

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

SUBCOMMITTEE ON LANDMARKS, PUBLIC SITING
AND MARITIME USES

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HELD AT: 250 Broadway - Committee Rm.
16th Fl

B E F O R E: PETER A. KOO
Chairperson

COUNCIL MEMBERS: Annabel Palma
Deborah L. Rose
Rosie Mendez
Stephen T. Levin
Inez D. Barron
Ben Kallos

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

Susan Goldfinger, Senior Vice President
New York City Economic Development Corporation

Lydia Downing, Vice President
New York City Economic Development Corporation

Joseph Ferrara, Chief Operating Officer
Ferrara Brothers, LLC

Jessie Solomon, Manager
Economic Development Program
Southwest Brooklyn Industrial Development Corp.

SUBCOMMITTEE ON LANDMARKS, PUBLIC SITING
AND MARITIME USES

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[sound check, pause]

CHAIRPERSON KOO: Good morning. I am Council Member Koo, Chair of the Subcommittee on Landmarks, Public Siting and Maritime Uses. We are joined by Council Members Mendez, Levin, Rose, Barron and Kallos. We will be holding a public hearing and voting on one item today. This item is LU No. 505 Ferrer-Ferrara Brothers Maritime Lease in Council Member Menchaca's District. The New York City Economic Development Corporation is the applicant for the proposed maritime lease between the city and Ferrara Brothers, LLC for property located on the waterfront at 3rd Avenue and 24th Street in Sunset Park, Brooklyn. Council Member Menchaca has submitted a letter to the subcommittee expressing his full support for this application. I will now open the public hearing for Land Use Item 505. We have Lydia Downing from New York ADC and Susan Goldfinger from NY City EDC. [background comments] And then also Joseph Ferrara of Ferrara Brothers. Please identify yourself and start, yeah.

SUSAN GOLDFINGER: Good morning. Good morning Chairman Koo and members of the Subcommittee on Landmarks, Public Siting and Maritime Uses. My

1 name is Susan Goldfinger, Senior Vice President at
2 the New York City Economic Development Corporation.
3 I'm joined by Lydia Downing, Vice President of the
4 New York City Economic Development Corporation. At
5 EDC it's our mission to create shared prosperity
6 across New York City's five boroughs by strengthening
7 neighborhoods and growing good jobs. As part of that
8 mission, we are requesting the City Council review
9 and approve the maritime lease of approximately
10 58,000 square feet of city-owned property along the
11 Sunset Park Waterfront to Ferrara Brothers, LLC
12 pursuant to 13-Section 13012(f) of the New York City
13 Charter. In connection with the lease, Ferrara
14 Brothers will sublease approximately 45,000 square
15 feet of city-owned property adjacent to the site from
16 the Lafarge Building Materials, Inc. Upon expiration
17 in 2035 or earlier, termination of the Lafarge lease,
18 the sublease portion will automatically be
19 incorporated into the Ferrara Brothers Lease. The
20 lease will restore and underutilized city-owned site
21 to active industrial use as a state-of-the-art
22 concrete manufacturing plant, and compress natural
23 gas CNG fueling station. The project supports the
24 retention of 50 union jobs and represents a
25

1 significant investment in Sunset Park's growing
2 industrial sector. In 20—in June of 2012, New York
3 City Economic Development Corporation on behalf of
4 the city issued a request for proposals for the
5 Moore-McCormick site. We sought proposals for a
6 lease with the city for an industrial maritime use.
7 The RFP sought tenants who would create and retain
8 quality jobs, and support and enhance the growth of
9 the city's industrial base and other positive
10 community impacts. The site is presently vacant and
11 has lacked job-intensive uses since 1986. EDC
12 received three responses to the RFP and selected
13 Ferrara Brothers to enter into the city lease.
14 Ferrara Brothers has been a family owned concrete
15 company operating several plants in Brooklyn and
16 Queens continuously since 1969. In April 2015, US
17 Concrete, Inc., a national Ready Mix concrete and
18 advocate company purchased all of the outstanding
19 stock in Ferrara Brothers. Ferrara Brothers has
20 provided the concrete for the Second Avenue Subway,
21 the 9/11 Memorial, the new World Trade Center among
22 several other important projects. EDC selected the
23 Ferrara Brothers for vet—for several reasons
24 including the company's long history of providing
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1 quality industrial jobs to its unionized workforce.

2 As a result of the lease, the city will retain 50

3 living wage jobs in Brooklyn. The Ferrara Brothers

4 will participate in EDC's Hire NYC Program, which

5 connects job seekers to construction and permanent

6 employment opportunities created by city real estate

7 projects. The project also reflects the city's

8 commitment toward creating opportunities for MWBE

9 businesses through its real estate transactions.

10 Ferrara Brothers will strive to award 25% of the

11 value of predevelopment and construction contracts to

12 certified MWBE contractors. In addition to retaining

13 industrial jobs, and ensuring opportunities for MWBE

14 businesses, the lease contains significant provisions

15 to ensure the new concrete manufacturing plant

16 operates in an environmentally responsible manner.

