

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON LANDMARKS, PUBLIC SITING AND MARITIME
USES

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May 16, 2017
Start: 11:44 a.m.
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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)

Matthew Quinton, Executive Vice President Management
Assets

NYC Economic Development Corporation

Joshua Nelson, Senior Vice President

Transportation Systems Group

NYC Economic Development Corporation

Steve Loevsky, Vice President

Cruise Division, Ports America

Ron Mashhadi, President

Local 824, International Longshoreman's Assoc.

Thomas Spina, Director

Business Development

Carnival Corporation

Dena Libner, Senior Director

External Affairs

NYC & Company

Margaretta Harris

Shoreside and Port Services, Intercruises

Katie Moore

Hotel Trades Council

Tami Rachelson, Deputy Director

Real Estate Services

School Construction Authority

[sound check, pause][background comments]

SERGEANT-AT-ARMS: Quiet please. Please sit down and make sure you silence cell phone. Please put on vibration. The Chairman, will be raising. (sic)

CHAIRPERSON KOO: Yeah. [coughs] [pause] Good morning. I am Council Member Koo, Chair of the Subcommittee on Landmarks, Public Siting and Maritime Uses. Today's hearing will address all of these matters. We are joined by Council Members Palma, Mendez and Rose, and we are also joined by Council Member Johnson, right here. Today, we are hearing—today we are holding public hearings on two school sitings by the School Construction Authority submitted to joint-submitted to the Council pursuant to Section 1732 of the New York School Construction Authority Act and the Maritime lease submitted to the Council pursuant to Section 1301, Section 2(f) of the City Charter. The items we'll consider—the items we will consider are as follows:

The first items is LU 614, a proposed maritime lease between the New York City Department of Small Business Services and Ports America, Inc. for Piers 88 and 90 on the Hudson River between West

1 48th Street and West 55th Street in Council Member
2 Johnson's district in Manhattan. The lease will
3 allow Port Authority, Incorporated to use these piers
4 for docking cruise ships through 2029, and will
5 provide two options for five years renewals extended
6 to 2039. Council Member Johnson would like to offer
7 a statement on this lease application.
8

9 COUNCIL MEMBER JOHNSON: Thank you,
10 Chairman Koo for the opportunity to speak today. I
11 want to thank EDC for conversations and engagement in
12 working on this issue. I am happy with where we've
13 gotten. It's not perfect, but I think we are doing
14 something good for the park, and something good for
15 the cruise ship terminal, and it has taken a lot of
16 work, and a lot of communication over the past almost
17 year to get us to this spot. So, I'm going to have
18 some questions after you testify, but I just wanted
19 to open with that. Thank you very much, Mr.
20 Chairman.

21 CHAIRPERSON KOO: Thank you Council
22 Member Johnson. The second item LU 636 an
23 application concerning the proposed site selection
24 for a new 800-sat primary intermediate school
25 facility to be located at the block bounded by Osgood

2 Avenue to the north, Waverly Place to the south,
3 Wiederer Place to the east, and Targee Street to the
4 west in Community School District No. 31 in the
5 Stapleton section of Staten Island. This school will
6 be located in Council Member Rose's district.
7 Council Member Rose has expressed her support for the
8 siting.

9 COUNCIL MEMBER ROSE: Good--

10 CHAIRPERSON KOO: [interposing] Do you
11 want to say a few words to us? Okay, yeah, Council
12 Member Rose. Yeah.

13 COUNCIL MEMBER ROSE: Thank you. Thank
14 you, Chair and good morning everyone. Thank you to
15 the--the committee for hearing this particular
16 project. We are really excited about the
17 possibility--the ability to site an 800-seat school in
18 the Stapleton Section of Staten Island. Finding
19 enough land mass to build a new school has been a
20 problem in my district, and we are really happy that
21 we found a city block-long site that will accommodate
22 the first in decades state-of-the-art school, and
23 we're really excited, and I want to thank School
24 Construction Authority for working with us diligently
25 to provide a site and a school that will meet the

1 needs of our overcrowded schools. All of the schools
2 in that district—in that immediate area are
3 overcrowded, and this will alleviate that situation.
4 So I think you and I am very much in favor of this
5 site.
6

7 CHAIRPERSON KOO: Thank you, Council
8 Member Rose. The third item is LU 637 an application
9 concerning the proposed site selection for a new
10 1,000-seat primary intermediate school facility to be
11 located at the—at the block bounded by Atlantic
12 Avenue, Logan Street, Dinsmore Place and Chestnut
13 Street in the East New York section Brooklyn in
14 Community School District No. 19. This school will
15 be located in Council Member Espinal's district. The
16 Council Member has submitted the following statement,
17 which I will read into the record.

18 Statement from Council Member Rafael
19 Espinal regarding proposed school siting in East New
20 York. I am extremely supportive of the plans to
21 building a 1,000-seat public school in the East New
22 York portion of my district. In April 2016, the
23 Council passed the East New York Neighborhood Plan,
24 which aimed to create a comprehensive set of
25 investments in our community. This public school is

1 the major cornerstone of the plan, and will serve as
2 a state our resource for our most historically
3 underprivileged students. The proposals to equip the
4 school with high tech equipment and recreational
5 facilities is a very welcome opportunity for our
6 families. I am also really supportive of the School
7 Construction Authority's plan to do a rain roof on
8 top of the school building, which will be so
9 essential in training our youth in healthy eating and
10 living habits, and respect for our environment. I
11 envision the school to be the model school for others
12 to come. I am so thankful to SCA for their hard
13 work. I also give thanks to my colleague Peter Koo
14 for chairing this hearing today. I look forward to
15 the completion of this great resource for East New
16 York community. Council Member Rafael Espinal

18 In addition to the public hearings on
19 these three items, we will be voting on two
20 designations by the Landmarks Preservation
21 Commission. The first of these designations is LU
22 628 the Morningside Heights Historic District in
23 Council Member Levine's district in Manhattan. The
24 subcommittee held a public hearing on this
25 designation on May 2nd. The district consists of

1 approximately 115 residential and institutional
2 building representing the district's rapid
3 transformation at the turn of the last century into a
4 densely populated neighborhood. Can we have some
5 quiet, please? Yes, yes. Otherwise I have to speak
6 louder and louder. [laughter] The district is home
7 to major religious, educational and medical
8 institutions such as Bernard College, Teachers
9 College, Union and Jewish Theological Seminary and
10 Saint Luke's Hospital, as well East Grand Apartment
11 Buildings earned the neighborhood the nickname—the
12 nickname Acropolis of New York. The district
13 designated by LPC also includes many row houses with
14 distinctive architecture that illustrates the
15 evolution of middle-class living in the early 20th
16 Century. During the public hearing, we heard
17 testimony from the Congregation of the Mass Aura
18 (sic) objecting to the inclusion of the synagogue in
19 the district. The synagogue occupies a building
20 formerly used as a church on the south end side of
21 the district at 515 Cathedral Parkway. LPC's
22 designation report characterized the synagogue's two-
23 story building as modest and emphasized the cultural
24 history of the site as well as the architecture. The
25

1 congregation testified that he wants to made façade
2 improvement to eliminate—to eliminate signs of the
3 building's past as a church. He stressed that
4 designation was imposed at Hall Street (sic) on the
5 synagogue. The congregation has no development
6 rights to sell having transferred all of its develop-
7 developmental—development rights to Columbia
8 University some years ago. As a result, the risk of
9 termination is low. Because of the synagogue's
10 location on the edge of the district its lack of
11 architectural significance, the hardship on the
12 building owners and the lack of usable access
13 development right on the site, the subcommittee will
14 vote to recommend modification LPC designation of the
15 Morningside Historic District to exclude the building
16 at 550 Cathedral Parkway.
17

18 The second designation is LU 629, the
19 Cathedral of Saint John the Divine and the Cathedral
20 Church (sic) located at 1047 Amsterdam also in
21 Council Member Levine's district in Manhattan. The
22 subcommittee also held a public hearing on this last-
23 --on this designation on May 2nd. The Cathedral and
24 Cathedral Church is one of the great religious
25 compasses in the world. The Cathedral served as a

1 religious cultural and educational center for all New
2 Yorkers. The Cathedral rose—the Cathedral Church
3 includes a complex of—this isn't [crosstalk] an
4 Ecclesiastical building. It's a long word. I don't
5 know how to say it. The seat of this Episcopal—
6 Episcopal Archdiocese of New York. The Cathedral is
7 considered the crowning glory of the Morningside
8 Heights neighborhood. It is the large—it is the
9 largest Anglican cathedral and the fourth largest
10 Christian Church in the world. Under construction
11 site—under construction since 1892, it combines
12 Gothic, Roman—Romanesque and Vicente architectural
13 styles and Angwin stained glass windows. We are
14 joined by Council Member Levine who would like to say
15 a few words about these designations. Council Member
16 Levine.

