

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

SUBCOMMITTEE ON ZONING AND FRANCHISES

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June 20, 2017
Start: 10:03 a.m.
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HELD AT: Council Chambers - City Hall

B E F O R E: DONOVAN J. RICHARDS
Chairperson

COUNCIL MEMBERS: Daniel R. Garodnick
Jumaane D. Williams
Antonio Reynoso
Ritchie J. Torres
Vincent J. Gentile
Ruben Wills

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

Ross Moskowitz, Partner
Strook & Strook & Lavan LLP

Brian Newman, AIA, Director
Architectural Services
Newman Design

Aileen Gribbin, Partner
Forsyth Street Advisors

Ron Wade, Local 32BJ SEIU

Richard Bass, Sr. Planning & Development Consultant
Akerman, LLP

Christopher Papa, Architect

Sean Collins, LGBT Network

Kenny Mendoza, Appearing for:
Assembly Member Michael Dendekker

Andrew Garla

Jennifer Dickson
Chief Planning & Development Specialist
Herrick Feinstein

Jody Stein, Appearing for Applicant

David Karnovsky, Land Use Council

Andy Rosen, Related Companies

Marsha Hillis (sic), Department of City Planning

Jordan Press, Executive Director
Development & Planning, Government Affairs Unit
NYC Department of Housing Preservation

Edith Hsu Chen, Director
Manhattan Office
NYC Department of City Planning

Anita Laremont, General Counsel
Department of City Planning

Bob Tuttle, Project Manager
NYC Department of City Planning

Ezra Moser, Project Manager
NYC Department of City Planning

Frederica Quinta
Metropolitan Transit Authority, MTA

Ed Pincar Manhattan Deputy Borough Commissioner
Department of Transportation, DOT

Rick Edgars, Chairperson, Community 6

Wally Rubin Appearing for: Vikki Barbero,
Chairperson, Community Board 5

Eric Edwards Stearn, Chairperson
Land Use Committee, Community Board 5, Manhattan

Chet Jordan, Land Use, Housing and Zoning Committee
Community Board 5

Jim Caras, General Counsel and Land Use Director
Appearing for Manhattan Borough President

Michael Slattery, Senior Vice President
Real Estate Board of New York, REBNY

Joseph Rosenberg, Director
Catholic Community Relations Council

Rob Byrnes, President
East Midtown Partnership

Peter Lempin, Vice President
Capital Projects, Maintenance & Procurement
Grand Central Partnership

Michael Kwartler, President
Environmental Simulation Center
Principal of Michael Kwartler & Associates

Tom Devaney, Senior Director
Land Use and Planning
Municipal Art Society

Michael Gruen, President
City Club of New York

John West
City Club of New York

Lois Cremmins, Executive Director
Greenacre Foundation

Ron Wade, 32BJ SEIU

Malcolm Kaye, Partner
Development Consultant Services

Alan Dutton, General Manager
NYC Yale Club

Michael Pantelidis, Vice President of Public Affairs
New York Building Congress
Appearing for: Carlo Scissura, President and CEO
New York Building Congress

Marsha Caban, Executive Director
Central Synagogue

Jeffrey Kressler, Chair, Preservation Committee
City Club of New York

Craig Whittaker, Architect & Urban Designer
Former President, City Club of New York

Andrea Goldman
New York Landmarks Conservancy

Diedra Carson. Greenberg Traurig
Representing 1248 Associates

Roxanne Warren, Architect

Larry Sicular, City Club Member
Real Estate Appraiser & Real Estate Broker

James Collins

George Haikalis, President
Institute for Rational Urban Mobility

2 [sound check, pause][gavel]

3 SERGEANT-AT-ARMS: Quiet please.

4 CHAIRPERSON RICHARDS: Alrighty. Good

5 morning. I am Donovan Richards Chair of the

6 Subcommittee on Zoning and Franchises, and this

7 morning we are joined by Council Members Salamanca,

8 Gentile, Council Member Rose and Chairman Greenfield.

9 Today, we'll be holding hearings on seven

10 applications. The public hearing for the Greater

11 East Midtown application will be last so we can get

12 you out of here after have gone through and voted on

13 other applications on this calendar. We are going to

14 start Land-oh, actually, we're going to start the

15 hearing with Land Use Item No. 682 and 683 the

16 Whitlock and 1501st Street rezoning. This is an

17 application for a zoning map amendment to change the

18 existing M-M1-1 district to an R8A/C24 district and a

19 zoning text amendment to establish a Mandatory

20 Inclusionary Housing area. These approvals would

21 facilitate the development of two 14-story buildings

22 with approximately 474 units of affordable housing

23 reserved for families making between 30 and 80% of

24 the Area Median Income. The two buildings would also

25 contain community facility and commercial space and a

2 publicly accessible garden. This application is
3 located in Council Member Salamanca's district in the
4 Bronx. I will now open the public hearing for Land
5 Use Item No. 682 and 683, and we'll start with the
6 first panel. Ross Moskowitz from HP Whitlock
7 Housing, Brian Newman, Whitlock Housing and also
8 Aileen-- I think I'm saying this right. Gribbin. Oh,
9 you're up there already. Wow, that's fast. Okay,
10 you'll state your name for the record, and then you
11 may begin.

12 ROSS MOSKOWITZ: Thank you, Council
13 Member. Good morning Chairman Richards, Council
14 Member Salamanca and members of the Subcommittee. My
15 name is Ross Moskowitz, and I am partner at Strook
16 and counsel to the applicant for these items. As
17 noted, I am joined by Brian Newman at Newman Design,
18 as well Eileen Goodman at Forsyth Street Advisors
19 who has been the project's point person on
20 discussions with HPD and the affordability
21 requirements. Our team is pleased to have this
22 opportunity to present what it believes is a
23 transformative project that has support from the
24 local community board and the Bronx Borough
25 President's Office. I will give you a brief overview

of the application, and the actions being sought.

Brian will walk you through the design and

architectural features, and we will discuss the

specific affordability levels and ULURP breakdown for

the project. This is an application the following

land use actions to facilitate the construction of

two mixed residential, commercial and community

facility buildings including a total of 474 units of

affordable housing.

The first item is the Zoning Map

Amendment to change the zoning from an M1-1 zoning

district to an R8-A district with a C2-4 zoning

overlay. The second item is the Zoning Text

Amendment to Appendix F to establish a Mandatory

Inclusionary Housing designated area, option 1. The

project site is currently undeveloped in terms of

floor area and it's occupied by several one-story

industrial buildings. The proposed R8-A Zoning

District, which is the Quality Housing Program would

permit a maximum residential floor area of 7.2 for

providing inclusionary housing pursuant to Section

2390 of the Zoning Resolution. A maximum FAR of 2.0

for commercial and a maximum Community Facility FAR

of 6.5. The proposed project would create a mixed us

development providing affordable housing, local retail establishments and community facility space catering to the local population. The project consists of two 14-story building with a total of approximately 425,000 square feet. As noted, a total of 474 dwelling units are proposed all of which will be considered affordable under the applicable requirements of the Zoning Resolution. Construction of the project will occur in two phases, the building along Whitlock Avenue and closest to Alba (sic) Street will be constructed first with staging and construction all contained within the project site, an important consideration for this community. The building along Whitlock and 165th Street will be built second. Again, with construction and staging being contained on the project site except for the final section of the project along 165th Street, at which time four parking spaces will be temporarily removed along 165th Street. Each change would take approximately two years to complete. This rezoning MIH text amending will facilitate the construction of the transfer venue (sic) project. The project and the proposal is consistent with the residential and commercial uses directly north, south and west to the

2 project site, and will serve an appropriate buffer
3 between the railroads and major thoroughfares to the
4 east and the low-rise residential communities to the
5 west. The ground floor community facility and
6 commercial uses will bring much needed services to an
7 under-served area. The project will enliven Whitlock
8 Avenue and will significantly improve the
9 pedestrian experience and safety of the block. Thank
10 you for your consideration. I will now turn this
11 over to Brian Newman.