17 Ferrara Brothers has already invested over \$2 million

18 to remediate and demolish the contaminated,

19 dilapidated buildings that previously occupied the

20 site. If the City Council approves the lease,

21 Ferrara Brothers will operate a CNG fueling station

22 to power 15 new trucks if purchased. The lease also

23 requires Ferrara Brothers to bring at least 50% of

24 the plant's new materials, raw materials by water

1 limiting the number of truck trips to the new plant.
2 The City's Environmental Quality Review, CEQR,
3 examined the plant's ongoing operations and the lead
4 agency concluded that the project would not result in
5 any significant adverse environmental impacts. The
6 new plant in Sunset Park will enable Ferrara Brothers
7 to relocate from its current plant at 435 Hoyt Street
8 on the Gowanus Canal. By vacating its existing
9 plant, the site can be remediated, an important
10 precondition to develop affordable housing on the
11 public placed site. The entire property is being
12 designed-the entire Moore-McCormick site is being
13 designed with resiliency measures including
14 protective storm barriers for the sand and stone
15 aggregates that will be stored on the site. These
16 protective barriers will be approximately 8 feet in
17 height, which puts the barriers 4-1/2 feet above the
18 flood plain at the lowest point on the site. The
19 lease will be for an initial term of 25 years with
20 five five-year renewal terms. Ferrara Brothers will
21 pay base rent, and then the higher of two different
22 payments. A \$2.50 surcharge on each cubic yard of
23 concrete produced by the plant or a dockage and
24 whafage payment based on the Port Authority tariff.
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2 The dockage and wharfage charge is based on the
3 number of barges, on the amount of freight brought to
4 the site by water. All payments will be abated for
5 the first seven years to credit Ferrara for the
6 investment made to demolish and remediate the
7 structures on the site. The project represents an
8 important contribution toward the city's goal of
9 activating city-owned real estate to promote job
10 intensive uses, supporting the industrial workforce,
11 restoring the site to active maritime uses, and
12 promoting the use of environmentally friendly
13 practices. We ask the Council to approve the lease
14 to Ferrara Brothers LLC and I am now happy to answer
15 any questions you may have. [pause]

16 CHAIRPERSON KOO: Do you want to share
17 with him also? (sic) [background comments]

18 SUSAN GOLDFINGER: Before you ask any
19 questions, we'd like Joseph Ferrara to provide his
20 testimony.

21 CHAIRPERSON KOO: Sure. Go ahead.

22 SUSAN GOLDFINGER: Thank you.

23 JOSEPH FERRARA: Thank you. Good morning
24 and thank you, Mr. Chairman and Committee Members.
25 My name is Joseph Ferrara of Ferrara Brothers, LLC.

1 We're a family-owned and operated ready mix concrete
2 company, which has operated concrete plants in
3 Brooklyn and Queens continuously for almost 50 years
4 and through three generations. We have proudly
5 provided concrete for numerous high profile New York
6 City projects such as Second Avenue Subway, New York
7 City's Water Tunnel No. 3, and many World Trade
8 Center projects including all the concrete for the
9 9/11 Memorial, and with your support we hope to
10 continue building projects for many decades to come
11 from our new Sunset Park concrete plant. We are
12 currently operating a plant on Hoyt Street along the
13 Gowanus Canal, which we opened in 1973. This
14 property was taken by the city in an eminent domain
15 proceeding in 1975, and we have been operating our
16 business on that site with a month-to-month lease for
17 more than 40 years. This city-owned parcel is now
18 slated for environmental remediation and
19 redevelopment, and we are please to have been
20 selected by EDC for the Moore-McCormick site that we
21 can now make a seamless transition from our current
22 site with on interruption. Moving a concrete plant
23 from our Gowanus location to this Sunset Park
24 waterfront industrial site, which represents an
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1 investment of over \$12 million will maintain high
2 quality union jobs in Brooklyn and ensure that our
3 company continued—can continue to serve New York
4 City's critically important construction industry.
5 This Sunset Park site is absolutely ideal for a
6 state-of-the-art concrete plant for several reasons.
7 It will be located immediately adjacent to the
8 existing or Ferrara cement terminal, which means that
9 we will no longer need to truck cement. Cement is a
10 key component of concrete. Furthermore, this
11 waterfront site allows us to receive the vast
12 majority of our other materials, primarily sand and
13 stone by barge thereby reducing truck traffic. This
14 manufacturing use aligns with both the Sunset Park
15 Vision Plan, and the Community Board's 197-A plant
16 for retaining high quality manufacturing jobs and
17 uses on the waterfront. We will also be able to
18 construct a compressed natural gas CNG fueling
19 station on the site, thereby allowing us to utilize
20 an industry leading fleet of CNG concrete mixers. We
21 are proud to have created the first ever fleet of
22 environmentally friend natural gas fueled concrete
23 trucks in the city of New York. In fact, on the
24 whole east coast of the United States. We're very
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1 proud of that. Finally, the Sunset Park site is
2 located directly on a New York City truck route
3 unlike our current Hoyt Street plant that requires
4 the use of residential streets, and that will provide
5 a direct route from 3rd Avenue to Hamilton Avenue to
6 the Brooklyn Battery Tunnel. As noted above, this
7 project will preserve over 50 high quality union jobs
8 in Brooklyn represented by the Teamsters, the
9 laborers and the machinists, and if we are able to
10 grow in the future, as we hope to, this plant will
11 create even more jobs and you have major positive-
12 positive impacts in sales and payroll taxes and other
13 economic benefits for years to come. We are
14 extremely proud to have been selected by EDC to
15 develop the Moore-McCormick site, and again we
16 believe this project represents a win-win-win
17 scenario for everyone involved. Thank you for the
18 opportunity to share our story with you, and we're
19 happy to answer any questions.

21 CHAIRPERSON KOO: Thank you, Mr. Ferrara.

22 My first question is how are you going to do and
23 mentally safe measures along this cement plant
24 because cement plants are known to produce a lot of
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1 pollution in the air, for dust and particulate
2 matters, and also in our water and all the soil, too.

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4 JOSEPH FERRARA: Well-

5 CHAIRPERSON KOO: [interposing] So do you
6 have the specific measure-measurement to protect the
7 neighborhood against those things?