17
18 COUNCIL MEMBER LEVINE: Thank you and I
19 no doubt would have stumbled over that word. Well,
20 Peter.

21 CHAIRPERSON KOO: It's a long one.

22 COUNCIL MEMBER LEVINE: A seven syllable
23 word is challenging for us. Thank you so much, Mr.
24 Chair. I'm excited about both of these Land Use
25 items. First on the Morningside Heights Historic

1 District. This has been a long time coming. This is
2 really a victory for the community coalition that's
3 been working for 20 years to safeguard the legacy of
4 Morningside Heights, a community where really the
5 historic architect-architecture is so much a part of
6 our identity. It's why people love to live in that
7 neighborhood in no small measure, and the fact that
8 we're going to safeguard now 115 buildings really is
9 just a wonderful, wonderful legacy that we're
10 protection for Morningside Heights. As the Chair
11 mentioned, we did get testimony in our hearing from a
12 board member of one synagogue in the district the
13 Mata Ra, and-and I recommended to the committee that
14 that property be excluded from the district really
15 for three main reasons, one that as-as LPC itself has
16 characterized it's a fairly modest structure. No
17 disrespect meant, but wouldn't catch most people's
18 eye probably. Secondly, are no development rights at
19 stake because they've already been sold off many
20 years ago, and thirdly it's-it's on the edge so
21 there's no pending continuity issues that would be in
22 place that-that building would cut out. I also
23 wanted to acknowledge that at the hearing we did hear
24 testimony from Columbia University, which we're
25

1 speaking on behalf. I just want to look at the
2 address to get exact properties there of 100-on 114th
3 Street, 604 to 616, which are combined with a parking
4 I guess behind it at 605 and 615 West 113th Street,
5 and Columbia made the case that this would be a site
6 they would like one day perhaps to create a
7 dormitory, a lot of residential use, and we elected
8 to retain those properties as part of the district.
9 But I did want to acknowledge their presentation on
10 this matter.
11

12 Just very, very briefly on the second
13 Land Use item, which is landmarking the Campus of St.
14 John the Divine. This is one of those extraordinary
15 places in New York City. There's definitely a twinge
16 of bittersweet feeling as we vote on this because it
17 happens after two parcels of the campus have been
18 developed, they're very modern out of context
19 buildings mostly luxury housing. This has been a
20 fight, which has been waging for decades, and it's
21 come before this committee in one fashion or another
22 many times. So, we're very happy to finally be
23 preserving the bulk of the campus and, of course, the
24 wonderful cathedral, but again it's with some sorrow
25 that we lost two pieces of property. I do have to

1
2 acknowledge that—that LPC and protect—and
3 particularly Lauren George who's here were incredible
4 partners throughout this process sticking through us
5 with a—a very windy road over many years. So, I'm—
6 I'm grateful for their support and service in this
7 process and, of course, grateful to the chair for
8 shepherding forward to a vote today and I encourage
9 my colleagues to vote yes—yes on both items. Thank
10 you, Mr. Chair.

11 CHAIRPERSON KOO: Thank you, Council
12 Member. [pause] Okay. I will now open the public
13 hearing on LU 614 the Maritime Lease Application,
14 Economic Development Corporation will present on the
15 lease. We will then hear—hear testimony from the
16 public. Will Mr. Steve Loevsky. , Joshua Nelson and
17 Matthew Quinton. Yeah. Please—please identify
18 yourself and you may begin. Yeah. [pause]

19 MATTHEW QUINTON: [off mic] [on mic] Is
20 that better?

21 MALE SPEAKER: Yep, there were go.

22 MATTHEW QUINTON: Oh, much better. Do I
23 just start at the beginning again. Just continue?

24 CHAIRPERSON KOO: Yes.
25

1
2 MATTHEW QUINTON: [coughs] At EDC it is
3 our mission to strengthen the city's economy and
4 generate high quality jobs for New Yorkers across the
5 five boroughs. Operating world class transportation
6 facilities are a critical way that we achieve our
7 mission creating vibrant hubs for quality jobs and
8 engines of economic development empowerment. I'm here
9 today to present to the Council the Proposed Leased
10 Amendment between the city and Ports—Ports America,
11 Incorporated. Excuse me, lease agreement between the
12 city and Ports America Incorporated for the Manhattan
13 Cruise Terminal, which I will refer to as MCT. MCT
14 is a city-owned passenger ship terminal located on
15 Manhattan's west side. MCT is a significant driver
16 of tourism in New York City handling an average of
17 one million cruise passengers each year and
18 generating a significant economic as a result. The
19 new lease we are presenting today will ensure
20 continued operations for MCT including both the
21 preservation of over 1,000 jobs and providing the
22 city the opportunity to continue to grow this vital
23 sector of the tourism market. Many of you are
24 already familiar with MCT, but a few comments on the
25 facility's history. MCT is a four berth city-owned

1
2 cruise terminal located on the Hudson River between
3 West 48th and West 55th Streets in Manhattan, which is
4 comprised of Piers 88, 90 and 92, and is zoned for
5 M2-3, which is medium manufacturing district. The
6 piers were originally constructed in the 1930s to
7 accommodate large transatlantic passenger ships, and
8 they were later rehabilitated in the 1970s by the
9 city and the Port Authority of New York and New
10 Jersey in an effort to create a consolidated terminal
11 for use by all cruise lines. The city leased MCT to
12 the Port Authority between 1973 and 1994, after which
13 NY-NYC EDC assumed management of the facility and
14 undertook a strategic and prolonged effort to reverse
15 the trend of declining cruise passenger volumes.
16 Since assuming control of MCT, NYC EDC has grown
17 cruise volumes from a low of 271,000 passengers in
18 1990 to over 900,000 passengers in 2016. EDC's
19 efforts include coupling an aggressive business
20 development strategy with a significant modernization
21 of the terminal in 2006, and then 2013, an additional
22 series of capital improvements were made to allow MCD
23 to accommodate modern cruise ships. MCT is currently
24 home to vessels from Carnival Cruise Lines, Holland
25 America, Princess Cruise Lines, AIDA, Norwegian

1 Cruise Line, Regent Seven Seas, Oceana and Disney
2 Cruise Line as well as numerous seasonal vessels all
3 with itineraries departing from New York City for
4 Bermuda, the Bahamas, the Caribbean, and Canada and
5 New England. The combined passenger volumes at both
6 MCT and the Brooklyn Cruise Terminal make New York
7 City the fifth largest cruise port in North America.
8 But why does cruise matter to New York City? Simply
9 put, Cruise is an important contributor to the health
10 of New York City economy. Its contribution includes
11 both economic impact from passengers and job
12 creation. Each year EDC conducts a survey of all New
13 York City cruise passengers in order to estimate the
14 total economic impact of their visits. In 2016, for
15 example over one million passengers cruised through
16 New York City, 64% of whom reported residing outside
17 of the Tri-State area. Over one-third of our
18 passengers reported staying in the city either before
19 after their cruise, an average of just under three
20 nights. This translates into dollars spent on
21 accommodations, shopping, food and beverage and
22 entertainment including Broadway. Many of these
23 dollars are spent at local businesses. Even
24 passengers who don't have an overnight stay spend
25

