beloved village of Harlem. I'm going to call up the

5 | applicant [pause] Artie Pearson and Carolyn Williams

6 Director of HPD, the Multi-Family Program and Joe

7 Lynch, Nixon Peabody LLP, and I'm going--I know you

have another one, but I'm going to hear them

9 separately.

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ARTIE PEARSON: Okay. Artie Pearson, Director of Land Use, HPD's Office of Governmental Relations, and I'm joined by Carolyn Williams and Joe Lynch. Preconsidered Item for the Gladys Hampton Houses is located at 301 West 129th Street. That's Block 1955, Lot 26. The development contains two multiple dwellings with 205 units including a unit for a superintendant. There is a mixture of unit types including 1, 2 and 3-bedroom apartments. It is part of a 19-building portfolio of 549 units owned by an order of five redevelopment companies that is proposing to convey the buildings to a new owner or organized under Article 11. The new owner will undertake rehabilitation of the properties, and will work to repair the buildings to five. Install new roofs, HVAC system, installation of energy efficient

1	SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND CONCESSIONS 39
2	windows, plumbing, elevator, replacement of kitchen
3	and bathroom fixtures. In order to maintain
4	affordability, the rental units, HPD is seeking
5	council approval to dissolve the Article 11
6	redevelopment company, terminate the current tax
7	exemption, approve the conveyance to a new HDFC and
8	approve a new Article 11 Tax benefits for a term of
9	40 years that will codify with the new regulatory
10	agreement.
11	CHAIRPERSON DICKENS: Mr. Lynch, do you
12	have anything you want to add at this point?
13	JOE LYNCH: Not at this time.
14	CHAIRPERSON DICKENS: All right so is
15	going to be substantial rehab, besides the roof, is
16	that right? Common areas, is that correct? HVAC?
17	ARTIE PEARSON: Yes.
18	CHAIRPERSON DICKENS: All right, now is
19	that new elevators or just?
20	JOE LYNCH: We havewe have a
21	representative from the owner here who has a very
22	detailed scope of work so I'd like
23	CHAIRPERSON DICKENS: [interposing] Have
24	you

JOE LYNCH: --to bring him in.

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1	SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND CONCESSIONS 40
2	CHAIRPERSON DICKENS: He can come up.
3	Have you filled out a paper? No, I'llI'll get it
4	for him.
5	CHAIRPERSON DICKENS: My sergeant,
6	please.
7	JOE LYNCH: Yes, we will be replacing the
8	elevators. We'll be cash and accountables. (sic)
9	But Christopher Stern (sic) could talk about that,
10	please.
11	CHAIRPERSON DICKENS: All right so now
12	tell what isis the HVAC system going to be the same
13	or what iswhat is that going to do?
14	CHRISTOPHER STERN: [off mic] So we're
15	rehabbingeach of our units has admission speeds
16	through the wall that sound. We will bewe will be
17	rehabbing about the 25% of the air conditioning
18	space. We'll be doing a new air conditioning unit
19	for the community air.
20	CHAIRPERSON DICKENS: And whatI noticed
21	thatis thethe AMIs are they going to change for
22	various use sizes or is it going to remain the same?
23	CHRISTOPHER STERN: [off mic] It's going
24	to remain the same. The project is Section 8.

CHAIRPERSON DICKENS: The project is?

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2 CHRISTOPHER STERN: Yes

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CHAIRPERSON DICKENS: I lived for ten years in the one next door [laughter] Lanelham (sic) so I'm very much aware of what you have to do. Are there any other questions from my colleagues? we're down to one colleague? Seeing [laughs] seeing none, are there any members of the public wishing to testify? Seeing none, I am going to close the public hearing on Preconsisered Land Use Item Gladys Hampton House, and I'm now going to open--so you might as well stay seated--on Preconsidered Land Use New West Two Apartments. The application is submitted by HPD for approval of determination of the current Article 5 tax exemption and approval of a new Article 11 Real Property Tax Exemption pursuant to Section 577 under the Private Housing Finance Law for Properties located also in my district in Harlem. Identify yourselves again.

ARTIE PEARSON: Artie Pearson, Director of Land Use, HPD's Office of Governmental Relations. The preconsidered item located at the 2456 West 111th Street is known of New West 2 Apartments. This development contains three multiple dwellings with 74 units. It has a mixture of unit types including 1, 2

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and 3-bedroom apartments. It is also a part of the 19 building portfolio previously testified regarding the--the Gladys Hampton Houses owned by an Article 5 redevelopment company that is proposing to convey the building to a new owner. Organized under Article 11, it, too, will undergo the same type of rehabilitation which includes repair to the building facades, the room, the roof, HVAC system,, installation of energy efficiency windows, plumbing, elevator and replacement of kitchen and bathroom fixtures. It, too, was Section 8 based. So, therefore, the tenants will be paying 30% of their household income, and we can answer any questions.