8 JOSEPH FERRARA: Yes, Council Member.

9 The-this plant unlike almost every other concrete
10 plant in New York City is a wet batch concrete plant.
11 Most every single other concrete plant in Brooklyn,
12 Queens and the Bronx and Staten Island are dry batch.
13 So the-the raw materials go in the truck dry. This
14 plant is fully enclosed. It has a state-of-the-art
15 dust collection system, but it mixes the raw
16 materials before they go in the truck. So they're
17 premixed and then go in the truck. So there-there
18 won't be any dust or-or-or that-that's usually
19 produced by other concrete plants. It's dry batch
20 versus wet batch, and-and it has a state-of-the-art.
21 It's a called the twin shaft mixer. So all the raw
22 materials are fully enclosed before they go in the
23 truck. So that's--

24 CHAIRPERSON KOO: Okay, yeah.

25 JOSEPH FERRARA: That's it.

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2 CHAIRPERSON KOO: So any—Yeah, Council
3 Member Levin.

4 COUNCIL MEMBER LEVIN: [off mic] No,
5 Barron.

6 CHAIRPERSON KOO: Oh, Barron. I missed
7 you.

8 COUNCIL MEMBER BARRON: Thank you. Mr.
9 Chair. I have a very limited knowledge of concrete,
10 okay, and what we're talking about here. So you said
11 it's going to be a new concrete manufacturing plant
12 that operates in an environment—environmentally
13 responsible manner. I still—I heard you give your
14 explanation to the Chair, but could you expand a
15 little further on dry batch as opposed to wet batch?

16 JOSEPH FERRARA: Okay.

17 COUNCIL MEMBER BARRON: So you mean that
18 there are no dry components at this site?

19 JOSEPH FERRARA: Yes, the—the main
20 components, the main raw materials of concrete and—
21 and most people use the word cement and concrete
22 interchangeably, but cement is like a very talcum
23 whiter powder.

24 COUNCIL MEMBER BARRON: Right.
25

1
2 JOSEPH FERRARA: That's-that's-it's short
3 of Portland cement. So you mix cement, sand, stone
4 and water. Those are the basic components, the raw
5 materials. Those raw materials are enclosed in the
6 plant. They get weighed and then they're put in a-a
7 pre-mixer. So it's all enclosed. It gets weighed
8 and put in what they call a twin shaft mixer, and
9 then-then when it's all mixed in this enclosed
10 facility in the plant, then they're put in the truck.
11 So it's already wet. So there's no fugitive emissions
12 of dust. It all stays within-it goes up on a
13 conveyor belt, the sand and the stone. The cement is
14 all pumped pneumatically, but it's all fully
15 enclosed. There is a state-of-the-art dust collector
16 system. It's, you know, it-it-it really is state-of-
17 the-art and, you know, I-I can't wait for you guys to
18 see it at the ribbon cutting ceremony.

19 COUNCIL MEMBER BARRON: Okay.

20 JOSEPH FERRARA: But-and-and then the
21 plants we operate now on Hoyt Street--

22 COUNCIL MEMBER BARRON: [interposing] Uh-
23 huh.

24 JOSEPH FERRARA: --was the prior
25 generation of this type of mixing facility. It was

1 called central mix concrete plant. This is a twin
2 shaft mixer, but the central mix is like a barrel on
3 a truck, but the materials go direction in a barrel
4 and mixes it, and then it dumps it in the truck.
5 This is the next generation of concrete plants.
6 It's, you know, they use them in California, which is
7 a lot more ahead of the curve on environmental and-
8 and that's where we first saw it, and that's where we
9 decided to make the investment in this type of plant.

11 COUNCIL MEMBER BARRON: So what has been
12 the determination as to the level of particulate
13 matter that would be released? I'm sure that there
14 has to be some determination in the EIS. So what
15 were the levels that were found to have been released
16 through the-through this process, the new process
17 that you're using?

18 JOSEPH FERRARA: Our engineers submitted
19 that to the DP-DEP, and they were comfortable with
20 the analysis and findings, and I couldn't give you
21 exact numbers. I-I apologize, but-but--

22 COUNCIL MEMBER BARRON: If you could do
23 that for me I'd appreciate it. If you could get that
24 to me. Now, I read in your testimony that you're
25 reducing the number of trucks that will be required.

1 So it's going to be reduction from what you're
2 presently doing at your site? What's going to be the
3 production that come at the new site as opposed to
4 the current site? Is it going to an increase in the
5 production between the two locations than the ones
6 you have now, and when you go out?

8 JOSEPH FERRARA: The reduction is in the
9 raw materials that are--that--

10 COUNCIL MEMBER BARRON: [interposing] No,
11 no the production amount, the levels of production.

12 JOSEPH FERRARA: [interposing] Oh, the
13 production amount. We hope--we hope it's more, but we--
14 we planned on it being at least the same possibly
15 increased a little bit. You know, that's just the
16 nature of the business.

17 COUNCIL MEMBER BARRON: [interposing]
18 Well, how many trucks do you currently--how many
19 trucks to you currently use on a weekly basis?

20 JOSEPH FERRARA: Out of the Hoyt Street
21 plant we run--

22 COUNCIL MEMBER BARRON: [interposing]
23 Yes.

24 JOSEPH FERRARA: --43 trucks right now.

25 COUNCIL MEMBER BARRON: Yes, 43.

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2 JOSEPH FERRARA: 43 mixers, but what my
3 testimony referred to reducing truck traffic--

4 COUNCIL MEMBER BARRON: [interposing]
5 Yes.

6 JOSEPH FERRARA: --was the raw materials
7 that are usually trucked in will now be barged in,
8 and that eliminates, and the cement, which is the
9 tankers that have the three funnels--

10 COUNCIL MEMBER BARRON: Right.

11 JOSEPH FERRARA: --Lafarge Cement is
12 right there. So the trucks don't even have to go on
13 the road. You know, we could use one truck back and
14 forth to--to keep the plant full.