1 money in the city. Based on our surveys, the total
2 economic impact of the cruise industry in New York
3 City for 2016 is estimated at \$158.5 million a
4 significant impact for a single facility. Still, New
5 York City faces stiff competition with other cruise
6 terminals in Bale, New Jersey, Boston and Baltimore,
7 which have more modern infrastructure and also lower
8 costs. The city must continue modernizing MCT in
9 order to compete. This modernization allows MCT to
10 accommodate the later ship designs and also to ensure
11 that visitors from New York City continue to
12 experience a world class terminal. The city's
13 initial \$200 million capital investment over a decade
14 ago was a significant down payment to secure MCT's
15 position as a first class passenger terminal. This
16 renovation modernized the facilities at Piers 88 and
17 90 allowing for faster and more efficient unloading
18 of passengers and supplies. It also reduced
19 congestion by creating separate embarkation and
20 disembarkation floors for passengers. Today, the
21 facility can accommodate up to four larger modern
22 cruise ships at a time. More recently EDC invested
23 \$4 million for new passenger board bridges at MCT to
24 welcome the Norwegian Breakaway one of Norwegian
25

1
2 Cruise Line's newest and largest vessels to New York
3 City. Thanks to this investment, since March 2013,
4 the Breakaway has made MCT its year-round homeport
5 departing from Pier 88 every Sunday afternoon. But
6 the cruise industry is dynamic and growing industry
7 consistently innovating with new ship designs and new
8 itineraries that require upgrades to MCT. With no
9 new land around to expand the terminal, the city must
10 continue modernizing what we have. Capital
11 investments to further modernize Pier 90 for example
12 are critical to ensuring the future growth and
13 stability of the cruise industry in New York City.
14 The combination of these capital investments and a
15 new deal that allows MCT to offer reduced operational
16 costs will help position MCT to compete against rival
17 cruise ports. This is critical. These two
18 objectives, increased capital investment and lower
19 operational costs were front and center when EDC
20 released a Request for Proposals in order to procure
21 a new operating contract for MCT. In late 2015, EDC
22 issued the RFP for a new terminal operator with
23 several objectives in mind that supported growing the
24 cruise business in New York City along with its
25 positive economic impacts. Our objectives were to

2 first leverage private investment and capita
3 infrastructure to do the very things I just
4 mentioned: Further modernize cruise infrastructure.
5 Second, to lower operational costs through
6 designating a single operator for both MCT and the
7 Brooklyn Cruise Terminal also a part of our Cruise
8 Program, which allows our terminal operator to more
9 efficiently allocate staff and equipment and,
10 therefore, lower the cost impacts to cruise lines and
11 their passengers. Third, to protect over 1,000 full-
12 time jobs that are associated with the cruise
13 industry in New York City. This includes
14 longshoremen, and shore side staff from whom you'll
15 hear today, as well as the many employees in the
16 hotel trades, food and beverage sectors—food and
17 beverage and entertainment sectors. And finally, we
18 wanted to secure a path forward for new agreements
19 with our cruise line partners such as Carnival
20 Corporation from whom you'll also hear today. New
21 agreements with cruise lines are all contingent upon
22 having a terminal operator in place so the MCT
23 agreement is critical to move forward those
24 negotiations.

Several qualified terminal operators and stevedores responded to the RFP. However, Ports America, LLC emerged with the most competitive proposal. With over 20 years of experience as the current terminal operator of Manhattan Cruise Terminal, Ports America has had a strong long-lasting partnership with the city, and with NYC EDC. Additionally, the company is the largest terminal operator and stevedore in the United States and has extensive experience operating world class cruise terminals such as Port Everglades in Fort Lauderdale, Florida and the World Cruise Center in Los Angeles in addition to major marine cargo facilities. For those who do not know, a stevedore is someone who works at a dock to load and unload cargo from ships. I had to look that up.

COUNCIL MEMBER JOHNSON: Thank for that.

MATTHEW QUINTON: Furthermore, the proposals from Ports America allowed the city and EDC to meet our primary objectives leveraging over \$23 million in private investment in Pier 90 and lowering operational costs by over 26% in some cases. So after several months of negotiation the parties have emerged with a lease agreement with the following key

1 terms: The premises include Piers 88 and 90 with
2 Ports America retaining exclusive rights to cruise
3 operations on Pier 92, which serves an important
4 overflow function during peak cruise season in the
5 late summer and early fall. Furthermore, Ports
6 America also has a right of first offer on Pier 92 in
7 order to ensure it continues as a cruise facility.
8 The proposed agreement has a base term through
9 December 30, 2029 with two five-year options. On the
10 financial side, the deal features an annual base rent
11 of \$2 million with the operators minimum guaranteed
12 annual operating expenses of \$7.5 million and as
13 previously mentioned, over \$23 million in
14 improvements at Pier 90. Ports America will be
15 response for vessel birthing and stevedoring,
16 parking, security, billing, terminal maintenance and
17 operations, and will also handle event management as
18 well as yacht and military dockings such as Fleet
19 Week. The City and EDC will retain responsibility
20 for the pier substructures, and also the vehicular
21 viaduct that connects all of the piers. Over the
22 last few months, we have worked with the Council and
23 in particular with Council Member Johnson develop-to
24 develop and agreement that is financially prudent,
25

1 protects working waterfront jobs, and is responsive
2 to our collective economic development goals. As we
3 can all agree, the Manhattan Cruise Terminal Lease
4 Agreement represents tremendous opportunity for the
5 city. This is not only an opportunity to modernize
6 the city's cruise infrastructure and lower
7 operational costs, but an opportunity to maintain
8 over 1,000 jobs associated with Cruise that are held
9 by New Yorkers, of all skill levels and backgrounds.
10 It is an opportunity to advance MCT as again a world
11 class facility where our cruise line partners can
12 continue to offer their guests, New Yorkers and
13 visitors alike the most advanced cruise ships on
14 exciting itineraries out of New York City that span
15 the globe. And finally, it's an opportunity to
16 leverage over \$150 million in annual economic impact
17 by keeping over one million annual visitors staying
18 our hotels, eating in our restaurants, seeing our
19 show and visiting our museums experiencing for
20 themselves all the wonder and excitement New York
21 City has to offer. In conclusion, we ask the Council
22 to approve the Lease Agreement between the City and
23 Ports America for the Manhattan Cruise Terminal. I'm
24
25

2 happy to take questions following a statement from
3 Steve Loevsky from Ports America.