CHAIRPERSON DICKENS: Thank you now.

There's going to be a substantial rehab at this site also, is that correct?

CHRISTOPHER STERN: That's correct.

CHAIRPERSON DICKENS: And you're going to do--what we should say, facades, roof? I'm also very familiar with this area. Is this--are--are these buildings, do they have any violations? Are they in bad shape? What's going on with them?

CHRISTOPHER STERN: We do have violations we're going to cure--

the apartments, Artie or--

1	SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND CONCESSIONS 44
2	ARTIE PEARSON: These would be inside.
3	They would be the interiors of the apartments because
4	the open violations
5	CHAIRPERSON DICKENS: Uh-huh.
6	ARTIE PEARSON: Hold on one second. I'll
7	give you specifically about New West. Okay.
8	Painting, apartment painting. Mostly As seem to be
9	related to painting. Some Bs could be related to,
10	lets' see, repairing smoke detectors.
11	CHRISTOPHER STERN: Are these smoke
12	detectors hardwired or are they battery.
13	CHRISTOPHER STERN: They are hardwired.
14	CHAIRPERSON DICKENS: Hardwired?
15	ARTIE PEARSON: Uh-huh. Let's see, some
16	additional B would be repair of the kitchen sinks.
17	CHAIRPERSON DICKENS: All right
18	ARTIE PEARSON: [interposing] Yes.
19	CHAIRPERSON DICKENS:and C. What's
20	the Cs?
21	ARTIE PEARSON: Yes.
22	CHAIRPERSON DICKENS: What the Cs.
23	ARTIE PEARSON: The C, let's see.
24	[pause] There is an open violation from 2013 for
25	window guard.

throughout the building?

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CHRISTOPHER STERN: No, that is for
Gladys Hampton. This building we're not doing an
HVAC.
CHAIRPERSON DICKENS: Well, I'm looking
at 46 West 111th Street.
CHRISTOPHER STERN: We're doingwe're
doing new heating systems.
CHAIRPERSON DICKENS: I'm sorry.
CHRISTOPHER STERN: We're doingwe're
doing a full new heating system. There's no air
conditioning component on it. So we're doing it with
new boilers on theon the property and new fans.
CHAIRPERSON DICKENS: It'sit's one set
for boilers, is that right?
CHRISTOPHER STERN: Yeah, they're split.
There's multiple boilers there.
CHAIRPERSON DICKENS: No, but I mean
they're centralfrom heating.
CHRISTOPHER STERN: Yes, that's correct.
CHAIRPERSON DICKENS: That's what I
meant. Not individual units.
CHRISTOPHER STERN: And we are doing
this.

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CHAIRPERSON DICKENS: What kind of system are you putting in? Is it going to be superior to what's there, and is it going to be energy efficient? Will it go--these buildings are not that high, though.

CHRISTOPHER STERN: They're not. Yes, they will be energy efficient. They'll be far superior to what's in place now.

CHAIRPERSON DICKENS: And there's new elevators that going to be put in here?

there any questions from my colleagues? See none, are there any members of the public wishing to testify? Seeing none, I'm closing the public hearing on Preconsidered Land Use New West two apartments or at—or the New West Apartments, and I'm now going to put the—all nine items up for a vote. I recommend an aye vote, I note for the record that the application we're voting on today has the full support of the local council members including myself. I'm not going to ask my Counsel Dylan Casey who has now joined us to call the roll on a vote to approve.

LEGAL COUNSEL: Chair Dickens.

1	SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND CONCESSIONS 49
2	CHAIRPERSON DICKENS: Aye.
3	LEGAL COUNSEL: Council Member Mealy.
4	COUNCIL MEMBER MEALY: I vote aye on all.
5	LEGAL COUNSEL: Council Member Cohen.
6	COUNCIL MEMBER COHEN: Aye.
7	LEGAL COUNSEL: Council Member Treyger.
8	COUNCIL MEMBER TREYGER: Aye.
9	LEGAL COUNSEL: All items are approved by
10	a vote of 4 votes in the affirmative, 0 in the
11	negative and 0 abstentions, and items are referred to
12	the Full Land Use Committee.
13	CHAIRPERSON DICKENS: Thank you and I
14	would like to thank the members of the public, my
15	colleagues and counsel of the Land Use staff for
16	attending today's hearing. This hearing is hereby
17	adjourned. [gavel]
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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 May 28, 2016