12 BRIAN NEWMAN: Good morning, Brian
13 Newman, Newman Design. What I'd like to draw your
14 attention to is the rendering on the—on the screen to
15 my left. I'd like to walk you through the
16 architectural features, most notably the—the maps and
17 we could start with. It's—Whitlock Avenue is the
18 left side, the main façade that you're looking at and
19 the right hand side is East 165th Street. Fourteen
20 stories at its highest point, and then you can see on
21 165th and we step it down towards that resident area,
22 down to five stories on that right hand side of the
23 rendering. The façade materials are made of masonry
24 of—of two different colors. As you can see, the—the
25 darker brick as well as the lighter tan colored

2 brick. The window wall sections for accents are also
3 clad in insulator aluminum panels. It's sort of a
4 steel gray bluish material. Again, to highlight some
5 features making an element on the corner there as
6 well as the building turns. We've also taken steps
7 to set the building back at the 10th floor, as you
8 can see, to break up the mass and give some interest
9 to the façade on the overall scale of the building,
10 at the much larger scale. On the pedestrian side or
11 scale of the building that would be the first floor.
12 As you can see, there will be storefront broken up
13 with various masonry piers. Those will be out of
14 precast concrete, and articulated with various wall
15 sconces and then obviously the storefront windows
16 looking into either the residential lobby, community
17 facility or the commercial components of this—of this
18 project. Also, to further enhance the building and
19 the to break up even the stepping of the building,
20 the parapets, we not only just do something as simple
21 as—as putting a masonry parapet on there, we break it
22 up and we introduce railings to further enhance the—
23 the aesthetics of the building. So, what we hear—see
24 here is a—a view now from the south side looking at
25 the rear. Looking towards the north, you can see the

2 rear of the building. Again, we're keeping the same
3 type of materials, the various masonry, various brick
4 colors. The window wall accents are still being
5 carried through with that aluminum paneling. You can
6 see on the left hand side how the building is now
7 stepping down so it will clear here toward that
8 existing residential neighborhood behind you. You do
9 see a sliver of that one-story portion of the
10 building, which sticks out. That is house-housing
11 some of the commercial and community facility
12 components on the first floor, and then, as you can
13 see as we work right or south on—in this rendering,
14 that starts to begin where some of the green area is—
15 and—and the public area that we had previously
16 mentioned is just to the right here, which I'm going
17 to show you in another slide for that—that parking.
18 [pause] So, the—the public landscape area I was just
19 referring to is on the left hand side. That's all
20 this avenue over there. That's approximately 4,700
21 square feet there. That is also an area where we
22 anticipate—anticipate some of the local artists
23 creating their work, their artwork on the—on the
24 building over there. You can see here the darker or
25 brighter colored brown area. Shaded is the footprint

1 of the main building. That's the 14-story section.
2 Then on the right hand side it starts to set down on
3 East 165th. The lighter tan area is that one-story
4 component that you saw in the—the rendering from the
5 rear. The rest of that rear yard is going to be
6 outdoor recreation space as well as that public land—
7 public landscaped area on that left hand side. The
8 entrance to the parking garage is on the left hand
9 side of the building or just to the right of that
10 landscaped area you can start to see where that north
11 aisle is. That's how we enter the parking garage,
12 which is in the cellar of the building. All cars are
13 within the structure itself. [pause] These are just
14 the—the flat elevations, which quite honestly aren't
15 showing up as well as—as they do in the print, but
16 it's just—I guess if we could quickly just show here
17 the phasing on this—the—the top image of the west
18 elevation more or less that blue—blue line right in
19 the middle would be Phase 1 and Phase 2 sort of a
20 division between the two buildings. Each building is
21 approximately 220,000 square feet. I believe one is
22 219 and change. The other is 223 and change, and the
23 total dwelling units are divided between building—
24 Phase 1 of Building 1 243 units, Building 2, 231
25

units for a total of 474 units. I think at this point I'd like to turn it over to Eileen to talk more about the actual unit mix and more of the numbers on-on the-the rentals.

AILEEN GRIBBIN: Thank you, Brian.

Aileen Gribbin from Forsyth Street Advisors. As Ross mentioned, this is a 100% affordable project that will be constructed in two phases. We are currently working with HPD and HDC to structure the financing for the project. [background comment] Sorry, we have a slide that breaks down the affordability. The first phase of the project to be financed under what's called the HPD and HDC ELLA program, which is-- creates units of affordability tiers for formerly homeless families, 30, 40, 50 and 60% of AMI households for a total of 242 units. The second phase is projected to be financed using the Mix and Match Program, which also created units for formerly homeless families as well as households with incomes at 30, 40, 70 and 80% of AMI. So, across the two phases, the-the total percentages of--across the income tiers will be approximately 10% for formerly homeless households, 8% at 30% of AMI, 23%--

2 CHAIRPERSON RICHARDS: [interposing] You
3 said 8%?

4 AILEEN GRIBBIN: Eight, correct.

5 CHAIRPERSON RICHARDS: 80?

6 AILEEN GRIBBIN: Eight.

7 CHAIRPERSON RICHARDS: Eight percent.

8 Okay.

9 AILEEN GRIBBIN: Yes. 23% at 40% of AMI;
10 5% at 50% of AMI; 30% at 60% of AMI; 3% at 70% of AMI
11 and 21% at 80% of AMI and this across both phases,
12 and the—the numbers are really a function of how the
13 two term sheets and programs combine. We also have
14 approximately 20% of the units will be studios; 41%
15 of the units will be 1-bedrooms, 24% of the units are
16 projected to be 2-bedrooms, and 15% of the units will
17 be 3-bedrooms. Right now, we have the homeless units—
18 there—there's 10% homeless units in both phases. We
19 have those allocated proportionately amongst the unit
20 distribution, but we are in conversation with HPD to
21 try to readjust that allocation so that we can
22 allocated some additional 2 and 3-bedrooms to
23 homeless families and lower the number of studios and
24 1's.

2 ROSS MOSKOWITZ: That—that concludes our
3 presentation, Council Member. We're happy to take
4 any questions.

5 CHAIRPERSON RICHARDS: Thank you, and
6 we're joined by Council Members Wills and Chin. Thank
7 you so much for your testimony. Just a few questions
8 before I turn it over to Council Member Salamanca.
9 So, can you just go through the square footage of
10 commercial community facilities.

11 ROSS MOSKOWITZ: Sure. [background
12 comments, pause]

13 BRIAN NEWMAN: Sure, the commercial
14 square footage is approximately 15,000 square feet,
15 and the community facility is approximately 9,500
16 square feet.

17 CHAIRPERSON RICHARDS: 9,500 square feet?

18 BRIAN NEWMAN: Yes.

19 CHAIRPERSON RICHARDS: And we couldn't do
20 a little bit better on the community facility, or are
21 you open to a little bit more discussion on that?

22 ROSS MOSKOWITZ: I think we're certainly
23 open to any discussion during this period of time,
24 but this is a pretty tight project in terms of square
25 footage, but we will certainly look to see if there

2 is something that we can do. As I noted in my
3 testimony, we are looking to find solutions that the
4 community has been asking for, and we've been talking
5 directly to the community board and local elected
6 about what type of programs can be put into that
7 space.

8 CHAIRPERSON RICHARDS: And this was an M1
9 district so we are pretty much moving away from that,
10 and there was no prior manufacturing happening at
11 this site or—

12 ROSS MOSKOWITZ: There—there was an auto
13 repair and a plastics factory.

14 CHAIRPERSON RICHARDS: Okay.

15 ROSS MOSKOWITZ: The auto repair is
16 leaving with one person each. We had actually—the
17 community board had asked us to extend the time to
18 leave. So, they're on 30 days short-term lease. We
19 have given them 90 days notice. Of course, we
20 haven't given them notice yet, and the plastics
21 factors that was on 165th Street is relocating with
22 five—five workers to a new site on Whitaker Avenue.

23 CHAIRPERSON RICHARDS: Okay, and I saw
24 you stepped down the building. So, there's some
25 residential homes within the area. Was there any

2 concerns around shadow casting or anything of that
3 nature?

4 ROSS MOSKOWITZ: We without speaking
5 further to the residents, we anticipated that there
6 could be some concerns. So, Mitch you can show that
7 site plan slide.

8 CHAIRPERSON RICHARDS: So you get some
9 setback. Let's see your setback.

10 ROSS MOSKOWITZ: Yeah, not only are we
11 complying with zoning, but as you can see, Council
12 Member, to-to some extent so 30 foot we have—we have
13 and you can see where the fence is, and the houses
14 are even further back. So, it varies from about 30
15 feet to almost 100 feet distance between our building
16 and their building--

17 CHAIRPERSON RICHARDS: Okay.

18 ROSS MOSKOWITZ: --buildings.

19 CHAIRPERSON RICHARDS: Okay, and three
20 for park space lastly before I turn it over to
21 Council Member Salamanca. So, you did the
22 maintenance agreement or something or do—who would
23 manage the--

24 ROSS MOSKOWITZ: It's—it's the owners'
25 responsibility. It's on their property. It's space

2 that's being dedicated to the public, but it will be
3 under private ownership. So, they will be
4 responsible for maintaining, and as Mr. Newman noted,
5 we are working with the community. There was a--there
6 was a desire to work with local artists in finding
7 some solutions to have an opportunity to display, and
8 we're working with them to see if that works there.

9 CHAIRPERSON RICHARDS: And my last
10 question on local hiring of MWBE procurement, can you
11 speak to any of those who have to ensure that local
12 contractors and others had opportunity at this--on
13 this project?

14 ROSS MOSKOWITZ: We are--we are working
15 with some of the local community organizations such
16 as Project Hope and--and are trying to find some
17 solutions there. We've made a commitment to--to do as
18 much local hiring as--as we can. This was a request,
19 but--

20 CHAIRPERSON RICHARDS: [interposing] But
21 no percentage?

22 ROSS MOSKOWITZ: No--no specific
23 percentage.

24 CHAIRPERSON RICHARDS: So, it would be
25 like 30%, 20 to 30%. So, if you can--before this gets

2 the full to the Full Land Use, Local Council Member
3 Salamanca to really figure out a specific goal on
4 both MWBE and local hiring, that would be great
5 before we pass it and it's completed so--

6 ROSS MOSKOWITZ: Okay, we will. Happy to
7 do that.

8 CHAIRPERSON RICHARDS: Alright, I'm going
9 to go to Council Member Salamanca.

10 COUNCIL MEMBER SALAMANCA: Thank you, Mr.
11 Chair. Good morning. I just want to start off by
12 saying how excited I am about this project. This
13 location has been an eyesore for the community for--
14 for many years, and to see that it's going to be
15 revitalized it's--it's a good day. Just a few
16 questions about the project. This project is going
17 to take four years to be completed in its entirety?