4 STEVEN LOEVSKY: Hello. Okay. Good
5 morning Councilman Koo and Council Members. It's my
6 honor to be here today before you. My name is Steve
7 Loevsky and I'm the Vice President of the Cruise
8 Division with Ports America. Ports America is the
9 largest marine terminal operator and stevedore in the
10 United States. We operate on all three coasts and
11 more than 42 ports in 80 locations across the nation
12 handling the needs of our clients in both cruise and
13 cargo operations. With over 90 years of experience
14 through predecessor companies, Ports America
15 possesses dedicated resources that enable us—that
16 enable us to provide excellent service to our
17 customers, which include highly experienced in
18 dedicated management, robust training initiatives and
19 cutting edge safety and technology programs. We
20 provide cruise management and stevedoring services to
21 every major cruise line in the world. Trough hands-
22 on experience and teamwork Ports America has built a
23 solid reputation with its cruise line customers in
24 multiple locations. Ports America has proudly
25 managed and operated the Manhattan Cruise Terminal in

2 successful partnership with the New York City
3 Economic Development Corporation for two decades.
4 Our partnership with EDC and the cruise lines have
5 established in New York City as one of the premier
6 cruise ports In North America generating substantial
7 growth in-in cruise volumes. Ports America and EDC
8 have also navigated through some unprecedented events
9 in the city's history while ensuring the safety,
10 security and satisfaction of the-of the passengers
11 and the cruise lines. We are proud of our long
12 history and proven track record of providing
13 outstanding service to EDC and the cruise lines even
14 under extraordinary circumstances. We are also very
15 excited and energized about the future opportunities
16 at Manhattan Cruise Terminal and we have created
17 plans that will increase calls and passenger volumes
18 and improve passenger safety, customer satisfaction,
19 asset utilization while promotion-while-while
20 promoting job creation and economic activity in New
21 York City. We look forward to our continued
22 partnership with EDC, and Cruise resides (sic) on all
23 stakeholder who have been-who have mad Manhattan
24 Cruise Terminal the success that it has become
25 through our collective efforts, and look forward to

1 making further improvements to achieve world class
2 status. Thank you for your time.

3
4 CHAIRPERSON KOO: Thank you. I only have
5 one question to ask before Council Member Johnson
6 will ask questions. So thank you for coming, and my
7 question is on the statement. You didn't mention
8 anything about how to improve the terminal in terms
9 of like connecting the--the cruise ships to electrical
10 power while they are in the--in the piers. Because a
11 large cruise ships emits like 1,600 tons, 1,600 tons
12 of air pollutions annually. That is almost
13 equivalent to 1,300 tons of carbon dioxide, 95 tons
14 of nitrous oxide and 6.5 tons of diesel particulate
15 matter annually. So, this is almost like half--an
16 extra 5,000 cars, you know, on the road every year.
17 So, it's important that we, the cruise industry
18 economic health, but where they look at the--the--the
19 other health. We used to be interested in
20 environmental health as we mentioned. The rest I--
21 New York City is a very big city. A lot of people
22 move here. They live in high-rise apartments. So,
23 it is important that we look into the environmental
24 side to. The cruise ships will create a lot of
25 pollutants and also all this garbage. As you can

1 imagine a few thousand people after the cruise. I
2 don't know how that—where does all this garbage go? So
3 maybe that you can tell me. So, I am asking why the
4 city doesn't invest in technology called co-island
5 like you have in-shore—shore power so that the—the
6 ships can connect to the shore power. So they can
7 shut off the diesel engine while they are waiting on
8 the—on the piers. So, there's a place here.

10 JOSHUA NELSON: Yeah, thank you, Council
11 Member. As Matthew mentioned, my name is Joshua
12 Nelson and I head up the Transportation Systems Group
13 at EDC. Our shore power, which you mentioned is
14 something that we're keenly focused on, the
15 environmental impact of cruise operations in the city
16 is one of great importance to us, and want to ensure
17 that we minimize to the maximum extent possible. As
18 many of you know, shore power is a project that we launched
19 at the Brooklyn Cruise Terminal, and we're
20 investigating the impacts, and how that industry will
21 react to that infrastructure. Manhattan is a little
22 bit more of a challenging opportunity, and we'll
23 continue to invest—investigate the—the feasibility of
24 shore power. One of the other things that's pretty
25 exciting that we're focused on is the—the cruise

1 lines themselves making investing in scrubber
2 technology on the ships themselves which is lower-
3 extreme lowering of the particulate matter that those
4 vessels do release when they're in port. It's a
5 project that Cruise lines are currently working with
6 the EPA on at a federal level. It had had been
7 testing for a couple of years now, and we're hopeful
8 that that in combination with our additional research
9 into shore power will result in a lower impact cruise
10 activity in the city. But it's definitely something
11 we're focused on.
12

13 CHAIRPERSON KOO: So-so I had to make
14 sure that you guys monitor the air quality around the
15 terminals, make sure the residents in New York City
16 doesn't suffer because of this tourism. Tourism is
17 good, but to have to like make sure the elective
18 (sic) doesn't impact us overwhelmingly.

19 JOSHUA NELSON: Certainly.

20 CHAIRPERSON KOO: Thank you, Councilman
21 Johnson.

22 COUNCIL MEMBER JOHNSON: Thank you, Chair
23 Koo. Before I get into my questions. I just want to
24 really thank EDC again, President Patchet has been a
25 real pleasure to work with. I think he's done an

1
2 incredible job since he took over at the helm of EDC
3 and it has been great to work with you, Matt and
4 Lydan and everyone else there who's been part of this
5 project. I just wanted to say thank you for that.

6 You—you said in your testimony, Matt, that the
7 proposed agreement has a base term running through
8 the end of 2029. I thought that that the agreement
9 that we had been talking expired in 2026. That was
10 the current agreement that we're in expires in 2026?

11 MATTHEW QUINTON: I'll give you answer.
12 The current agreement expires June 30th of this year.
13 So that's why we're—we're replacing that. This—the
14 2029 lines up with the end of our agreement with the
15 Port Authority, the Brooklyn Cruise Terminal. So
16 it's always 2029. That's the last, December 30, 2029
17 is the last day we have on our dates termed for
18 Brooklyn, and so part our aligning of the two
19 operations is to ensure that they coterminous with
20 one another.

21 COUNCIL MEMBER JOHNSON: So, I'm confused
22 by this--

23 MATTHEW QUINTON: They are--

24 COUNCIL MEMBER JOHNSON: --because of all
25 the conversations that we've had. Yes.

1
2 MATTHEW QUINTON: I think the agreement
3 that you're referring to is our arrangement with
4 HRPT--

5 COUNCIL MEMBER JOHNSON: Yes.

6 MATTHEW QUINTON: --which is a different
7 agreement. That does expire in 2026.

8 COUNCIL MEMBER JOHNSON: That expires in
9 2026?

10 MATTHEW QUINTON: Correct. That
11 agreement continues and it works in exactly the way
12 that we described.

13 COUNCIL MEMBER JOHNSON: Got it. The
14 amount of money that's been put into the piers you
15 all put in the testimony that about \$23 million has
16 been agreed to for Pier 90. What is the outstanding
17 capital need for the piers? How large is it?

18 MATTHEW QUINTON: Sure. Out of the \$23.5
19 million that's a part of this, which includes
20 investment in modernizing Pier 90, there's still the
21 substructure of all of the piers themselves, which
22 remains the city's responsibility as well as the
23 viaduct, which connects all of the piers to the
24 parking structures. That viaduct alone is an \$85
25 million expense. We estimate between now and over

1 the next ten to have roughly another \$200 million
2 worth of expenses associated with pile cluster
3 maintenance. That's the again the substructure, a
4 full replacement of the viaducts, and additional work
5 on the substructure of the—of the piers themselves.
6

7 COUNCIL MEMBER JOHNSON: So that ends up
8 being—what's the total amount \$200 million plus \$85
9 million?

10 MATTHEW QUINTON: Yeah, plus the \$23.5 so
11 it's \$300.

12 COUNCIL MEMBER JOHNSON: [interposing]
13 So, it's a little over \$300 million?

14 MATTHEW QUINTON: That's right.

15 COUNCIL MEMBER JOHNSON: And is there
16 anything in the Ten-Year Capital Plan for these
17 expenses.

18 MATTHEW QUINTON: Yes, some of that has
19 been programmed for an additional year.

20 COUNCIL MEMBER JOHNSON: [interposing]
21 How much are you spending for that?

22 MATTHEW QUINTON: The \$85 million is
23 certainly there and then the work associated with
24 the—the viaduct. I'm sorry, that's the \$83. The
25 work associated with the substructure.