15 COUNCIL MEMBER BARRON: So, the materials
16 that have been trucked in, will no longer be
17 required?

18 JOSEPH FERRARA: [interposing] We can--we
19 can now barge.

20 COUNCIL MEMBER BARRON: [interposing] You
21 can barge them in.

22 JOSEPH FERRARA: We committed to barge
23 50%.

24 COUNCIL MEMBER BARRON: [interposing]
25 Fifty percent.

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2 JOSEPH FERRARA: We're probably going to
3 barge a lot more than.

4 COUNCIL MEMBER BARRON: But there will be
5 still be the mixers that now receive the final
6 products that go out into streets. So those 43
7 mixers will still be--

8 JOSEPH FERRARA: [interposing] Yes.

9 COUNCIL MEMBER BARRON: --using the
10 roads?

11 JOSEPH FERRARA: Yes, but-but the-the-
12 the-the benefit and the advantage of this site as
13 compared to Hoyt Street is that our Hoyt Street site
14 had to go through residential streets to get to--

15 COUNCIL MEMBER BARRON: Right, Red Hook.

16 JOSEPH FERRARA: --to Hamilton Avenue and
17 the Battery Tunnel.

18 COUNCIL MEMBER BARRON: Okay.

19 JOSEPH FERRARA: This site is directly on
20 a truck route. There's a traffic light. It goes
21 right out and--

22 COUNCIL MEMBER BARRON: [interposing]
23 Right. I'm-I'm familiar with that, yes, I live there.

24 JOSEPH FERRARA: --and-and-and the other
25 benefit in what we've-we-we are committed and we did

1 actually purchase another 15 trucks powered by CNG,
2 Compressed Natural Gas rather than diesel.

3
4 COUNCIL MEMBER BARRON: Right, I know
5 that.

6 JOSEPH FERRARA: So that—that—that—that
7 we now have 42 total GNG trucks with every part of
8 that.

9 COUNCIL MEMBER BARRON: Okay, and just
10 two more questions, and perhaps it goes to EDC. What
11 has been the performance rate or the success rate in
12 employing the Minority and Women-Owned Businesses? I
13 understand that the Ferrara Company has been involved
14 with major projects in the city in the past. So what
15 has been their record? I understand that saying you
16 want to strive to award 25% of the site as
17 predevelopment. What's been the history in the past?

18 [background comments. pause]

19 SUSAN GOLDFINGER: So I don't believe
20 that have that number with us, Council Member, but
21 we'd e happy to—to bring that back that to you.

22 COUNCIL MEMBER BARRON: I think that's
23 critical, and your testimony says that they're going
24 to strive. I would like to have known what has the
25 past record shown they have accomplished towards what

1 they set as a goal because a goal is simply saying we
2 want to do that, but I would like to know--

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4 SUSAN GOLDFINGER: [interposing] So, I--
5 the previous project that the Ferrara teams had done--

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7 COUNCIL MEMBER BARRON: Yes.

8 SUSAN GOLDFINGER: --with the city, the
9 25% Minority and Women Owned Business contractors is
10 for the construction of their new plant. So the
11 other projects with the city were--were more service
12 contracts that were provided.

13 COUNCIL MEMBER BARRON: Okay.

14 SUSAN GOLDFINGER: So I'm not--so it would
15 it would have been, you know, their own employees.
16 So I'm not sure what data we have, but we're happy to
17 go back and see what we have and we'll get back to
18 you with three of them.

19 COUNCIL MEMBER BARRON: Thank you and
20 finally your present location you said was taken by
21 the city via eminent domain. What were the terms of
22 that eminent domain takeover?

23 JOSEPH FERRARA: Well, I'm--I'm not sure--

24 COUNCIL MEMBER BARRON: [interposing]
25 Financially.

1
2 JOSEPH FERRARA: --what you mean in terms
3 it was--

4 COUNCIL MEMBER BARRON: [interposing]
5 Financially, what--

6 JOSEPH FERRARA: Oh, how much did Ferrara
7 family receive back in 1975?

8 COUNCIL MEMBER BARRON: Yes.

9 JOSEPH FERRARA: My best recollection and
10 I was a young--young boy. I think I just turned 13.
11 I think a couple hundred thousand dollars, which was
12 a lot of money back then. It was more than what my
13 grandmother bought the property in 1970. See, we
14 started in Ozone Park in an inland plant right under
15 the A-Train on Liberty Avenue and 90th Street.

16 COUNCIL MEMBER BARRON: Okay.

17 JOSEPH FERRARA: And my dad looked at the
18 competitors in the industry and so to be successful
19 in this business you had to have a plant on the water
20 to get aggregates by barge and that was really the
21 only way to step up to the big league. So they found
22 this property on Hoyt Street and 5th Street on the
23 Gowanus Canals. I guess they didn't have enough
24 money. So my grandmothers name Rose Ferrara was on
25 the original deed, and--and then a couple years later

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2 it was condemned through eminent domain. I made a
3 lot of Freedom of Information requests to find out
4 what the public use was but, you know, here we are
5 finally they're going to build affordable housing and
6 a park and, you know, but the terms were the city was
7 supposed to find a suitable equivalent--

8 COUNCIL MEMBER BARRON: [interposing]
9 Right.

10 JOSEPH FERRARA: --location to transfer
11 our business because we--

12 COUNCIL MEMBER BARRON: Right.

13 JOSEPH FERRARA: Yeah.

14 COUNCIL MEMBER BARRON: Thank you so
15 much.

16 JOSEPH FERRARA: Thank you.

17 COUNCIL MEMBER BARRON: Thank you, Mr.
18 Chair.

19 CHAIRPERSON KOO: Council Member Rose.

20 COUNCIL MEMBER ROSE: Thank you Chair.
21 I-I wanted to also ask it of the MWBE I know that you
22 granted the award for the New York Wheel, which is a
23 project that is on Staten Island. Is that correct?