18 ROSS MOSKOWITZ: Correct, Council Member.
19 Two years for each phase.

20 COUNCIL MEMBER SALAMANCA: And in terms
21 of the Our Space, you know, I've said this publicly,
22 and I know HPD is here, I am not a fan of this
23 program. I understand that there's a need for it,
24 and I also understand that we want to bring families
25 back to their communities, which is their last known

2 address. Number one, how-how going to work with HPD
3 and DHS to ensure that these families, these units
4 that you are giving to homeless families are families
5 that are coming back to their communities?

6 AILEEN GRIBBIN: My understanding is
7 that-well, we work with HPD. We take the referrals
8 from HPD and my understanding is that they prioritize
9 referrals for families that are asking to return to
10 the community.

11 COUNCIL MEMBER SALAMANCA: What
12 commitment do I have that the families that are
13 moving back to these units are families with a last
14 known address within that community board?

15 AILEEN GRIBBIN: We'll work to-do you
16 want to do it?

17 JORDAN PRESS: Oh. [pause] Hi, Jordan
18 Press from HPD's Government Affairs Unit. We will
19 speak with DHS about the referrals. Generally, it's
20 on a borough wide basis, but we will have
21 conversation to try to do our best to address that
22 concern.

23 COUNCIL MEMBER SALAMANCA: Alright, so
24 we'll have further discussions on this before it goes
25 to a vote. The--

2 ROSS MOSKOWITZ: [interposing] Council
3 Member, if I could add, also sorry to interrupt, we
4 also, as we committed to the Community Board and to
5 yourself, we've committed to having at least 50% of
6 the units through the lottery process, the—coming out
7 of the Community Board 2.

8 COUNCIL MEMBER SALAMANCA: But that's
9 standard 50%.

10 ROSS MOSKOWITZ: I understand. I just
11 want to make sure for the record.

12 COUNCIL MEMBER SALAMANCA: That is
13 standard. Okay. The Out Space Units there was a
14 discussion in terms of the amount of Our Space Units
15 that are students or 1-bedrooms, but we know that
16 families coming out of the DHS system are coming home
17 with families. They have children. We need to give
18 them bigger units. So, what commitment do I have
19 that you are going to increase the amount of unit
20 sizes that are 2 and 3-bedroom units for the Our
21 Space Program?

22 AILEEN GRIBBIN: We had a conversation
23 with HPD yesterday afternoon, and we're working with
24 them to adjust the allocation. So, we should have a
25 definitive allocation very shortly.

2 COUNCIL MEMBER SALAMANCA: Okay ,that's
3 good. In terms of I know that Council Member
4 Richards or Chair Richards, I'm sorry, he spoke about
5 local hiring. There is a local workforce in the
6 area. So I hope that, you know, we-my office can
7 connect you with-to ensure that there's local hiring.
8 Now what mechanism do you have in place to report
9 back to the Community Board the percentage of, you
10 know, temporary employees and construction jobs that
11 you've hired locally?

12 ROSS MOSKOWITZ: We-we have committed and
13 reiterate that commitment to work with the community
14 and Community Board 2 about our hiring and reporting
15 on a quarterly basis. We've also committed, of
16 course, to let them know exactly who is moving into
17 the building. We figured out a way to do that
18 without violating any privacy laws. We'll do it
19 through zip code. So, we've stabled through the
20 Community Board an open dialogue, and reporting.

21 COUNCIL MEMBER SALAMANCA: Okay. How many
22 permanent jobs is this building going to create after
23 it's completed?

2 ROSS MOSKOWITZ: There will be eight
3 total jobs, four in each building. One super, three
4 porters per building. So, a total of eight.

5 COUNCIL MEMBER SALAMANCA: Okay, it's
6 important to me that these jobs that are crated
7 they're getting good wages and they're getting
8 affordable health insurance. I've had issues with
9 previous ULURPs where the developer is not paying
10 good paying jobs, or the health insurance that is
11 being provided they cannot afford. So, what
12 commitment do I have that these permanent jobs are
13 going to be good paying job, they're going to have
14 benefits, and they're going to have affordable health
15 insurance?

16 ROSS MOSKOWITZ: We will work with your
17 office in establishing that, and—and giving you the
18 comfort that you will—we will deliver what you're
19 asking for.

20 COUNCIL MEMBER SALAMANCA: Okay, are you
21 going to be applying for Article 11?

22 AILEEN GRIBBIN: For the first phase of
23 the project we expect it will have 420-C and for the
24 second phase an Article 11, yes.

2 COUNCIL MEMBER SALAMANCA: Okay, and then
3 finally I know that on the—I believe that's the
4 Longfellow side that is behind the project. It's all
5 residential.

6 ROSS MOSKOWITZ: Correct.

7 COUNCIL MEMBER SALAMANCA: My office will
8 help coordinate with you. It's important that we
9 have when construction starts bi-weekly meetings with
10 the homeowners to advise them what's happening, when
11 there's going to be street closures. Also, they may
12 have concerns with debris falling in their back
13 yards.

14 ROSS MOSKOWITZ: Absolutely, and we look
15 forward to that, and again, the project has been
16 designed so that all but the last four months of the
17 four-year construction plan will all be on site so
18 that there will be no interruption of traffic, and
19 only a minor interruption for four months of any
20 parking. There will be loss of four spaces on 165th
21 Street during that time.

22 COUNCIL MEMBER SALAMANCA: Alright, thank
23 you. Mr. Chair, thank you. Mr. Chair, thank you
24 very much.

2 CHAIRPERSON RICHARDS: Thank you and I'll
3 just request just on his question of local hiring
4 that is some sort of reporting mechanism to his
5 office and to the local workforce partners who you
6 partner with. Are there are any other questions from
7 members of the committee? Alright, thank for your-

8 ROSS MOSKOWITZ: [interposing] Thank you
9 very much.

10 CHAIRPERSON RICHARDS: --testimony.

11 BRIAN NEWMAN: Thank you.

12 CHAIRPERSON RICHARDS: A great project.

13 BRIAN NEWMAN: Thank you.

14 CHAIRPERSON RICHARDS: [coughs] Alrighty,
15 are there any members of the public who wish to
16 testify. Oh, we do. [coughs] Ron Wade, SEI-SEIU
17 32BJ. [pause]

18 RON WADE: Good morning, Chairman.

19 CHAIRPERSON RICHARDS: Thank you.

20 RON WADE: City Council, good morning.

21 Again, my name is Ron Wade. I'm a representative of
22 Local 32BJ SEIU. 32BJ represents 85,000 building
23 service workers in New York City and over 1,300 of us
24 live in Community District 2, and over 3,500 of us
25 work in residential buildings like the one that's-

2 that's the committees are proposing to develop in the
3 South Bronx. 1125 Whitlock is going to create badly
4 needs affordable housing in the Bronx. My union and
5 I understand how important this is. Many of us have
6 struggled to stay in New York City as rates have—have
7 risen, but we know need good jobs just as much as we
8 need housing. We need to make sure that 1125
9 Whitlock is creating good jobs, not poverty jobs for
10 Bronx residents. In recent weeks we have also heard
11 that this property may be sold to a new owner
12 shortly. A midstream change in ownership could
13 undermine one of the main purposes of the ULR—the
14 ULURP process to allow stakeholders to engage in this
15 or to develop by stakeholders. If this sale has
16 happened, it's important that the City Council hold
17 the right owners accountable to the recommendations
18 set by the local community. This is why I am calling
19 on the Zoning and Franchises Subcommittee to vote no
20 on this project unless the applicants and any
21 further—future owners commit to paying their building
22 service workers wages and benefits at 1125 Whitlock.
23 Thank you.

24 CHAIRPERSON RICHARDS: Thank you. Thank
25 you for your testimony. Alright, any other members

of the public who wish to testify on this issue?

Alright, seeing none, I will now close the public hearing on Land Use Items No. 677—Oh, no, I'm sorry.

Wrong. 682 and 683. Alright, we will now move onto

Land Use Items No. 677 and 678, 74-04 Northern

Boulevard, an application for a rezoning and—rezoning

and zoning text amendment that would facilitate the

development of a new 8-story building with mixed-use

retail, community facility and office development.

The rezoning would replace the existing C1-1 District

with a C4-3 District. The text amendment would apply

to the Mandatory Inclusionary Housing Program to the

property. Although the development does not include

any residential floor area, if a development

including resident floor areas was proposed, it would

be required to comply with Mandatory Inclusionary

Housing Options 1 and 2. This application is located

in Council Member Danny Dromm's district in Queens.