2 COUNCIL MEMBER JOHNSON: It's in the
3 Capital Plan?

4 MATTHEW QUINTON: It's in EDC' Ten-Year
5 Capital Plan.

6 COUNCIL MEMBER JOHNSON: For the full
7 amount?

8 MATTHEW QUINTON: I—I would have to look
9 to see whether the full amount has been asked for.
10 Often times with place folders they're in order to do
11 additional work and investigation to determine
12 exactly how much the overall capital ask would be.

13 COUNCIL MEMBER JOHNSON: Okay, that's-
14 that's helpful to know, So, part of the long
15 negotiation that we've gone through over the last
16 year together has been about getting Hudson River Park
17 Trust some money for their annual operations, for
18 their outstanding capital needs, which are
19 significant. You know, we can't revisit what
20 happened over ten years ago, which I don't think was
21 a good thing. It's a previous administration. I
22 don't criticize any of you for it, a letter that was
23 executed, but now we're moving forward, and I just
24 want to state on the record that the agreement that
25 we've come to, which has been executed via a letter

1 between EDC and HRPT is moving forward starting in
2 this fiscal year, this upcoming fiscal year, Fiscal
3 Year 2018 to Fiscal Year 2026, a guaranteed amount of
4 \$500,000 per year that will be given to HRPT for
5 capital related issues, and then after 2026 moving
6 forward 20% of the revenue that's—that comes in on
7 these peers will then go to HRPT. It doesn't matter
8 what the revenue is. It could end up being \$500,000,
9 it end up being \$800,000. I mean I know you all have
10 some projections in what you think that's going to
11 be, but I just want to state on the record that's the
12 agreement that we have, and that's the MOU, if you
13 want to put it that way, between EDC and HRPT.

14
15 MATTHEW QUINTON: Council Member, we can
16 definitely confirm that is correct, and this
17 administration has really appreciated working with
18 your office to create a good agreement that allowed
19 us to leverage private capital, and find a way to get
20 more money for HRPT for this deal so that we all
21 could win.

22 COUNCIL MEMBER JOHNSON: Well, I want to
23 thank you because it's been a long process, and
24 since, you know, you joined as a Executive Vice
25 President for Management Assets, it's been great to

1 work with you, and Carolee and Lydan and James and
2 the whole team, and I really appreciate. Again, I'm
3 not going to sing from the hills on this deal because
4 I think the park deserves and needs a lot more money,
5 which, I've talked with you all about given that HRPT
6 is a huge economic generator for the city of New
7 York, hundreds of millions of dollars in property tax
8 revenue that's come in because of HRPT and the park
9 being built. So, I think the park deserves a
10 significant capital investment, but it is caught
11 between the—being the unloved stepchild in some ways
12 caught between the forces of New York State and New
13 York City because of the trust that was set up via
14 legislation by the State Legislature in the mid
15 1990s. So it's not a city park. It's not a state
16 park. It's a trust, which means that everyone is
17 always asking who's going to put the money in. So,
18 for you all to put this money in, it's meaningful for
19 me because any dollars that we can get to build out
20 the rest of HRPT and in Northern Chelsea and the
21 Hells Kitchen section of the park, and to help
22 support them through their ongoing capital
23 maintenance when there's a bulkhead repair issue, or
24 when there are other sort of unsexy capital repairs
25

1 that come up that are needed, HRPT is in a difficult
2 spot. So, my hope is that between now and 2026 this
3 is going to generate at least somewhere a little less
4 than \$5 million, and then moving forward 20% of that,
5 which I think you estimate escalates over time will
6 end up being not a huge revenue generator for the
7 park but at least something to help them with their
8 ongoing capital maintenance and I want to thank you
9 very much.
10

11 MATTHEW QUINTON: Thank you very much.

12 We really appreciate.

13 COUNCIL MEMBER JOHNSON: [interposing]

14 Thank you, Chair Koo, and I—I support this
15 application. Thank you, and I ask my colleagues to
16 vote in favor of it.

17 CHAIRPERSON KOO: Thank you. We are
18 pleased to announce that we are joined by Council
19 Member Kallos. Also, I want to go back to this shore
20 power technology, you know, I understand you
21 mentioned we have this technology in the Brooklyn
22 Terminal, Red Hook, right? How long ago they have
23 this technology?

24 MATTHEW QUINTON: I'm sorry, here in New
25 York City?

CHAIRPERSON KOO: Yeah, yeah. Yeah, in
Brooklyn.

MATTHEW QUINTON: [interposing] Yeah,
just last year.

CHAIRPERSON KOO: Huh?

MATTHEW QUINTON: It was just last—the-
the system was just commissioned last year.

CHAIRPERSON KOO: Last year?

MATTHEW QUINTON: That's right.

CHAIRPERSON KOO: I thought—I thought it
was 2012 or something like that.

MATTHEW QUINTON: No.

CHAIRPERSON KOO: No. Just last year
Red Hook—Red Hook has it.

MATTHEW QUINTON: Yes.

CHAIRPERSON KOO: So, so how much it cost
the—the--

MATTHEW QUINTON: That's a great
question.

CHAIRPERSON KOO: Yeah.

MATTHEW QUINTON: The Port Authority of
New York and New Jersey owns the terminal that EDC
leases. It actually constructed the project. So,
the overall cost I'm not sure what the Port Authority

2 ended up with a final design, somewhere between \$25
3 and \$30 million.

4 CHAIRPERSON KOO: Yeah. So, that
5 particular terminal is owned is owned by Port-Port
6 Authority.

7 MATTHEW QUINTON: That's correct.

8 CHAIRPERSON KOO: But the piers in New
9 York City is not.

10 MATTHEW QUINTON: That's correct.

11 CHAIRPERSON KOO: Yeah. Alright, I
12 understand that there's like federal grants that you
13 can use to-to apply for upgrades in-in the shore
14 power. So, the EPA, [coughing] they provide a lot of
15 money for the upgrade in Brooklyn.

16 MATTHEW QUINTON: No, the EPA did not
17 provide any money for the-the Brooklyn system. That
18 was provided solely by the Port Authority. As I
19 mentioned, the EPA is now focused on scrubber
20 technology and working individual cruise lines to
21 ensure that they're adopting that technology, which
22 is much more effective from a deployment perspective,
23 and so that's where that money is focused.

24 CHAIRPERSON KOO: So, so Scrubber
25 Technology is superior to Atlantic Shore Power?

1
2 MATTHEW QUINTON: In terms of deployment
3 yes.

4 CHAIRPERSON KOO: In terms of cutting
5 down pollutants?

6 MATTHEW QUINTON: In—in terms of
7 deploying it to a number of different ships very
8 easily yes.

9 CHAIRPERSON KOO: Well, I'm talking about
10 like cutting the pollutants.

11 MATTHEW QUINTON: Yeah, I'm not an expert
12 as far as how much of a pollutant gets cut versus
13 completely shutting a ship's engine, but I do know
14 that it's promising that technology that the EPA is
15 investigating that.

16 CHAIRPERSON KOO: Well, I—I think it's a
17 time that we usually investigate on the—if we invest
18 on a—a co-island on a shore—on the shores, you know,
19 because in the long run, it will help the environment
20 much—much better because the city is looking for like
21 to cut down on carbon emissions, but the cruise ships
22 are the—are the major emitters of carbons.

23 MATTHEW QUINTON: Sure, the—the one thing
24 and we don't disagree the challenge is not every
25 cruise ship has the equipment available to plug in.