24 JOSEPH FERRARA: Yes, yes, Council
25 Member.

1
2 COUNCIL MEMBER ROSE: And so, with that
3 project, it—I think it might be something that is
4 more fresh in your mind in terms of MWBE and—and how
5 many—were you a subcontractor on that job?

6 JOSEPH FERRARA: Yes. Well, we're really
7 not really a subcontractor. We're a supplier. So we
8 really can't subcontract the work we do. So we—we're
9 a manufacture. We manufacture the concrete and we
10 deliver it.

11 COUNCIL MEMBER ROSE: Okay.

12 JOSEPH FERRARA: So the—the contractor--

13 COUNCIL MEMBER ROSE: [interposing] So,
14 alright. So you—you're using that. Right.

15 JOSEPH FERRARA: --Constad (sp?) chose us
16 to supply so--

17 COUNCIL MEMBER ROSE: What does your
18 hiring practices look like in terms of minority
19 women?

20 JOSEPH FERRARA: We have a very diverse
21 workforce. I could get back to you with the actual
22 numbers of--of--

23 COUNCIL MEMBER ROSE: [interposing] I
24 would like to see--

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JOSEPH FERRARA: [interposing] Yeah,
sure.

COUNCIL MEMBER ROSE: I would like to
see that.

JOSEPH FERRARA: We are—we are a
unionized workforce. We have collective bargaining
agreements with the Teamsters, the laborers and the
machinists, but we are certainly the United Nations
of employers. [laughs] But I'd be happy to provide
that to you.

COUNCIL MEMBER ROSE: Are you a union
shop?

JOSEPH FERRARA: Yes, yes we are.

COUNCIL MEMBER ROSE: You are a union
shop.

JOSEPH FERRARA: Yes, we have three
collective bargaining agreements with three different
unions. The drivers are represented by Teamsters
Local 282. The plant production people are
represented by LIUNA Laborers International Union,
Local 731, and the mechanics are represented by the
International Association of Machinists who is right
here in Brooklyn, their headquarters are. They all

1 have apprenticeship programs. So there will be
2 opportunities for them.
3

4 COUNCIL MEMBER ROSE: So my
5 understanding is that when you say you're going to
6 strive to award the 25%, is for the actual building
7 of your plant?

8 JOSEPH FERRARA: Construct, correct.
9 That's for the construction of it.

10 COUNCIL MEMBER ROSE: Right, and so have
11 you done any preliminary work in terms of getting
12 bids and—and seeking our minority contracts?

13 JOSEPH FERRARA: Well, the---actually the
14 general contractor is an MBE, Gateway Demolition. I
15 believe the demolition contractor was an MBE, Rousso
16 or WBE. I apologize. So, yes, we have. You know,
17 we deal with hundreds of different contractors.
18 MBEs, WBEs. So we know who's good and who's not,
19 and—and we—we do—we have awarded the demo contract
20 and the general construction contract, too.

21 COUNCIL MEMBER ROSE: And that's really
22 important We want to make sure that these jobs are
23 not only good jobs for MWBEs, but we want to make
24 sure that the—the product that is—it results is—is
25 safe and a good product. And there are a lot of MWBEs

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2 out there that—that fit that bill. With EDC, I—I
3 know we always project a number in terms of MWBEs,
4 but we have woefully—we—we—we have grossly
5 inadequately met those projected numbers. So what
6 are you doing to help these projects that are—are
7 subsidized and—and—and supported by EDC to—to ensure
8 that we come even close to those MWBE numbers because
9 we—we haven't been meeting them on any of our
10 projects.

11 SUSAN GOLDFINGER: Sure so we in our
12 contracts require that the—that the private sector
13 folks that we work with include goals for meeting
14 MWBE targets that—that are in the contract
15 themselves. So in this case, the Ferrara Brothers
16 have agreed to try to meet a 25% goal for that. We
17 have a team internally at EDC that works closely
18 with—with each of the project recipients to—to track
19 the numbers that they have, and they also closely
20 with SBS to understand sort of who the certified MBEs
21 and WBE's in New York City are and how to sort create
22 connections.

23 COUNCIL MEMBER ROSE: So you submit sort
24 of like a list of—of MWBEs who have--

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2 SUSAN GOLDFINGER: [interposing] Right so
3 the--

4 COUNCIL MEMBER ROSE: --who have
5 formally--

6 SUSAN GOLDFINGER: --so the--so the
7 Ferrara team, I understand the Ferrara team will--will
8 submit reports to EDC that affirm sort of what they
9 have done to reach out to certified MWBE contractors.
10 And gain, they have to strive to meet at least 25% of
11 their subcontract awards to MBEs.

12 COUNCIL MEMBER ROSE: And could you, Mr.
13 Ferrara, could you tell me as the Waterfront Chair
14 I'm--I'm really concerned about the waterfront and
15 protecting our waterways. What--what have you put in
16 place to ensure that your cement plant will not
17 negatively impact the waterways environmentally, and--
18 and are you--will your area eliminate public access to
19 the waterways, the--the waterfront?

20 JOSEPH FERRARA: Well, we've in our
21 design plans with DEP the--the measures that were put
22 in the eight-foot walls for--for potential flooding
23 that was done.