I will now open the public hearing from Land Use

Items No. 677 and 688, and we are joined by Mark Fisk

and Christopher Papa, the owner's architect.

Alrighty, you may begin.

24

25

2 RICHARD BASS: Chair Donovan, Council
3 Members. Good morning. I'm Richard Bass of Akerman,
4 LLP.

5 CHAIRPERSON RICHARDS: Richard Bass as
6 well. Sorry.

7 RICHARD BASS: That's okay. I'm speaking
8 on behalf of the applicant H&M LLC, which is
9 developing the proposed commercial and community
10 facility mixed-use project at 74-04 Northern
11 Boulevard. The applicant is a well known local
12 developer. He's done—he and his family has done over
13 20 to 30 commercial and residential projects in this
14 community. The applicant is requesting approval of
15 two ULURP actions: A zoning map amendment to rezone
16 the southern part of Northern Boulevard between 74th
17 and 75th Streets from a C8-1 zoning district to a C4-
18 3 zoning district, and a zoning text amendment to
19 Appendix F of the Zoning Resolution to desig-
20 designate the development site a Mandatory
21 Inclusionary Housing area. Even though this is a
22 commercial development, the—the C4-3 does permit
23 residential. So, as part of the MIH we have to, you
24 know, make this an amendment to the Appendix F. The
25 development site is located on the south side of

1 Northern Boulevard. The site area is approximately
2 20,000 square feet. The site is currently used as a
3 one-story car wash. It's been there for many years.
4 It's built to a .5 FAR. No zoning changes have
5 occurred in this area since 1961. The existing
6 zoning is C8-1, which permits a 1 FAR of commercial-
7 and light manufacturing, and a maximum community
8 facility of 2.4. Our proposal is-is for a new 8-
9 story commercial community facility building, which
10 approximately 90,000 square feet of development, 219
11 parking spaces, 5,000 square feet of the-of the-of
12 the building will be leased to the LGBT Network of
13 Queens and Long Island. They're here to speak in
14 favor of this application. We've submitted letters
15 in support of the project. The Community Board and
16 Borough President also support the project. The land
17 use rationale is Northern Boulevard, as you know, is
18 a wide boulevard. It's an-it's an appropriate land
19 use, and an appropriate massing for this location.
20 As I mentioned before, the Community Board and the
21 Borough President supported the application. I'm
22 here with the owner and the architect. They're here
23 to answer questions. Anticipating one of your
24 questions, Chairman Donovan is there will be two
25

2 permanent jobs and one part-time job when this
3 project is completed. Do you have questions to me or
4 to the--

5 CHAIRPERSON RICHARDS: [interposing]

6 There were some concerns from a few neighbors
7 adjacent to the property. So, can you speak to what
8 are you doing to mitigate some of the issues that are
9 going to be raised? I believe we have one homeowner
10 here today. So, can you just speak to that?

11 RICHARD BASS: I'll start with that, but
12 I'll then turn it over to the architect. There is a
13 landscape buffer between the existing residential
14 building and our project. We're creating a textured
15 exterior wall so it's not just a blank wall, and
16 there will also be vegetation growing on that wall to
17 mitigate any impacts. It's hard to be and then
18 transition from a residential neighborhood to an
19 office building. We're trying our best, but I can
20 turn it over to the architect to collaborate.

21 CHAIRPERSON RICHARDS: Do you anticipate
22 any shadows being cast on these properties?

23 RICHARD BASS: Actually, no, but I will
24 ask the architect. (sic)

2 CHRISTOPHER PAPA: Right. So, basically,
3 the project is located on the northern side of
4 Northern Boulevard. So, any shadow cast by, you
5 know, by the sun would be cast onto Northern and not
6 onto the smaller properties that are located behind
7 it. We've provided the mandatory buffer zone, which
8 is going to be plated with green and not going to be
9 used for any of the commercial uses. Storage of
10 garbage is going all be within internally, you know,
11 picked up and removed from within the building
12 itself. The Community Board Land Use Committee had
13 concerns about us articulating the back of the
14 building. We did it. It's presented on the board
15 there. On the rendering we're actually showing you
16 the back of the building rather than the front
17 because we felt that that was something should be
18 addressed and concerned. So, the owner basically
19 chose to use the material brick where you can, you
20 know, provide a nice I think character in keeping
21 with the Jackson Heights neighborhood. It's a
22 material that's able to be articulated, you know,
23 into us making some nice designs rather than some
24 stone panels or typically what you see in our office
25 buildings. So, the choice of material and—and the

2 design of the back of the building was definitely
3 something that we addressed in response to the
4 community.

5 CHAIRPERSON RICHARDS: And just on a
6 question on lighting, there will be no lighting
7 pointing to their--?

8 CHRISTOPHER PAPA: Right, yeah, there--
9 there won't be any lighting, you know, building
10 lighting shining on the--

11 CHAIRPERSON RICHARDS: And you turn your
12 lights off at night?

13 CHRISTOPHER PAPA: Right, yeah, there
14 won't be any lighting, you know, building lighting,
15 shinning on the--

16 CHAIRPERSON RICHARDS: You turn your
17 lights off at night?

18 CHRISTOPHER PAPA: I guess so. We'll
19 have, you know, it will only be, you know, for
20 security purposes around the building I would assume,
21 but shining off of light poles and stuff like that.
22 All the parking is inside the building itself. So,
23 there's really no need to for site lighting. I think
24 that's basically--

2 CHAIRPERSON RICHARDS: [interposing]

3 Motion sensors I think would be nice.

4 CHRISTOPHER PAPA: Yeah, that's fine.

5 CHAIRPERSON RICHARDS: Okay. Alrighty,
6 any questions from my colleagues on this? Alright,
7 than you so much.

8 RICHARD BASS: Thank you.

9 CHAIRPERSON RICHARDS: Thank you.

10 CHRISTOPHER PAPA: Thank you very much.

11 CHAIRPERSON RICHARDS: Alrighty, we'll
12 move onto the next panel which is Kenny Mendoza,
13 representing--

14 RICHARD BASS: Chairman Donovan, we do—we
15 do have two testimonies, just could we read them into
16 the record?

17 CHAIRPERSON RICHARDS: Yes sir. State
18 your name for the record and who you're representing.

19 SEAN COLLINS: Good morning and thank you
20 for having me. My name is Sean Collins. I'm here on
21 behalf of the LGBT network and it's the--

22 CHAIRPERSON RICHARDS: [interposing] We
23 had you on the next panel, but okay. Sure. Okay,
24 yeah.

25 SEAN COLLINS: Is it alright if I speak?

2 CHAIRPERSON RICHARDS: Yes, you may.

3 SEAN COLLINS: Thank you, sir. I'm here
4 speaking in strong support of HM's LLC's Proposed
5 Rezoning of 74-04 Northern Boulevard from a CA-1
6 zoning district to a C4-3 Zoning district to
7 facilitate the development of a new mixed-use retail
8 community facility and office development containing
9 approximately 91,000 square feet of floor area and,
10 too, 19 parking spaces. The rezoning with support
11 the development of prime office space, increase local
12 jobs, and enhance the overall quality of this portion
13 of Northern Boulevard on site between 74th and 75th
14 street that has been historically under-utilized.
15 The LGBT Network plans to occupy approximately 5,000
16 square feet with a--of office space in the new
17 building upon completion with a community center
18 serving LGBT and allied individuals throughout the
19 life span. A little bit about the LGBT network.
20 We're an association of non-profit organizations
21 working to give a home and voice to the LGBT
22 communities of Long Island and Queens. Our four
23 community center in Woodbury, Bay Shore, Sag Harbor
24 and Luma (sic) Queens provides safe spaces for LGBT
25 people and their families to be themselves, stay

1 healthy and change the world. For over 24 years we
2 have been pioneers in advocacy and social change, not
3 just in our 35 programs that serve tens of thousands
4 of families each year, but also our visibility and
5 work in schools, workplaces, organizations, and the
6 greater community engaging more than a quarter
7 million people annually. Our organization is in need
8 of quality office space in Northwestern Queens to
9 continue to support our mission to provide a home and
10 a safe space for the community, and also to support
11 our ongoing efforts to advocate for equality. We
12 have gone on extensive—an extensive search for a new
13 space in this area. We're trying to really site
14 ourselves close to where the need is greatest, and
15 it's been a struggle. There's not a lot of great
16 space that would really be a good suit—a good—would
17 be well suited for us. Additionally, you know,
18 parking is a problem, and it's something that we need
19 as we have vehicles that support clients with
20 disabilities as well as we have a mobile testing van
21 for HIV as to the outreach. So, the integrated
22 parking facility is crucial and—and it's one of the
23 reasons why we have selected to move in here.
24 Additionally, you know, the recent instances of hate
25

2 crimes that have gone on in the area against LGBT
3 people specifically the trans community. It has been
4 very alarming, and it really highlights and
5 underscores the—the need for visibility and services
6 in this community. Thank you.