1 So it's not a given that a cruise ship is constructed
2 and has that—that system installed. It's a roughly
3 \$4 million investment for each cruise ship to do
4 that, and as new cruise ships come out, and as the
5 industry changes, we have to work in ensuring that
6 we're remaining competitive with respect to what
7 we're requiring of cruise lines that do come in. So,
8 that's why Brooklyn is such an interesting
9 experiment. While we do have the shore power
10 technology and the capability there, we have to be
11 cognizant of our competitors who may or may not
12 require that of a cruise line. So, it's working with
13 the industry. Where can we partner on opportunities
14 to reduce those emissions?
15

16 CHAIRPERSON KOO: Okay, my—I want to
17 follow up with the—the garbage problem. Where all
18 this garbage go after the cruise like they—they
19 return from the—the Bahamas or from Bermuda. They
20 return to the pier. Where—where does it go? Does it
21 go to the New York city garbage dump or no?

22 MATTHEW QUINTON: No. So, it's not
23 considered municipal solid waste, right? Which is
24 what DSNY uses or—services with their facilities.
25 It's commercial waste. Each line will have its own

2 contracts with carting companies, and have that waste
3 taken out, but it's not impacting the New York City
4 services that deal with the city waste stream.

5 CHAIRPERSON KOO: So, the—all this
6 garbage are—are carried to other states?

7 MATTHEW QUINTON: I'm not sure
8 specifically where it heads, but it's—there are real-
9 -

10 CHAIRPERSON KOO: [interposing] There's
11 no investing?

12 MATTHEW QUINTON: No, there's no
13 landfills in New York City.

14 CHAIRPERSON KOO: Alright.

15 MATTHEW QUINTON: So, not in the city.

16 CHAIRPERSON KOO: Alright so what—what
17 about the—the—a 1,000 employees you mentioned the
18 cruise industry will hire and then on—on shore right?
19 Like ticketing agents and like those. Are these
20 people mostly New Yorkers or are they from all over
21 the Tri-State area?

22 STEVEN LOEVSKY: So, with respect the
23 shore side working staff, it's—it's a lot of New
24 Yorkers. I don't have the—the breakdown of it, but
25 that's includes longshoremen, security guards, check-

1 in staff, ground handling staff, other—other ground
2 transportation needs, bus drivers, taxicabs, et
3 cetera, et cetera.

4
5 CHAIRPERSON KOO: So—well—well, I would
6 encourage you guys to hire local because the cruise
7 shop produce a lots of the pollutants locally. We
8 also suffer from it, too. So, we want you to hire
9 mostly—unless they are technical people. You know,
10 you have to hire from like from other states. The
11 most—the labor those things they have to go—handling
12 their baggage or other ticketing agents. We should
13 hire locally. We are seeing yes the wrong people,
14 and we have 10 million here.

15 MATTHEW QUINTON: Yes, to clarify, you'll
16 hear some comments from our ILA Local Manhattan
17 President. So, all the labor that's hired first come
18 out of the Manhattan Local, and then Brooklyn, then
19 Staten Island and then over to the New Jersey. So
20 that's the priority of the ordering.

21 CHAIRPERSON KOO: Okay. Thanks. So, any
22 more questions from our members for EDC? No, seeing
23 none, we will go to the public hearing, yeah. Are
24 there members of the public who wish to testify on
25 Item 614? [background comments] Seeing one.

1
2 Alright, I'll first begin. We have a notice that
3 five people signed up. Would they go to state-go the
4 tabled. [background comments] Okay, Ron Masshadi
5 (sp?) Katie Moore, Margareta Harris, Dena Libner and
6 Thomas Spina. [background comments]

7 SERGEANT-AT-ARMS: Come in here. You can
8 have a seat over here

9 CHAIRPERSON KOO: Yeah. You may start
10 after identifying yourself, and again one-by-one,
11 again.

12 Okay.

13 CHAIRPERSON KOO: I think two minutes.
14 So, each person is allowed two minutes because of
15 limitation of time. Thank you.

16 THOMAS SPINA: Yes. Thank you, Council
17 Members. My name Thomas Spina. I'm here
18 representing Carnival Corporation. Carnival
19 Corporation is-represents around 47% of the entire
20 cruise industry in the world today. We have ten
21 different brands. Six of those brands currently call
22 into New York at either the Manhattan or the Brooklyn
23 Cruise Terminals. We are a massive source of
24 economic impact from a direct, indirect and induced
25 labor perspective, which is very important. In

1 addition of that, we are also not just the largest
2 cruise industry company in the world today, but we're
3 growing, and the problem today in today's cruise
4 industry is the cruise industry as a whole can only
5 grow by 7% a year. The reason for that is not due to
6 the cruise industry. It's due that there aren't
7 enough ship yards to build enough ships in that time.
8 So on order for us within our brands, which include
9 AIDA, which is from Germany, and it's a large source
10 of hotel stays here in New York as they stay multi
11 nights. Our flagship, which is Carnival Cruise Line,
12 Cunard, which are—with 175-year history with the
13 Queen Mary 2, Holland America, Pinot and Princes
14 Cruises. So, most of the brands that you've heard
15 from our great partners at EDC are owned by Carnival
16 Corporation, which we represent. That is important
17 for a couple of reasons. One is the fact that the
18 job creations that we're doing. You heard the
19 numbers and I want to touch on—on a couple of your
20 comments, Councilman Koo. One in regards to
21 environmental upgrades in order to understand that
22 Carnival Corporation as whole has invested nearly
23 \$1.7 billion in environmental upgrades as our
24 responsibility to the environment. So, I want you to
25

1 know that we're doing that. Our newest ships [bell]
2 which is Carnival Cruise Lines will soon have
3 elementary (sic) technology. So, your environmental
4 needs for an industry as a whole not just for a
5 corporation we believe are being met. Thank you,
6 sir. [background comments, pause]

8 My name is Ron Mashhadi (sp?). I'm the
9 President of Local 824, International Longshoreman's
10 Association. I-I representing the member of the
11 Longshoremen in the Manhattan area. My local turns
12 105 years old this year. We've been providing labor
13 for that length of time for the cruise industry in
14 Manhattan. We've been working with Force of America
15 for decades now. We have a close strong relationship
16 with them. We've been through many obstacles during
17 the years. One of our latest Sandy, which took out
18 the pier. We are successfully-got the ships in and
19 for weeks at time until we got back on our feet.
20 It's crucial for my members for the cruise ships to
21 stay in Manhattan. It provides them with a good
22 salary. Also, it provides them with hours, which we
23 need for our medical benefits and our pension
24 benefits. If-if-if the changes are not made [pause]-
25 if the changes are not made, I-I-I could see the

1 ships leaving the New York area. It's-it's that
2 simple. If the facility is not right, they will just
3 find another port to go to. Just like the Bayonne
4 Bridge, the ships are getting bigger. They raise the
5 bridge just for that reason so the ships can come
6 into our local ports. [bell] In Manhattan also we
7 need certain things changed so we could attract these
8 larger ships in the future. So, I-I-I urge the
9 Council to approve this change so we can go forward,
10 and keep the ships in New York. Thank you.