24 COUNCIL MEMBER ROSE: [interposing] What
25 about runoff, runoff--?

1
2 JOSEPH FERRARA: The—the engineers are
3 working with the—Con Edison had that we—we—we planned
4 and underground there's a—what they call a—a—a system
5 a recycling system, water retention for storm water,
6 and they're—they're planning the underground system
7 to collect the water. If—if it reaches--

8 COUNCIL MEMBER ROSE: [interposing] This
9 is all free? (sic)

10 JOSEPH FERRARA: --it's going to be
11 filtered through stone and they're just designing it.
12 There's a meeting November 7 to design the final
13 stages of that. I'd be happy to provide you with
14 details of that when the engineer is—is, you know,
15 it's above my pay grade. But that is a big—was a big
16 concern, and both from an environmental point and a
17 safety point. So those were the two high priorities
18 in designing, and we can do this project.

19 COUNCIL MEMBER ROSE: [interposing] Is
20 this located in an area where the public formerly we
21 had access to the—the waterfront?

22 JOSEPH FERRARA: I don't believe so.

23 SUSAN GOLDFINGER: It's not. No, it's
24 not. This is in the Southwest Brooklyn Industrial
25 Business Zone—

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COUNCIL MEMBER ROSE: [interposing]

Okay.

SUSAN GOLDFINGER: --and this site is zoned M3 for heavy industrial uses. There has not been any public access to the waterfront at that particular site although EDC was happy to work with the Sunset Park community to create a new waterfront open space in Bush Terminal, the Bush Terminal Pierce Park.

COUNCIL MEMBER ROSE: Okay. So, were there any community amenities that were given back to the community of Sunset Park--

SUSAN GOLDFINGER: So we worked--

COUNCIL MEMBER ROSE: --with the project?

SUSAN GOLDFINGER: Sure we worked closely with Council Member Menchaca. We have reps in this here from Community Board 7 and--and the Southwest Brooklyn, Industrial Development Corporation. UPROSE, a local environmental advocacy organization we met repeatedly with them. They actually were hoping to be here today, but unfortunately were unable. I believe they'll be submitting testimony for the record after the fact. And, you know, the Sunset Park's 197-A Plan specifically called for this

1 site to be—to be redeveloped for industrial uses, job
2 intensive industrial uses that—that utilized the—the
3 maritime sector in—in its waterfront location. So we
4 were very pleased that the Ferrara Brothers were able
5 to achieve those goals. We'll also be working with
6 Ferrara on the Hire NYC program to ensure that job
7 opportunities that come up on the site are accessible
8 to members of the local community. Mr. Ferrara has
9 agreed to put his—the unions that he works with in
10 touch with local workforce development organizations.
11 I believe that Mr. Ferrara is becoming a member of
12 the Southwest Brooklyn Industrial Development
13 Corporation. So there will be a good opportunity for
14 opportunities that—that arise at the site to go to
15 local Sunset Park residents.
16

17 COUNCIL MEMBER ROSE: Because it says
18 that you're going to preserve 50 union jobs, is there
19 an opportunity to generate jobs?

20 JOSEPH FERRARA: Sure, there's always
21 people, employees who retire, and we hope to grow the
22 business, and if we grow the business we'll need more
23 people. So, absolutely.

24 COUNCIL MEMBER ROSE: Okay, thank you so
25 much.

1
2 CHAIRPERSON KOO: So Mr. Ferrara, you
3 stated in your statement you said in April 2015 US
4 Concrete Incorporation purchased all your—purchase
5 all the outstanding stock in Ferrara Brothers. Does
6 that mean you have a boss above you?

7 JOSEPH FERRARA: Yes, I do.

8 CHAIRPERSON KOO: Yeah, okay.

9 JOSEPH FERRARA: But—but in New York I'm
10 the boss. [laughs] Yes, there's the—we are part of
11 the Atlantic Region of US Concrete. So we have a New
12 York business unit, of which I am the head. There's
13 a New Jersey business unit and a Washington, DC
14 business unit. So, we're part of the Atlantic
15 division of US Concrete, and it's headquartered in
16 Dallas, Texas. It's a publicly traded company. So
17 I've had to deal with Sarbanes Oxley and reporting
18 and budgeting rather than meet my father and uncle on
19 the stairway and say we need to buy ten trucks. So,
20 it—it—it's been—it's been a—it's enabled us to grow
21 even more. They—they run it entrepreneurially. So
22 they, you know, the CEO of US Concrete used to be the
23 President of Tilcon, which supplied cost aggregate to
24 the New York City region. So he's very familiar. So
25 we are proud to be part of the public company, but

1 and—and they wanted our name. They—they had another
2 operating entity they called Eastern Concrete. They
3 changed it to Ferrara Brothers. So, our family's
4 passion and expertise and skill is carrying on. Like
5 I told you earlier, my son is in the business. He
6 loves the concrete business. We're very proud of it,
7 and hope to continue that tradition.

9 CHAIRPERSON KOO: That's good and thank
10 you. Another question is forgive me, I don't
11 understand like the concrete business. So how do you
12 sell concrete? You sell it by—by the pound or by
13 pond?

14 JOSEPH FERRARA: No, concrete is sold by
15 volume.

16 CHAIRPERSON KOO: The volume.

17 JOSEPH FERRARA: So it's a cubic yard.

18 CHAIRPERSON KOO: A cubic yard.

19 JOSEPH FERRARA: A typical concrete mixer
20 carriers between 10 and 12 yards of concrete legally.
21 So it's measured, and it's, you know, the cubic
22 length times width times depth, and it's—it's a very
23 specific highly scientific project. We can make
24 concrete. Regular sidewalk concrete is sold by
25 strength as well. So the compressive strength. So a

1
2 typical New York City sidewalk DOT spec is 3,200 PSI
3 that means it could withstand 3,200 pounds of
4 pressure per square inch before it breaks up.

