

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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June 15, 2016
Start: 11:26 a.m.
Recess: 11:37 a.m.

HELD AT: Committee Room - City Hall

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
Office of Intergovernmental Affairs
Housing Preservation and Development, HPD

Carolyn Williams, Director
Multi-Family HUD Housing
Housing Preservation and Development, HPD

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2 [sound check, pause]

3 [gavel]

4 CHAIRPERSON DICKENS: Good afternoon.

5 SERGEANT-AT-ARMS: [interposing] Quiet,
6 please.

7 CHAIRPERSON DICKENS: No, good morning.

8 I am Council Member Inez E. Dickens, Chair of the
9 Subcommittee on Planning, Dispositions and
10 Concessions. Welcome everyone to today's hearing. I
11 want to thank and acknowledge my sergeant-at-arms,
12 Muhammed Ashad, and I want to acknowledge that we've
13 been joined by Chief Sergeant-at-Arms, Rafael Perez.
14 I want to thank my Land Use Director Raju Mann,
15 Deputy Director Amy Levitan, both of my attorneys,
16 Dylan Casey and Julie Lubin and a special thank you
17 to my diligent project managers Chris Rice, Ryan Paul
18 and James Lloyd. We are joined here today by Council
19 Member Mark Treyger who is a member of this
20 committee, and we've also been joined by Council
21 Member Peter Koo who has One Flushing on today, which
22 we will not be hearing. We heard it prior at the
23 last subcommittee hearing on June 2nd. One
24 Flushing's application was submitted by the
25 Department of Housing, Preservation and Development

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2 for an amendment to a zoning map amendment--a zoning
3 text amendment, two special permits for a public
4 parking and for development in a railroad right-of-
5 way, a UDAP designation and project approval, a new
6 tax exemption and a disposition of city-owned
7 property. Approval of these applications would
8 facilitate the development of a mixed-use affordable
9 housing development in Council Member Koo's district
10 in Queens. We will be voting on these items with the
11 exception of the disposition for which we will
12 recommend approval with modifications. Specifically,
13 the disposition would be modified to require that a
14 minimum of 5,000 square feet of the development be
15 reserved for a community center or related uses for a
16 period of five years from the date that the
17 development is completed. This restriction would
18 ensure that the development of the project reflects
19 the agreement reached between the developer and
20 Council Member Koo for the establishment of a
21 community center in a portion of the building.
22 Council Member Koo, do you have a statement you would
23 like to make?

24 COUNCIL MEMBER KOO: [off mic] Yes. [on
25 mic] Yes, Chair Dickens. Thank you. Thank you,

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2 Chair Dickens, and members of the committee. One
3 Flushing is an opportunity to create 100% affordable
4 housing development with a community center that's
5 open to the public in the heart of Flushing, Queens.
6 While the development comes at the expense of one of
7 our community--community's chose municipal parking
8 lot. It addresses one of the greatest needs we face
9 today, the need for affordable housing. This is a
10 public-private partnership that enhances affordable
11 housing especially senior housing that will go as low
12 as 37% AMI, and the project creates retail space
13 opportunities for our local small business. In
14 addition to affordable housing, this project will
15 include at least 5,000 square feet of space for a
16 community center that will be truly for the
17 community. The building is also expanded to include
18 amenities including a rooftop garden and senior
19 services, and will replace and add to the parking
20 spaces that will be lost. I think this is a good
21 example of how the city can work with local community
22 groups to address community needs, and in our
23 community the need is affordable housing. I would
24 like to thank everyone who worked with--for working
25 together to make this happen including Kathy Hennes

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2 Madama (sic), HPD and the Land Use Division--and the
3 Land Use Division and, of course, lastly my Chief of
4 Staff Elaine Chong. Thank you very much, Chair.

5 CHAIRPERSON DICKENS: Thank you Council
6 Member Koo. I am not going to open up the public
7 hearing for Land Use Item 388, Lambert Houses, an
8 application submitted by HPD for the approval of an
9 Article 5 Tax Benefits, and a new Article 11 tax
10 exemption of the Private Housing and Finance for a
11 period of 20 years time for properties located in
12 Council Member Torres' district in the Bronx. I see
13 we've been joined by HPD. Please identify
14 yourselves.

15 ARTIE PEARSON: Good afternoon, Chair
16 Dickens and members of the Subcommittee. I'm Artie
17 Pearson, Director of Land Use from HPD's Office of
18 Intergovernmental Affairs, and I'm joined by my
19 colleague Carolyn Williams the Director of Multi-
20 Family HUD Housing. Land Use No, 388 exists--
21 consists of an exemption area containing 14 multiple
22 dwellings located at Block 3132, Lot 1, Block 3138,
23 Lot 1, Block 3139, Lots 1 and 19, and Block 3140, Lot
24 7 and is known as Lambert Houses. Lambert Houses is
25 a Section 8 based rental for low-income families that