12 CHAIRPERSON KOO: You also want to speak?
13 The lady on the left, you want to speak?

14 DENA LIBNER: Hello. I'm Dena Libner,
15 Senior Director of External Affairs at NYC & Company.
16 As many of you know, NYC And Company is the city's
17 not-for-profit destination marketing organization,
18 and we're happy to say that our city welcomed 60.7
19 million visitors last year who collectively spent
20 over \$42 billion at businesses across the city.
21 Travel and tourism is the city's sixth largest
22 employer supporting more than 375,000 local jobs and
23 generating more than \$5.8 billion in tax revenue, and
24 NYC & Company-Company believes there are multiple
25 reasons to support a strong New York City cruise

1 industry. It's a smart way to encourage new spending
2 at businesses throughout the five boroughs, and we
3 can expect that developing New York City's capacity
4 as a port of departure will—will result in more
5 passengers staying over night and exploring our city
6 before and after they cruise. In addition, 30% of
7 cruise passengers visit us from outside of the U.S.
8 and since we know international visitors have on
9 average four times the economic impact of domestic
10 travelers, building capacity for them is likely to
11 have exponential long-term benefits to the city.
12 Second, the return on investment in cruise business
13 goes well beyond passenger spending. According to
14 EDC, 46% of cruise parties are first time New York
15 City Visitors. NYC & Company knows that that first
16 visit is a start of a life long relationship with our
17 city and will lead to future visits, longer stays and
18 deeper explan—exploration of the boroughs. Third,
19 long-term agreements between cruise lines and EDC
20 open the door to marketing partnerships between those
21 same cruise lines and NYC & Company, and with that
22 new access to passengers, our marketing efforts can
23 better influence consumer's choices before, during
24 and after their trip encouraging visitors to extend
25

1 their stay and explore more. Lastly, broadening the
2 City's investment in diverse travel markets helps us
3 stay competitive as a destination. It surprises a
4 lot of people to learn that we face intense
5 competition and challenges. For example, the strong
6 dollar and political climate can motivate
7 international visitors to choose elsewhere. New ways
8 and reasons to experience New York City keep our
9 tourism economy resilient. In closing, thank you for
10 the opportunity to share our insight on the potential
11 impact of a stronger New York City cruising history.

13 CHAIRPERSON KOO: Thank you. [background
14 comments]

15 MARGRETTA HARRIS: [off mic] I'm
16 Margaretta Harris. I represent Inter InterCruises
17 Shoreside and Port Services. We represent the
18 majority of the cruise lines in New York City and
19 nationwide in the U.S. We offer services such as
20 ground handling, meet and greet at the airports,
21 shore excursions in and around New York City in all
22 five boroughs. We've been working decades with Ports
23 America. We've facilitated a strong working
24 relationship, and enjoying the best possible guest
25 experience in New York City despite our many

1 challenges with our limited resources and real estate
2 and at the Manhattan Cruise Terminal. I think it's
3 vital that we keep this going. It promotes tourism.
4 We-most of our staff within Intercruises works within
5 the five boroughs, come from within the five
6 boroughs. We employ over 750 staff yearly, and it's
7 a strong opportunity to keep our tourism booming in
8 New York City with a big impact.

10 CHAIRPERSON KOO: [off mic] Thank you.

11 [background comments]

12 KATIE MOORE: Thank you, Chairman Koo and
13 Council Members. My name is Katie Moore. I'm here
14 from the Hotel Trades Council. We represent
15 approximately 35,000 hotel and gaming workers in New
16 York and New Jersey. We're her today to testify in
17 support of the city's maritime lease with Ports
18 America. In 2016, over a million cruise passengers
19 came through New York City making it the fifth
20 largest cruise port in North America. Over a third
21 of these passengers reported staying overnight in New
22 York City before or after their cruise with an
23 average stay of just under three nights. Spending on
24 accommodations was the top category of cruise
25 passenger spending last year totaling \$58.6 million.

1
2 Because of the obvious positive effect this influx of
3 cruise passengers has on New York City's union hotels
4 and solid middle-class jobs those hotels provide, we
5 strongly urge the Council to support the expansion of
6 New York City's cruise operations and approve their
7 proposed lease with Ports America. Thank you.

8 CHAIRPERSON KOO: Are there any questions
9 from our members? No. Are there more members from
10 the public who want to testify? No. Seeing none,
11 I'm—thank you. So there are no other members of the
12 public who want to testify, right? So, seeing none,
13 the public hearing on LU 614 is now closed. Next, I
14 will open the public hearing on LU 636 and 637, the
15 proposed school site selections. The School
16 Construction Authority will present testimony on both
17 site selections followed by testimony from the
18 public, and we have Tami Rachelson from SCA and
19 Thomas Smith and Gale Bendevo (sp?) Yeah, please
20 identify yourself and you can start.

21 TAMI RACHELSON: Good afternoon,
22 Chairperson Koo and Subcommittee members. Okay, good
23 afternoon Chairperson Koo and Subcommittee members.
24 My name is Tami Rachelson, and I'm the Deputy
25 Director for Real Estate Services for the School

1 Construction Authority. The New York City School
2 Construction Authority has undertaken the site
3 selection process for a new public school facility on
4 a site consisting of Lot 1 on Block 635 in the
5 Borough of Richmond. The site contains total of
6 approximately 55,795 square feet of lot area located
7 on the entire block bounded by Osgood Avenue to the
8 north, Waverly Place to the South, Wiederer Place to
9 the east and Targee Street to the west. The site is
10 privately owned, and contains a three-story warehouse
11 building and parking lot, and is located with Staten
12 Island Community District No. 1 and Community School
13 District No. 31. Under the proposed project, the SCA
14 would acquire the site in constructing new
15 approximately 800-seat primary/intermediate school
16 facility. The notice of filing for the site plan was
17 published in the Staten Island Advance and New York
18 Post and city record on November 11, 2016, Staten
19 Island Community Board No. 1 and community educational-
20 Education Council No. 31 were also notified of the
21 site plan on November 11, 2016 and were asked to hold
22 public hearings on the proposed site plan. Staten
23 Island Community Board 1 and the CEC No. 31 conducted
24 a joint public hearing on the site plan on November
25

17, 2016. The Community Board subsequently submit-
submitted written comments supportive of the site
plan. Comments were received from the Community
Education Council 31 and the City Planning Commission
submitted comments in support of the site. The SCA
has considered all comments received on the proposed
site plan and affirms the site plan pursuant to
Section 1731 of the Public Authorities Law. In
accordance with Section 1732 of the PAL, the SCA
submitted the proposed site plan to the Mayor and
City Council by letter dated May 7, 2016-17. Excuse
me. We look forward to you subcommittee's favorable
consideration of the proposed site plan, and are
prepared to answer questions from the committee.
Thank you.

CHAIRPERSON KOO: Council Member Rose, do
you have any questions?

COUNCIL MEMBER ROSE: I want to thank-
Again, SCA worked diligently with my office to try to
find an appropriate site for a new state-of-the-art
800 seats. I just-I-I just have a-a question about I
guess the facility and the design. In the
discussions, we talked about what sort of amenities
the school would have, and I am still really

2 perplexed that a school with this amount of-of and
3 ability to be whatever we want it to be, that we're
4 talking about a gymnasium. I don't even understand
5 the logic between-behind schools building schools
6 with just the one-one space that has to be multi-
7 purpose.

8 TAMI RACHELSON: Well, typically-this has
9 been our standard for a number of years. So, it find
10 it in a lot of the schools or most of the schools,
11 the auditoriums are not used that often. So this way
12 we're able to provide in general a larger what we
13 call a gymnasium a combination, and we're able to
14 provide rather than a smaller auditorium and a
15 smaller gym, a larger multi-purpose room, and we
16 found that it works better this way, and we're able
17 to provide a great [coughing] gym and there's an
18 auditorium. As we explained, we-the new schools have
19 the electronic, you know, stadium seating. So,
20 there's relatively little setup for-for the seating
21 when it's used as an auditorium, and also for-if
22 space is needed, there's always the, you know,
23 cafeteria that can be used. So, this is the new
24 standard that, you know, SCA had adopted.

2 COUNCIL MEMBER ROSE: But we're talking
3 about like bleachers, right?

4 TAMI RACHELSON: Correct, they don't have
5 backs.

6 COUNCIL MEMBER ROSE: So-so, when you're
7 in a--in a situation where you're--you're looking at a
8 performance or a graduation where the duration is,
9 you know, you know, some length of time, bleachers
10 aren't the most comfortable, and you're talking
11 adults using these seats with no backs for some
12 length of time, it just--it--it doesn't seem to make
13 sense to me.

14 TAMI RACHELSON: Schools also have, you
15 know, folding chairs, which have backs that can be
16 used in addition to the electronic bleacher seats.