5 CHAIRPERSON KOO: Uh-huh.

6 JOSEPH FERRARA: A bus stop would be
7 4,000 PSI. Some of the concrete we supply for high
8 rises go up to 14,000 PSI, stronger than steel. So
9 it's-it's the world's most versatile economic
10 environmentally friendly building material known to
11 man. Back in 54 AD, the Roman Coliseum was made out
12 of a crude form of concrete. They used Barcanic ash.
13 That was their cement. They mixed it with sand and
14 stone, and it's still standing 2,000 plus years
15 later. So it's-it's an amazing product that you
16 could color it, shape it, and it will last many
17 lifetimes, you know.

18 CHAIRPERSON KOO: Sure, I guess the price
19 depends on--

20 JOSEPH FERRARA: [interposing] They
21 should build more roads in New York City with
22 Concrete and not asphalt by the way. I could put in
23 a pitch for my product. [laughter]

24 CHAIRPERSON KOO: Yeah, so can you--
25

1
2 JOSEPH FERRARA: [interposing] So
3 replacing asphalt every year. You need more concrete
4 roads.

5 CHAIRPERSON KOO: Can you give me a—a
6 price range of the—the cheapest concrete to the
7 highest—the—the most expensive concrete by—by cubic
8 feet?

9 JOSEPH FERRARA: The most expensive
10 concrete we sold was at 432 Park. It was made with—
11 it's a white concrete. So it's made with white
12 cement. Not gray cement and it's maybe \$300 a yard,
13 and normal sidewalk concrete might be \$125 a year.

14 CHAIRPERSON KOO: Wow. So but the—the-
15 the—the-cost of labor is the same, right, for
16 producing high-end concrete and low-end concrete?

17 JOSEPH FERRARA: Yes, yes, it's just a
18 different, different raw material and add mixtures
19 you use to it. The way you get really, really strong
20 concrete is if you think of stone maybe three-quarter
21 inch. Sand, you know what grains of sand are.
22 Cement is fine like talcum powder, but if you put
23 different size stones in it, and you really put
24 different gradations of stone, you could really
25 compact and get a lot stronger concrete and there's—

1 there's the new type of concrete out now called SCC,
2 Self Consolidating Concrete that's-it's-it's-I'm
3 sorry. I'm sorry. Okay. Don't get me started. I
4 could talk about concrete for [laughter]
5

6 CHAIRPERSON KOO: [interposing] Okay.

7 JOSEPH FERRARA: --all day. [laughs]

8 CHAIRPERSON KOO: So thank you, Mr.
9 Ferrara, and--

10 JOSEPH FERRARA: [interposing] Okay.

11 CHAIRPERSON KOO: --thank you Mr-Ms.
12 Goldfinger and Downing. Do you have one more
13 question? Okay, one more question.

14 COUNCIL MEMBER ROSE: Of-of EDC, I'll
15 say--well, when a project like this locates along the
16 Gowanus Canal, are there any--do they pay into any
17 sort of plan or something to help with the
18 remediation of the Gowanus Canal, the environmental,
19 you know, remediation because of this impact?

20 SUSAN GOLDFINGER: Sure. Yeah, so
21 actually the--the Ferrara Brothers' current plant is
22 along the Gowanus Canal. They are relocating from
23 their site--

24 COUNCIL MEMBER ROSE: [interposing] Okay.

1
2 SUSAN GOLDFINGER: --on the Gowanus Canal
3 to Sunset Park, and--and the fact of their relocation
4 is allowing for that cleanup to proceed. So this
5 project does--does help that move forward, but to be
6 clear they're moving to Sunset Park and leaving their
7 Gowanus site.

8 COUNCIL MEMBER ROSE: So if someone was
9 to then move to the Gowanus site, would a part of I
10 guess their lease, their approaches, would any--is
11 there any contribution that they make to sort of the
12 remediation of the environmental issues in the
13 Gowanus Canal?

14 LYDIA DOWNING: I--I believe, you know,
15 we're not--EDC is not part of the cleanup for the
16 Gowanus Canal--

17 COUNCIL MEMBER ROSE: Right.

18 LYDIA DOWNING: --but I understand the
19 news--

20 COUNCIL MEMBER ROSE: [interposing] But--
21 but you are the ones who broker the deal.

22 LYDIA DOWNING: Right, but I think--my
23 understanding is that the--well, it's a super fund
24 site now, right? So if the federal government is
25 involved and the--and the State Department of

1
2 Environmental Conservation as well as the city and
3 they've looked to the initial, the original
4 polluters. So National Grid is really responsible
5 for cleaning up most of this-most of the canal.

6 SUSAN GOLDFINGER: And I would say just
7 add Council Member, so were able to and very pleased
8 to broker the deal between Ferrara Brothers and the
9 City to-to relocate to the Moore-McCormick site in
10 Sunset Park. The Gowanus Canal site is an HPD owned
11 property, and they are working with the developer to
12 bring an affordable housing and open space project to
13 that site.

14 COUNCIL MEMBER ROSE: Thank you.

15 CHAIRPERSON KOO: Thank you.

16 SUSAN GOLDFINGER: Thank you. [pause]

17 CHAIRPERSON KOO: Do we have a Jessie
18 Solomon from South End Brooklyn Industrial
19 Development Corporation to testify? [background
20 comments, pause] Would you please identify
21 yourselves and start. Yes.