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2 was developed under Article 5 and approved as part of
3 the Block Park South Urban Renewal Plan by the Board
4 of Estimate on December 3, 1970. The owner of
5 Lambert Houses merged with the development of another
6 of its entities known as Boston Tremont, LLC. Both
7 owned by SIPS (sp?). There is no tax exemption in
8 place for Lambert Houses because the Article 5 tax
9 benefits expired in 2011. Currently, the owner is
10 paying taxes based on the original assessed value,
11 which is a burden to the project. In 2013, the New
12 York State Legislature and the Governor signed the
13 legislation authorizing municipalities to grant an
14 additional period of tax exemption following the
15 expiration of the current tax exemptions for
16 redevelopment companies. Therefore, HPD is seeing a
17 continuation of Article 5 tax benefits from December
18 9, 2011 to December 29, 2015, the period in which the
19 prior Article 11 tax benefit had lapsed and prior to
20 the creation of the HDPC that will now govern these
21 properties. In addition, we are seeking Article 11
22 tax benefits for the new HDPC--HDPC for a term of 20
23 years. Lambert Houses will also undergo substantial
24 repairs. The development has been--has reoccurring
25 systemic problems including brick facade structure

2 failures, undersized waste lines and costly
3 electrical heating. Rehabilitation of the property
4 will address faulty electrical wiring, deteriorating
5 walls, roof damage resulting from water leaks, storm
6 drain damage failures, cracked and broken window
7 panes--windows, doors, light fixtures, and
8 deteriorating staircase railing. The Lambert Houses
9 is interconnected buildings ranging from six to seven
10 stories, and it's divided into three designated
11 parcels, which is Lambert South, Lambert North, and
12 Lambert East. Lambert South, North and parts of East
13 contain 731 rental units including seeper---
14 superintendant units. There are a mixture of unit
15 types including studios, one, two, three and four-
16 bedroom units. Rental assistance is provided through
17 Section 8. Therefore, tenants will pay no more than
18 30% of their household income. It should also be
19 noted the owner is planning to redevelop the entire
20 area, and on April 26, 2016, City Planning certified
21 the ULURP. The redevelopment plan involves a safe
22 demolition and construction of new buildings on the
23 site over a 10 to 15-year period resulting an
24 additional 900 plus units. This project will
25 probably be before the Council some time in the fall.

2 So continued repairs necessary to the health and
3 safety on existing structures are required by HUD and
4 HPD during the redevelopment plan. No tenants will
5 lose their Section 8 or be displaced, and we're
6 available to answer any questions that you may have.

7 [pause]

8 CHAIRPERSON DICKENS: Council--we've been
9 joined by Council Member Ritchie Torres and--and
10 whose district that the Lambert Houses is located.
11 Council Member Torres, do you have a statement?

12 COUNCIL MEMBER TORRES: Thank you, Madam
13 Chairwoman. It's an honor to be here. I think one
14 of the notable features of my district is that we--we
15 have a number of iconic housing developments, and I
16 think Lambert Houses falls into that category. It's
17 truly an anchor of deeply affordable housing project-
18 based Section 8 in West Farms, which is one of the
19 poorest neighborhoods. But as you noted, we're also-
20 -with these also, also--he's also looking to
21 redevelop. You know, each building is about six
22 stories, but expands widely. There are so many
23 entrances and exits that the structure has become
24 dangerous to the residents themselves. So not only
25 are we going to create almost 1,000 more units of

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2 affordable housing, but we're actually creating safer
3 living conditions for the residents. So I'm a strong
4 advocate of the redevelopment, as well as the
5 extension of the Article 11. So proud to be
6 supportive. I'm proud to have Lambert in my
7 district.

8 CHAIRPERSON DICKENS: Thank you so much,
9 Council Member. We've also been joined by Council
10 Member Ydanis Rodriguez of Manhattan. Are there any
11 questions from my colleagues. Seeing none, are there
12 any other members of the public wishing to testify?
13 I will now close the public hearing on Land Use Item
14 388, Lambert Houses. I am now putting the items up
15 for a vote. I note for the record that the
16 applications we are voting on today have the full
17 support of the council members as well as mine. I
18 will now call on my counsel to call the roll for a
19 vote to approve with modifications on One Flushing,
20 Land Use Item 378, 379, 380, 381 and 382, and for
21 approval of Lambert Housing Land Use Item 388.
22 Counsel.

23 LEGAL COUNSEL: Chair Dickens.

24 CHAIRPERSON DICKENS: I vote aye.

25 LEGAL COUNSEL: Council Member Rodriguez.

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2 COUNCIL MEMBER RODRIGUEZ: Aye.

3 LEGAL COUNSEL: Council Member Treyger.

4 COUNCIL MEMBER TREYGER: Aye.

5 LEGAL COUNSEL: By a vote of 3 votes in
6 the affirmative, 0 in the negative and 0 abstentions,
7 Land Use Item 388 is approved and referred to the
8 full Land Use Committee, and Land Use Items 378, 379,
9 380, 381, 382 are approved with modifications.

10 CHAIRPERSON DICKENS: Thank you, and I
11 would like to thank the members of the public, my
12 colleagues, my counsel and my Land Use staff for
13 attending today's hearing. This [gavel] hearing is
14 hereby adjourned.

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C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify 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 July 1, 2016