7 CHAIRPERSON RICHARDS: Thank you so much,
8 and thank you for your thoughtfulness in bringing
9 them on board, which is great. Alright, thank you
10 all for your testimony. Alright, we will now go to
11 Kenny Mendoza representing Assembly Member Michael
12 Dendekker. Yay, we like him. Andrew Garl—Garle,
13 Residential Neighbor. [pause] You may begin and
14 state your name for the record as well. We're also
15 joined by Council Member Corey Johnson.

16 KENNY MENDOZA: Hi, good morning. I'm
17 here representing Assembly Member Michael Dendekker
18 in support of 74-04 the Northern Boulevard Rezoning.
19 Dear Council Members. I respectfully submit this
20 letter in support of the developer, H&M, LLC's
21 proposal to rezone 74-04 Northern Boulevard from a
22 C8-1 zoning district to a C4-3 zoning district to
23 facilitate the development of a new mixed use retail
24 community facility and office development. The
25 rezoning proposal will bring new job growth and

2 economic opportunities to my district in Western
3 Queens. The rezoning will support the development of
4 prime retail and office space and increase local jobs
5 that will improve and enhance the overall quality of
6 our neighborhood along Northern Boulevard one of the
7 busiest commercial thoroughfares in my district on a
8 site between 74th and 75th Street that has been
9 historically underutilized. I support the 74-40
10 Northern Boulevard rezoning proposal in my district,
11 and encourage the City Council Subcommittee on Zoning
12 and Franchises to consider the benefits that his
13 proposal will bring to our community. Thank you.

14 CHAIRPERSON RICHARDS: Thank you and tell
15 the Assembly Member I said hello. Alrighty.

16 ANDREW GARLA: [off mic]

17 CHAIRPERSON RICHARDS: Press your mic,
18 yeah.

19 ANDREW GARLA: Press my button, there you
20 are.

21 CHAIRPERSON RICHARDS: [interposing]
22 There you go.

23 ANDREW GARLA: Thank you. My name is
24 Andrew Garla. Good morning and thank you for having
25 me. I am a resident. I live at 3312 75th Street,

2 which is the house that is directly next door to this
3 lot, and I just wanted to come down today and—and
4 talk a little bit about just our perspective from the
5 community. First, I want to say that I did read the
6 Environmental Impact document, and I thought that was
7 terrific, and I want to thank you for that. I'm new
8 to this sort of things, and to see the—the level of
9 thoughtfulness and thoroughness that goes into this
10 procedure is very—it's very exciting. So thank you
11 for that. I just want to take issue with one
12 sentence in that—in that document, and it was great
13 to hear it today from Mr. Papa and Mr. Fisk and Mr.
14 Collins. Thank you for being here. The document
15 does say that they feel that this proposed building
16 will not impact the character of the residential
17 neighborhood, and I just wanted to perhaps give you
18 another perspective on that. I was very interested
19 to hear about the revised plans, and I would love to
20 look at those. I have not seen them yet for the—for
21 the rear of the building that—that will face—that
22 will face our house. What our concerns are is that
23 8-story building, of course, rising perhaps 50
24 stories, 50 feet, excuse me, above our house only
25 maybe 10 or 15 feet from our house is going to affect

2 the character of the neighborhood. It can't help but
3 do that. I'm—I'm very pleased to hear the
4 responsiveness from Papa's Office and Mr. Fisk to-to
5 address our concerns, and again I'm very eager to
6 look at those plans, but I did want to come down here
7 and just give you the perspective that it will be
8 very close to our house. It will be rising quite a
9 bit above our house. When we're in our back yard,
10 we're going to look and see a building instead of
11 sky, and also not just that it is out of scale with
12 the—the neighborhood directly--a residential
13 neighborhood directly to the south, but even on
14 Northern Boulevard, you have to go quite a long ways
15 to find a building that is—that is eight stories
16 tall. There is a six story brick apartment building
17 at 69th Street, and if you're going east on Northern,
18 you really don't find anything even four stories
19 until you get like 35 blocks away you get to PS-330,
20 which is 111th Street. So, just I wanted to come
21 down here and say that is—that is our perspective.
22 We are excited to see the development of Northern
23 Boulevard. It certainly is ripe for development.
24 We're excited to see what turns it takes, but just to
25 have someone from the community here today to say

2 yeah, it-it will probably affect the character of at
3 least our end of-of the block.

4 CHAIRPERSON RICHARDS: And we don't
5 disagree with that. I do want to suggest, and I
6 don't know if the applicants are still here to make
7 sure that they are communicating with you. Have you
8 met with them yet?

9 ANDREW GARLA: No, not yet--

10 CHAIRPERSON RICHARDS: [interposing]
11 Okay.

12 ANDREW GARLA: --and--and I'm excited to
13 meet with them, and--

14 CHAIRPERSON RICHARDS: [interposing]
15 Okay, so I would just suggest--

16 ANDREW GARLA: --to have a conversation.

17 CHAIRPERSON RICHARDS: --my good friend
18 that you sit down with the neighbors over there so
19 the communication is there as this project moves
20 forward and, and if there's any issue that, you know,
21 we can work towards a goal at least this summer.

22 ANDREW GARLA: [interposing] Yea,
23 especially if it does--

24 CHAIRPERSON RICHARDS: Yeah.

2 ANDREW GARLA: --if it does go forward
3 and construction starts and then, of course, there
4 are construction--

5 CHAIRPERSON RICHARDS: [interposing]
6 Yeah.

7 ANDREW GARLA: --you know, debris and
8 that sort of thing.

9 CHAIRPERSON RICHARDS: Thank you. We do
10 have a question from Council Member Gentile.

11 COUNCIL MEMBER GENTILE: It's--you know,
12 Mr. Chairman, it's similar to what you just asked.
13 Given your testimony what do you think, Mr. Papa
14 meant when he said that the--that the design is in the
15 contextual nature, keeping in the contextual nature
16 of the neighborhood?

17 ANDREW GARLA: Well, obviously I can't
18 speak for him, but I would assume that he was
19 mentioning things such as the material that they are
20 using. It sounds like they're--they're using what I
21 would call softer material such as brick as opposed
22 to steel or glass or some sort of thing. Again, I
23 haven't spoken with him. I have not had the
24 opportunity to look at the elevations for the rear of
25 the building. I--I called the Community Board offices

1 to try to see if they have been filed with them, and
2 I didn't really get anywhere with them. S o, I'm—I'm
3 pleased to—to see it. I guess they are somewhere
4 here. [laughs] It would be great to—to take a look
5 at those, and see exactly what they are planning. I
6 did call Mr. Papa's office, and someone told me that
7 there were some extensive plans for some green space
8 behind the building, and I think they just mentioned
9 that. So, I'm—I'm eager to look at that as well.
10 That all sounds very good. Just reading the
11 proposal, I'm not exactly clear as to—there—there are
12 two scenarios that are proposed in the—in the
13 Environmental Report. There's a Scenario 1, which is
14 eight stories and a Scenario 2, which is six stories.
15 I'm not sure whether the six-story building is
16 actually officially being considered at this point,
17 or whether it was just sort of a another alternative
18 but, you know, obviously from our point of view a
19 six-story would be less, you know impactful to us
20 living right next door than an eight-story building,
21 but again I don't know the realities of whether those
22 are actually being considered at this point, but I
23 look forward to having the conversation.

2 CHAIRPERSON RICHARDS: Thank you. Just
3 make you're staying with panel. (sic)

4 ANDREW GARLA: Yeah.

5 CHAIRPERSON RICHARDS: Thank you so much
6 for your testimony both of you.

7 ANDREW GARLA: Thank you.

8 CHAIRPERSON RICHARDS: Alright, are
9 there any other members of the public who wish to
10 testify on this issue? Alright, seeing none, we will
11 now close the public hearing on Land Use Item No. 682
12 and 683, and we'll move onto Land Use Item No. 684
13 for Lower Manhattan Plaza applicant-[background
14 comments, pause] Sorry, oh, I apologize. I'm
15 closing the public hearing on 677 and 678. Alright,
16 now we'll move onto Land Use Item No. 684, the Lower
17 Manhattan Plaza Applicability Text Amendment. The
18 text amendment would change the applicability of the
19 Plaza Bonus Rules in Section 91-24 of the Zoning
20 Resolution. This change would allow development
21 sites in C6-4 districts within 50 feet of a
22 designated retail street to take advantage of the
23 Public Plaza Bonus provisions. This application
24 affects property in Council Member Chin's district.
25 I will now open the public hearing for Land on this

2 Land Use Item No. 684. Council Member Chin, do you
3 have any statement? Okay, I'll let you proceed.
4 We'll hear from Council Member Chin and you may
5 begin.