22 JESSIE SOLOMON: Thanks. So my name-I'm
23 sorry if I'm going to be repetitive a little bit with
24 this testimony, but my name is Jessie Solomon, and
25 I'm the Economic Development Program Manager at

1 Southwest Brooklyn Industrial Development
2 Corporation. We're a local community based
3 organization in Sunset Park, and we manage the
4 Industrial Business Zone. The resident Economic
5 Development Organization is serving the neighborhoods
6 of Red Hook, Gowanus and Sunset Park, SBIDC believes
7 that strengthening New York City's base of industrial
8 and manufacturing businesses is absolutely crucial to
9 the goals of creating good jobs, developing career
10 pathways and a healthy economy overall. The
11 relocation of the Ferrara Brothers concrete facility
12 to the Moore-McCormick site in Sunset Park's
13 industrial waterfront district will help accomplish
14 some of these goals, and I'm here to urge the City
15 Council to support this project. Ferrara Brothers'
16 relocation project is going to significantly
17 contribute to the healthy and vibrant economy in
18 Sunset Park in Southwest Brooklyn at large. In
19 addition to retaining 50 well paying union jobs, the
20 new location will allow Ferrara Brothers to heavily
21 reduce their truck traffic that's occurred and run a
22 greener business. The new concrete manufacturing
23 plant is directly adjacent to two of their major
24 suppliers the Lafarge Cement Terminal and the key
25

1
2 aggregate supplier leading to a major reduction in
3 truck traffic on local streets. Furthermore, the on-
4 site CNG fueling station include 15 new CNG trucks
5 will drastically reduce the impact of exhaust
6 currently generated by the fleet. Additionally,
7 SBIDC has long advocated for the revitalization of
8 industrial sites in Southwest Brooklyn. Ferrara
9 Brothers' new location will take the place of a long
10 dormant industrial site, and as office, commercial
11 and residential development rapidly grows in New
12 York, it's increasingly rare that large expenditures
13 like this are made for industrial use despite the
14 good jobs and economic benefits that such uses
15 provide the city. Ferrara Brothers is an important
16 business to what we at SBIDC like to call the back
17 office of New York City. Their concrete plan, as
18 you've heard, is where many of the materials for the
19 Second Ave subway and the 9/11 Memorial and other
20 projects were produced. So keeping their operations
21 for the industrial business owners is important for
22 the city at large. In closing, local employment
23 opportunities particularly those in the industrial
24 and manufacturing sectors are extremely important for
25 the economic and social health of the working

1 waterfront--of the working waterfront across
2 neighborhoods in Southwest Brooklyn. Ferrara
3 Brothers provides such opportunities, and we
4 encourage the Council to support their move to
5 Sunset. Thanks for allowing me to provide testimony.
6 You have this in front of you if you have any
7 questions.
8

9 CHAIRPERSON KOO: Thank you, Ms. Solomon.
10 Council Member Levin.

11 COUNCIL MEMBER LEVIN: Thank you very
12 much, Mr. Chair. I just want to say in general that
13 I'm--I'm intrigued by this proposal because I
14 represented not Hoyt Street and 5th Street, but
15 further up Hoyt Street down from Atlantic Avenue, and
16 I know that the amount of--the reduction of--of truck
17 traffic would, you know, clean down Hoyt Street,
18 which is a very residential Street I think will be
19 very welcomed by--by residents of the 33rd District.
20 So I just wanted to put that on the record.

21 CHAIRPERSON KOO: Are there any
22 questions? So thank you, Ms. Solomon. [pause] So
23 are there any more members of the public who wish to
24 testify. Seeing none, I will now close the public
25 hearing on this item. We will now move onto a vote

SUBCOMMITTEE ON LANDMARKS, PUBLIC SITING
AND MARITIME USES

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2 to approve this item, and Counsel, please call the
3 roll. We will vote to approve LU 505.

4 LEGAL COUNSEL: Chair Koo.

5 CHAIRPERSON KOO: Aye.

6 LEGAL COUNSEL: Council Member Palma.

7 COUNCIL MEMBER PALMA: I vote aye.

8 LEGAL COUNSEL: Council Member Levin.

9 COUNCIL MEMBER LEVIN: I vote aye.

10 LEGAL COUNSEL: Council Member Rose.

11 COUNCIL MEMBER ROSE: Aye.

12 LEGAL COUNSEL: Council Member Barron.

13 COUNCIL MEMBER BARRON: I vote aye.

14 LEGAL COUNSEL: Council Member Kallos.

15 COUNCIL MEMBER KALLOS: I vote aye.

16 [pause]

17 LEGAL COUNSEL: By a vote of 6 in the
18 affirmative, 0 in the negative, and 0 abstentions
19 Land Use Item 505 is approved and referred to the
20 full Land Use Committee.

21 CHAIRPERSON KOO: So thank you members of
22 the public, my colleagues, counsel and Land Use
23 staff. This meeting is adjourned. No. [background
24 comments]

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SUBCOMMITTEE ON LANDMARKS, PUBLIC SITING
AND MARITIME USES

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CHAIRPERSON KOO: Oh, okay. Yes, we will
open this meeting for another 15 minutes.

COUNCIL MEMBER BARRON: Thank you, Mr.
Chair.

CHAIRPERSON KOO: Thank you. [background
comments] Council Member Mendez is going to vote.

COUNCIL MEMBER MENDEZ: I vote aye.

[background comments]

CHAIRPERSON KOO: Thank you.

LEGAL COUNSEL: The final vote is 7 votes
in the affirmative, 0 in the negative and 0
abstentions.

CHAIRPERSON KOO: Okay. Meeting
adjourned. Thank you. [gavel]

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 November 22, 2016