17 COUNCIL MEMBER ROSE: We're putting all
18 this money into a school with all these amenities and
19 I--I--I do--when I say amenities I'm talking about
20 science labs and--and libraries and--and gyms and
21 auditoriums, and then to put bleachers in a public
22 space that's going to accommodate adults as well as
23 young people, it--it just doesn't follow any sort of
24 logic to me. Is it--is it about cost.

25 TAMI RACHELSON: Well, I think it--

2 COUNCIL MEMBER ROSE: It can be about
3 space--

4 TAMI RACHELSON: [interposing] I-I think
5 it's

6 COUNCIL MEMBER ROSE: -- because we now
7 enough square footage.

8 TAMI RACHELSON: So, I think it's a
9 combination of that it makes the most sense because
10 auditoriums are not used frequently. If you think
11 back to-I know when I was in school a very long time
12 ago, the auditoriums were used for assemblies. You
13 know, they were not used often and, you know, so
14 there's that. This way we can provide a larger gym,
15 and there is somewhat of a cost, you know, savings,
16 but I think it was more for an efficiency than driven
17 by cost.

18 COUNCIL MEMBER ROSE: Alright. I'm sure
19 we'll have this conversation. You-you-no, I'm not
20 really finished with this conversation, but thank
21 you.

22 CHAIRPERSON KOO: Thank you, Council
23 Member Rose. Any more questions from our staff,
24 okay. No, from our members I mean. Council Member
25 Mendez, please.

2 COUNCIL MEMBER MENDEZ: Thank you very
3 much. I need to ask the School Construction
4 Authority this has been what I do now for several
5 legislative terms whether this school siting needs—
6 whether this school siting is going to be built
7 within the zoning envelope, or whether the school
8 will be higher than the current zoning envelope, and
9 we need some kind of override?

10 TAMI RACHELSON: We will need an
11 override.

12 COUNCIL MEMBER MENDEZ: Okay.

13 TAMI RACHELSON: We—we will need an
14 override for FAR and building heights to our exposure
15 plan as we as for use. It's a C8-1 zone, which is
16 not as-of-right.

17 COUNCIL MEMBER MENDEZ: Okay. Thank you
18 very much.

19 CHAIRPERSON KOO: Thank you. We have no
20 more questions, right. Okay, thank you.

21 TAMI RACHELSON: Thank you.

22 CHAIRPERSON KOO: Are there members of
23 the public who wish to testify on Items 636 and 637.
24 Seeing none, this public hearing on LU 636 and 637 is
25 now closed.

1
2 TAMI RACHELSON: We didn't present the
3 637.

4 CHAIRPERSON KOO: Okay, I was just—I'm
5 sorry. Go ahead yeah.

6 TAMI RACHELSON: okay, okay, alright.

7 CHAIRPERSON KOO: I'm sorry about that.

8 TAMI RACHELSON: No, no problem. If you
9 want to just approve it, we're okay with that.

10 CHAIRPERSON KOO: Okay, but go ahead
11 year, you're okay.

12 TAMI RACHELSON: Good afternoon
13 Chairperson Koo and Subcommittee Members. My name is
14 Tami Rachelson—

15 CHAIRPERSON KOO: [interposing] It's a
16 long day.

17 TAMI RACHELSON: --and I am Deputy
18 Director for Real Estate Services for the School
19 Construction Authority. The New York City School
20 Construction Authority has undertaken the site
21 selection process for a new public school facility on
22 a site consisting of a portion of Lot 32 on Block
23 4142 in the Borough of Brooklyn. The site contains a
24 total of approximately 53,803 square feet of lot area
25 located on the block bounded by Atlantic Avenue,

1 Logan Street, Dinsmore Place and Chestnut Street in
2 the East New York section of Brooklyn. The site is
3 vacant city-owned property located in the Din-
4 Dinsmore-Chestnut Urban Renewal Area within Brooklyn
5 Community District No. 5 and Community School
6 District No. 19. Under the proposed project, the SCA
7 would construct a new approximately 1,000-seat
8 primary/intermediate school facility. We notice a
9 filing for the site plan was published in the New
10 York Post and City Record on January 3, 2017.
11 Brooklyn Community Board No. 5 and Community
12 Education Council No. 19 were also notified of the
13 site plan on January 3, 2017, and were asked to hold
14 public hearings on a proposed site plan. Brooklyn
15 Community Board No. 5 and CEC No. 19 conducted a
16 joint public hearing on the site plan on January 10,
17 2017. Community Board 5 sub-subsequently submitted
18 written comments on the site plan. The CEC did not.
19 The City Planning Commission submitted written
20 comments in support of the site. The SCA has
21 considered all comments received on the proposed site
22 plan, and affirms the site plan pursuant to Section
23 1731 of the Public Authorities Law. In accordance
24 with Section 1732 of the PAL, the SCA submitted the
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2 proposed site to the Mayor and City Council by letter
3 dated May 7, 2017. We look forward to your
4 subcommittee's favorable consideration of the
5 proposed site plan, and are prepared to answer any
6 questions from the committee. Thank you.

7 CHAIRPERSON KOO: Thank you very much.

8 Any questions?

9 MALE SPEAKER: [off mic] And Member
10 Espinal?

11 CHAIRPERSON KOO: He said he agreed with—
12 with the construction. We have a question from
13 Council Member Mendez.

14 COUNCIL MEMBER MENDEZ: Yes, I have the
15 same question about this site. Is this going to be
16 built within the zoning envelope?

17 TAMI RACHELSON: I believe the answer to
18 that is no, but it's tied into a larger rezoning that
19 the city has done. So, we're not sure if we're going
20 to have to request a zoning override for the project,
21 or it will be done in the larger citywide effort, a
22 development effort for the project. We don't quite
23 know yet.

24 COUNCIL MEMBER MENDEZ: Okay, thank you
25 very much.

2 TAMI RACHELSON: Thank you.

3 CHAIRPERSON KOO: So thank you.

4 TAMI RACHELSON: Thank you very much.

5 CHAIRPERSON KOO: Are there any other
6 members of the public who wish to testify on these
7 items? Seeing none, this public hearing on LUs 636
8 and 637 is now closed. I will now couple LUs 614,
9 628, 629, 636 and 637 for a vote to approve these
10 items noting that on LU 628, we will be voting to
11 approve the designation with a modification. Counsel,
12 pleas call the roll.

13 LEGAL COUNSEL: Chair Koo.

14 CHAIRPERSON KOO: I vote aye.

15 LEGAL COUNSEL: Council Member Palma.

16 COUNCIL MEMBER PALMA: I vote aye.

17 LEGAL COUNSEL: Council Member Mendez.

18 COUNCIL MEMBER MENDEZ: I vote aye.

19 LEGAL COUNSEL: Council Member Rose.

20 COUNCIL MEMBER ROSE: Aye.

21 LEGAL COUNSEL: Council Member Kallos.

22 COUNCIL MEMBER KALLOS: Aye.

23 CHAIRPERSON KOO: Thank you. We will
24 keep the vote open for another 15 or 20 minutes.
25 Thank you.

2 COUNCIL MEMBER LEVIN: Thankfully, you're
3 still going. Just in the-

4 CHAIRPERSON KOO: Yes. [background
5 comments]

6 LEGAL COUNSEL: Council Member Levin.

7 COUNCIL MEMBER LEVIN: I vote aye on all.

8 LEGAL COUNSEL: By a vote 6 in the
9 affirmative and 0 in the negative with 0 abstentions,
10 all items are recommended for approval by the full
11 Land Use Committee with Item No. 628 recommended for
12 approval with modification.

13 COUNCIL MEMBER LEVIN: Thank you, Chair
14 Koo, for waiting for me.

15 CHAIRPERSON KOO: Thank you. Thank you,
16 members of the public, my colleagues, Council and the
17 Land Use staff. This meeting is adjourned. [gavel]

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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 June 13, 2017