6 COUNCIL MEMBER CHIN: Good morning.
7 Thank you Chair Richards and members of the
8 Subcommittee for holding a hearing today on an
9 application in my district. Today, we will hear
10 testimony from applicants seeking to amend the text
11 of the Lower Manhattan Special District. This
12 application would ultimately facilitate the
13 development of a plaza along Williams Street in the
14 heart of the Financial District for a 60-story
15 condominium building. I have reservations regarding
16 projects that seeks to greatly increase the value of
17 market rate property without a subsequent and clearly
18 equal public benefit. While the ULURP application
19 officially pertains to an amendment to the zoning
20 text that would allow the developer to build a public
21 plaza, the building is receiving a significant
22 sensitive bonus for both the plaza itself and
23 amenities deeply benefitting the value of future
24 residential condos, and for the purchase of
25 additional density from an off-site 80/20 421-A and

1 voluntary inclusionary affordable housing already
2 under construction. That's development produced more
3 bonusable space than they use. So, they are selling
4 some of that extra space to this project to build
5 more market rate units. As a result, our community
6 is getting two much larger buildings for only 20%
7 affordability in just one of them. This double-
8 dipping and a time of such great need for affordable
9 housing. It's unacceptable, and this policy should
10 be reviewed, and I hope and urge the Administration,
11 as I heard that you promised a year ago, to do this,
12 to maximize the benefits to the public when developer
13 seeks larger and more profitable buildings. The
14 community board expressed significant interest in
15 being a partner in the design and execution of highly
16 quality, publicly accessible space in Lower
17 Manhattan, which is sorely need for this growing
18 residential community. The applicant has committed
19 to working closely with the community board on the
20 design of the space before receiving their plaza
21 certification, and are already scheduled to appear
22 before them in July. I would also like updates on
23 the applicants on their progress of these
24 conversations, as well as clear and enforceable
25

2 agreement that will secure any potential future plaza
3 for genuine public benefit. I look forward to
4 hearing additional ways in which the applicant
5 intends to partner with local community to
6 demonstrate their commitment to create truly
7 accessible space for the public as intended by the
8 plaza bonus rather than just another amenity for
9 residents of their luxury units. Thank you for this
10 opportunity, Chair, to speak today and I look forward
11 to the rest of this hearing. Thank you.

12 CHAIRPERSON RICHARDS: Thank you. You
13 may begin.

14 Thank you.

15 CHAIRPERSON RICHARDS: Alright, hit your
16 mic.

17 Thank you.

18 CHAIRPERSON RICHARDS: Okay, and state
19 your name for the record.

20 JENNIFER DICKSON: Good morning. My name
21 is Jennifer Dickson. I'm here from Herrick Feinstein
22 and I'm joined by Jody Stein who is here on behalf of
23 the applicant for this application. So, I'm going to
24 give you a brief overview of our proposal, and then
25 we'd be happy to take any questions that you may

1 have. So this application is, as you mentioned, just
2 for a text amendment to Zoning Resolution Section 91-
3 24, which will permit a public plaza at the
4 applicant's property at 130 Williams Street in Lower
5 Manhattan. Section 91-24 deals specifically with
6 public plazas as they can be located within the Lower
7 Manhattan D district. This is the applicant's
8 property that I have up on the screen right now,
9 which has frontage on both William and Fulton
10 Streets. Fulton Street is what's known as the
11 designated retail street, which means that retail is
12 required on the ground floor of any new development.
13 They have proposed the new development that has—that
14 incorporates a public plaza that has frontage on
15 Williams Street. The public plaza is 5,317 square
16 feet, and it has about 74 feet of frontage on
17 Williams Street. This rendering is intended to give
18 a sense of the plaza's appearance and as many
19 amenities. The intent here was to provide a well
20 designed and well functioning open space that would
21 accommodate the areas of growing residential
22 population. It will be fully public and accessible
23 at all times. They will be providing substantial
24 landscaping, a wide variety of seating in both the
25

2 form of fixed seating and benches. There will be
3 movable tables and chairs, and a drinking fountain
4 and a lot of space for people from the surrounding
5 community to come and use the plaza in a variety of
6 different ways. The project does require a
7 certification from City Planning and we are going
8 through that process now. So, the process will have
9 to comply with all of the various standards in the
10 Zoning Resolution for Design and this is the most up-
11 to-date standards for plazas. We are in front of you
12 today because we're asking for a text amendment to
13 allow the plaza specifically to be locate on this
14 site. As currently drafted, the text right now
15 limits the location of plazas in certain locations in
16 the special district. It-it speaks to developments
17 that are located on designated streets, and it says
18 that you cannot have a plaza in those locations.
19 Designated streets are those that require retail or a
20 street wall. So, Fulton Street here is a designated
21 street. We don't believe that this is really the
22 intention of the text, and we think that the simple
23 swath that we're proposing actually better gets at
24 the attention, which is to preserve the character of
25 these designated streets, and to allow retail and

1 street walls to move forward. So, we're really
2 proposing just a swath of the word plaza, this
3 development meaning that in the future plazas will be
4 permitted on sties that do front a designated street
5 provided that the plaza itself is located more than
6 50 feet from the street, as can be seen here, which
7 is what we're proposing. This text would only apply
8 to C6-4 districts within the special district, and so
9 it would not affect the many sites that can already
10 provide public plazas, but we do believe that it
11 bring some much needed open space into this community
12 which doesn't have much open space particularly in
13 this area right now. The proposal was approved by
14 Community Board 1. They did ask that we come back to
15 see them to currently-to-to present more details on
16 the plaza design, which we are scheduled to do next
17 month, and so we are really are committed to continue
18 to work with them on this design so everyone can
19 fully understand what it is, and see that it is truly
20 going to be a public amenity that we're providing on
21 this site. The Borough President also supported the
22 application and reiterated that we should go back and
23 see the Community Board. With that, I'll take any
24 questions.
25

2 CHAIRPERSON RICHARDS: Thank you so much,
3 and I just want to reiterate a point that Council
4 Member Chin raised and hoping the Administration is
5 certainly going to revisit the voluntary program
6 because there—there is a much—much more need for
7 affordable housing and we're not meeting the need
8 with a lot of these projects, and we've been having
9 this discussion for over a year now, and I'm hoping
10 that we're going to make progress in this area over
11 the next few months. So, we look forward to an
12 update on that. Just two questions from me. Can you
13 give the timeline of when you're going to start work
14 with the community on plaza design?

15 JENNIFER DICKSON: So, we're scheduled to
16 go back and see the board on July 10th at which point
17 we're going to present very detailed plans for the
18 plaza.

19 CHAIRPERSON RICHARDS: Okay and then the
20 hours of operation as well, and what are—what are you
21 doing to maintenance as well?

22 JENNIFER DICKSON: Sure. So, the plaza
23 will be open 24/7. That's what's required in the
24 Zoning Resolution, and it will be fully maintained by
25 the building owner for the—for the life of the

2 building. This plaza, you know, is a public space.
3 It's a public amenity but the building is also
4 directly behind it. So, the building owner, you
5 know, has quite an incentive in addition to their
6 obligations to fully maintain that plaza.

7 CHAIRPERSON RICHARDS: Okay, I'm going to
8 go to Council Member Chin for questions.

9 COUNCIL MEMBER CHIN: Thank you, Chair
10 and I see HPD her and DCP here. So, we just want to
11 reiterate that we urge the Administration to-

12 CHAIRPERSON RICHARDS: [interposing] I'm
13 sorry, Council Member Chin. I'm sorry. Let me just
14 introduce before you begin. I'm sorry. We're joined
15 by Westin Secondary School 6th and 7th graders from
16 the Upper West Side. What better way to start your
17 morning than in a zoning hearing. [laughter/
18 applause] Alright, try not to fall asleep up there,
19 alright? Okay. We're going to go to Council Member
20 Chin.

21 COUNCIL MEMBER CHIN: Thank you.
22 Welcome, kids. In the future you'll be sitting here.
23 As I was saying, I see HPD here the representative
24 and DCP. So, we are urging once again the
25 Administration, you've got to look at this Voluntary

2 Inclusionary Program, and fix it. I mean right now
3 we have Mandatory Inclusionary Zoning because in—in a
4 sense when I was reviewing this project, it just
5 really got me upset like what's going on here?
6 Double dipping, you know, they're getting more
7 density because they are paying another building
8 whose building is already going up, and they only—and
9 they already have a sort matter of affordable
10 housing. We're not really creating more for our
11 district, which we desperately need. And looking at
12 this public plaza, the design looks beautiful, a lot
13 of green. I just want to make sure that there is
14 some really strict agreement written down that it
15 will be maintained because have so many public plazas
16 down in Lower Manhattan, and some of them despicable
17 because the building owners do not take care of it.
18 But there's got to be some more rules written in, and
19 I will urge the Community Board when they review with
20 you to really put those commitments in place. So, in
21 terms of, you know, planting and—and regularly
22 maintenance it is so important to keep up the space.
23 And then my question is that your design here in the
24 future or are you planning on putting a café or
25 something in—in that plaza space?

2 JENNIFER DICKSON: Yes. So, first of
3 all, yes, we absolutely agree that maintenance is-is
4 critical and we've seen, you know, we agree with
5 that, and we'll absolutely commit to-to work with the
6 Community Board and-and with your office on that.
7 This is a-this is the site plan of the Plaza, and so,
8 yes there is the intention that there will ultimately
9 be a café in that space. There will be retail
10 fronting the plaza, and the desire that be as some
11 type of café or eating and drinking. So, if that is
12 the case, then we will come back, and-and apply for
13 that café, and locate that in-in basically the
14 farthest corner of the plaza where there's an open
15 space right now.

16 COUNCIL MEMBER CHIN: So, if you do the
17 café, then you have to come back and--

18 JENNIFER DICKSON: Correct.

19 COUNCIL MEMBER CHIN: --and go through
20 the process again like--

21 JENNIFER DICKSON: Yes.

22 COUNCIL MEMBER CHIN: --like what we have
23 in terms of the rules and regulations governing that.
24 Now, is the entrance to the building also directly
25 from the plaza?

2 JODY STEIN: Yes.

3 JENNIFER DICKSON: Yes, the residential
4 entrance to the building is—is directly off the
5 plaza.

6 COUNCIL MEMBER CHIN: Oh, so that gives
7 you more incentives to maintain it--

8 JENNIFER DICKSON: Yes.

9 COUNCIL MEMBER CHIN: --better because
10 your residents will be walking through it everyday,
11 right?

12 JENNIFER DICKSON: That's right.
13 Absolutely, yes.

14 COUNCIL MEMBER CHIN: I guess that—that
15 will make a difference.

16 JENNIFER DICKSON: Right.

17 COUNCIL MEMBER CHIN: Because I have a
18 plaza in my district, and I could shame them, 74 Wall
19 Street, the hotel condo, and they don't take care of
20 their plaza because their residents don't walk
21 through it. The residents in the neighborhood like
22 myself I walk through it quite often and they don't
23 maintain it well.

24 COUNCIL MEMBER WILLS: What is that
25 address again, Council Member Chin?

2 COUNCIL MEMBER CHIN: Huh?

3 COUNCIL MEMBER WILLS: What is that
4 address again.

5 COUNCIL MEMBER CHIN: [laughter] I just
6 want to make sure, you know, that I'm keeping an eye
7 on all the plazas in my district so--

8 JENNIFER DICKSON: Duly noted.

9 [laughter] [pause]

10 COUNCIL MEMBER CHIN: Thank you, Chair.

11 CHAIRPERSON RICHARDS: Thank you so much
12 for your testimony today. Council Member Wills, do
13 you have any other questions. [laughter] Sorry.
14 Seeing none, you may now hit your mic. Okay. You
15 all done here.

16 JENNIFER DICKSON: Thank your.

17 CHAIRPERSON RICHARDS: Thank you.

18 JENNIFER DICKSON: Thank you very much.

19 CHAIRPERSON RICHARDS: Alrighty, are
20 there any members of the public who wish to testify
21 on this issue? [background comments] We're also
22 joined by Council Member Reynoso s well. Alrighty,
23 we'll close the hearing on access on Land Use Item
24 No. 684, and now move—and now move onto [background
25 comments, pause] Alright, we'll move onto Land Use

Item No. 689, the 93-122 text amendment. This application would change the zoning regulations applying to a development site in Sub-area 3 of the Special Hudson Yards District. The change would allow for development of a mixed use building as long as portion of the zoning lot is reserved for mandated commercial space. The proposed development is a mixed use building with over 400,000 square feet of residential space, and roughly 950,000 square feet of commercial space. This application is located in Council Member Johnson's district. I will now open the public hearing from Land Use Item No. 689 and if Council Member Johnson wants to make a statement. No. Alright, we will move on. We will hear from David Karnovsky. I believe I said it right, and also Andrew Rosen from Related as well. You may begin your testimony.

DAVID KARNOVSKY: Thank you. Good morning, Chair Richards and members of the committee, Council Member Johnson. My name is David Karnovsky from the Trans-Land Use Council to the applicant at 517 West 35th Street LLC, and I'm joined today with-by Andy Rosen from the Related Companies. I will describe the application for the text amendment

1 briefly, and Andy will describe the project that is
2 facilitated by the text amendment. This is an
3 application for a text amendment to modify the
4 provisions of the Hudson Yard Special District as
5 they apply to a site shown on the slide here bounded
6 by 35th and 36th Streets, and Hudson Boulevard to the
7 west and 10th Avenue to the east. The site has
8 approximately 56,000 square feet of lot area, and
9 it's located in the portion of Hudson Yards known as
10 Subarea A-3 in which there is a base FAR 10 which may
11 be increased by 8 FAR to 18 through a contribution to
12 the District Improvement Fund and to 24 through the
13 purchase of FAR from the Eastern Rail Yards. Now,
14 under the Floor Area Regulations, six, only six of
15 this 24 FAR may be developed for residential use.
16 The current regulations that apply to the site
17 provided in order to develop a predominantly
18 residential building, 18 FAR commercial use must be
19 developed first. Alternatively, buildings may be
20 developed in phases, but there must be a 3 to 1 ratio
21 commercial or residential floor area in each
22 building. That is to say that each building must be
23 predominantly commercial. In effect there is no
24 ability at this site to phase by providing the
25

2 residential building first followed by a larger
3 commercial building. Under the text, at this site
4 within subarea A-3, residential—a residential use
5 could be developed first followed at later date by a
6 larger commercial building provided that the owner
7 demonstrates to the Chair of City Planning under a
8 certification that at least 35,000 square feet of the
9 lot area is reserved for commercial development in a
10 later phase. This change would apply a phasing
11 mechanism that is currently only available to sites
12 in Hudson Yards of 69,000 square feet of lot area or
13 more, and would apply instead here to a site within
14 AC with at least 55,000 square feet of lot area. The
15 end result would be an 18 FAR commercial building
16 fronting—fronting on the boulevard, and a 6 FAR
17 building with residential use fronting on 10th
18 Avenue. There would be no change to the amount of
19 FAR permitted and difference in outcome in terms of
20 the types of buildings permitted. The only
21 difference would be a change in the phasing of site
22 development, and what, I will to—it over to Andy.

23 ANDY ROSEN: Thank you, David. My name
24 is Andy Rosen from Related Companies, and I'll speak
25 a little bit to the overall plan for our project here

1 on 35th Street between 10th Avenue and Hudson
2 Boulevard. As you'll see from the map here, it's a
3 couple of blocks north of the broader Hudson Yards
4 projects that Related has undertaken over the last
5 few years, and currently it is in part a staging area
6 for construction as well as the parking lot. And
7 then just to speak to the lots, there are three
8 different lots here: Lot 31, which is in—in the
9 light blue here is a—is a ground lease parcel for the
10 other two are owned and fee. The idea is that—that
11 really on the—on the Hudson Boulevard side, we—we're
12 seeking to trade a commercial office building along
13 the lines of what this district intended as—as part
14 of the zoning that was modified a few years back.
15 And so, in order to create that, we—we looked at what
16 was required here in terms of the—the assemblage,
17 and—and how to make that happen, and—and that the
18 reality was, you know we really had to split this
19 into two phases and—and make this a two-phase
20 project. To do that most efficiently, we need to do
21 the residential component over on the 10th Avenue
22 side on this ground, this parcel, and as you'll see
23 here we've committed with the Community Board to the
24 Affordable New York Program for that—for that
25

2 residential building. The commercial building will
3 be approximately 40 stories. The residential
4 building with 38 stories, and include ma mix of
5 studios, ones and two bedrooms. We expect to use
6 approximately 40%--I'm sorry--40-10% of the building
7 would be under the 40% of AMI and--and 10% of the
8 building would be under the 60% of AMI and--and
9 another 5% as 130% of AMI for the residential
10 components of that space. This is a rendering view
11 of--of what this building and at least two building
12 will look like. Conceptually, the view on the left
13 side is faced on Hudson Boulevard. The view on the
14 right side is from the 10th Avenue side, and just to
15 give a view of what it looks like at grade level that
16 there is now a parcel here that we do not control.
17 There's a--there's a--our commercial entrance over on
18 the Hudson Boulevard side for the office building,
19 and then on the--on the 10th Avenue side we have
20 retail and then the residential entrance off of 35th
21 Street. So, I'm happy to answer any questions.

22 CHAIRPERSON RICHARDS: Alrighty, thank
23 you so much. So the Community Board had some
24 conditions along with their approval. Can you speak
25 to--so are you seeking any Article 11s or anything on

2 this project? One of the things they spoke of is an
3 allocation of 20 to some of the units being
4 affordable if you were. So, can you speak to--

5 ANDY ROSEN: Yeah. Sure. So what we've--
6 what we've agreed to the Community Board is--and--and
7 when we're going through this process the Affordable
8 New York Program wasn't solidified, but now that it
9 has been, and we've had a chance to review it, we
10 have been able to--to--to review that and agree that--
11 that we will commit to using the Affordable New York
12 Program for this residential building to the extent,
13 you know, that--that first space was part of
14 residential under the Affordable New York program.

15 CHAIRPERSON RICHARDS: There were some
16 concerns around the street wall character. Can you
17 speak to that as well?

18 ANDY ROSE: Yeah, I mean they wanted a
19 full street wall along 10th Avenue, which we also
20 would like to have, and so we've developed as you'll
21 see in the design here, you now, a full street wall
22 along 10th Avenue to address that concern.

23 CHAIRPERSON RICHARDS: So, you've agreed
24 to do that?

25 ANDY ROSEN: Yes.

2 CHAIRPERSON RICHARDS: Okay and can you
3 speak to MWBE procurement and also local hiring.
4 Sure, so Related has over several projects engaged.
5 We have NYCHA and with Building Skills, which is a
6 non-profit that trains people to work and, you know,
7 happy to further that process here on this site.

8 CHAIRPERSON RICHARDS: So, if you—and you
9 don't have goals on this project?

10 ANDY ROSEN: We don't have specific
11 goals, but again, we're happy to talk and—and--

12 CHAIRPERSON RICHARDS: So, we're going to
13 lay this item over today, as you know, but I'd love
14 before we vote this out to hear a little bit more on
15 that.

16 ANDY ROSEN: Sure.

17 CHAIRPERSON RICHARDS: I'll now go to—and
18 goals. You know, we like 20 and 30% up to 30% of the
19 vote but, you know, it's a continuous conversation we
20 can have over the period. We'll go to now Council
21 Member Corey Johnson.

22 COUNCIL MEMBER JOHNSON: Thank you,
23 Chair. I don't object to the text amendment that is
24 related to this project. It make sense to me. I'm
25 fine with it. Thank you for coming with renderings

2 of the building. I really appreciate that. We
3 discussed two issues when we met last week, and I
4 know they're not resolved, but I just want to bring
5 them up, and put them on the record. So, the first
6 there was another project where Related has been in
7 conversation, and I don't where it is in the
8 pipeline, but we are trying to work through a
9 demolition issue. Can you just update me? Has
10 Related reached out to HPD this week to talk a bit
11 about how to move that forward?

12 ANDY ROSEN: Yes. So, you know, further
13 to our conversation last week, we—we have been
14 engaged with HPD to resolve an issues that—that came
15 before the Council a number of months ago regarding
16 another site in—in—in your district, and we have sent
17 legal documents over to HPD. We're working with them
18 and have been setting up a meeting with—with the
19 legal counsel from HPD. We do not have any open
20 issues from our perspective in—in getting that
21 buttoned, and we'd like to use this as opportunity to
22 actually get those documents signed and—and
23 completed. So—so we're eager to get that done.

24 COUNCIL MEMBER JOHNSON: Okay, so the
25 general counsel from HPD is not here, but HPD is

2 here. So, I'm going to look at HPD and I'm going to
3 look at you, and tell you I am sick of dealing with
4 this issue. It's months, and months and months of it
5 just not being resolved. So, I don't know who it's
6 on that it's not resolved, but it's not resolved, and
7 so there were six units that were lost, and there are
8 some I think pretty—I don't know if easy is the right
9 word, but doable fixes to get this over with. We're
10 talking about for months going on months now. The
11 Community Board is reaching out to me. I'm—I'm—I'm—
12 I'm just sort of sick of dealing with it because it's
13 not complicated. It's not complicated. So, I would
14 appreciate this to get resolved like very soon.

15 ANDY ROSEN: We're 100% behind that.

16 COUNCIL MEMBER JOHNSON: Okay. The other
17 issue is an issue, which is a—a labor issue, a unit
18 issue, and I just want to say that, you know, Related
19 is the largest union employer construction employer
20 in the city of New York. Hudson Yards was all done
21 with the building trades, and you guys have I think a
22 great track record on that, but I know that there are
23 some concerns related to not this project but another
24 project, and those—those concerns are not going to be
25 resolved today. Those concerns are concerns that

2 hopefully there will be a conversation between
3 Related and one of the local unions that has had a
4 problem that they brought to me. I'm not negating
5 the problem that was brought to me, but I'm also not
6 saying that I know that it's fact, but Related has
7 been a good friend in the community, and the district
8 that I represent, and we've always had a very good
9 productive constructive working relationship, and I
10 have a similar good relationship with the different
11 unions and the building trades. So, given that I
12 have two friends that are somehow at logger heads
13 over an issue, I want my friends to sit down and try
14 to resolve this in the best way possible. I know
15 that, you know, it may involve lawyers. It may
16 involve a disagreement, but my hope is—is that given
17 the latest track record on union issues given that
18 the trades are folks that I think have done well at
19 Hudson Yards in building great beautiful quality
20 buildings in partnership with this development
21 company. My hope is that you all can sit together,
22 and talk about some of the issues that were brought
23 to me a couple of weeks ago.

24 ANDY ROSEN: Understood.

2 COUNCIL MEMBER JOHNSON: So, with that,
3 there's just two things I wanted to bring up. I
4 support this text amendment and I thank you, Mr.
5 Chair for hearing this today.

6 CHAIRPERSON RICHARDS: Thank you so much.
7 Thank your for testimony. Alrighty, are there any
8 members of the public who wish to testify on this
9 issue? Alright, seeing none, I will now close the
10 public hearing on Land Use Item No. 689 and move onto
11 Land Use Items No. 685 and 686, the Broad Channel
12 Resiliency Text Amendment and Rezoning. This
13 application will change the zoning rules applicable
14 to the Broad Channel neighborhood in Queens. The
15 purpose of the changes are to limit development an
16 area at high risk of flooding from future storms sea
17 level rise. The zoning text would also help to
18 promote resilient building design in any future
19 development that does occur. The rezoning would
20 change the existing R3-2 zoning to R3-A, and C3-A
21 districts. The text amendment would establish a
22 special coastal risk district over area. This
23 application is located in Council Member Ulrich's
24 district and he does support approval. I will now
25 open the public hearing for Land Use Item-- Oh,

1 actually, I will go—and we will also include Land Use
2 Items No. 687 and 688 the Hamilton Beach Resiliency
3 Text in this hearing as well. We'll now open the
4 public hearing for Land Use Items No. 685, 686, 687
5 and 688. We're just going to couple them all
6 together. Alright.

8 MARSHA HILLIS: Thank you so much,
9 Council Member. My name is Marsha Hillis (sic). I
10 work at the Department of City Planning, and as you
11 mentioned, I'll combine these presentations because
12 they have some similar—similarities, and a similar
13 background, and I'll take questions at the end. City
14 Planning has been working on recovery and resiliency
15 issues since Hurricane Sandy. In 2013, we adopted a
16 temporary flood text to provide relief, and to allow
17 buildings to rebuild to higher flood elevations after
18 the storm. In 2015, through working with Build-it-
19 Back we discovered there were some challenges in the
20 rebuilding process. So, we provided temporary relief
21 through the special regulations for, Neighborhood
22 Recovery, and also in—in the meantime since 2013,
23 we've been working on a number of resilient
24 neighborhood studies throughout the city, and the—
25 that work is informing our work going forward. In

1 the—in the future in 2018, we hope to update and make
2 the Flood Resilient Zoning Text permanent, but in the
3 meantime we knew that there were special areas that
4 needed attention in the meantime, and that's why I'm
5 speaking today on Hamilton Beach and Broad Channel
6 resiliency re-zonings. The 2013, for the Resilience
7 Text Amendment like I said, provided relief for—to
8 rebuild to higher flood elevations. In general, this
9 allowed the height of all buildings to be measured
10 from a higher reference point to the designed floor
11 elevation, and sometimes provided additional height.
12 The text amendment also discounted four areas of loss
13 from coming into compliance with new flood resilient
14 building standards, and provided some other relief as
15 well to a non-compliant—non-compliant buildings, and
16 included requirements for mitigating the impact of
17 higher buildings on the streetscape. And as you
18 mentioned, this text is set to expire one year after
19 the adoption of the P-firms, which is some way out at
20 this point, but it needs to be made permanent
21 eventually. In 2015, we adopted the Special
22 Regulations for Neighborhood Recovery. This applies
23 to select areas that were—are particularly challenged
24 through the rebuilding process. So, these rules
25

1 simplified the process for documenting non-
2 compliances or removed disincentives for property
3 owners making these investments, and also established
4 a new zoning envelope, and again this text is set to
5 expire in 2022. I mentioned we have also been
6 working on a number of resilient studies since
7 Hurricane Sandy. There are ten areas throughout the
8 city and the presentation I'm giving today is an
9 outgrowth of the work we've done in Old Howard Beach,
10 Hamilton Beach and Broad Channel, which was the
11 combined area that we looked at in South Queens.
12 There results of this work is a document, a project
13 report that highlights our findings for Old Howard
14 Beach, Hamilton Beach and Broad Channel, and this
15 work was really-came about because of the work that
16 the Community Advisory Committee whose members were
17 appointed by Council Members Eric Ulrich, and it
18 include-included members of the Community Board and
19 local civics. So, we did extensive outreach with
20 this group, and with the local civics, and-and we-we
21 have their buy-in and support on the recommendations
22 that are part of this report. Many of these
23 recommendations could be reflected in a future update
24 to the Flood Resilience Zoning Text, but the fourth
25

2 recommendation listed here enacting targeted zoning
3 changes to reflect the unique character and long-term
4 vulnerability of Hamilton Beach and Broad Channel.

5 This is the recommendation I'm here to speak about
6 today. So, just to take a step back from it for a
7 little bit of context about flood risk in New York
8 City, the way—the way we look at risk now is based on
9 the 2015 Preliminary Flood Insurance Rate Maps, which
10 and which covers many Council Districts, and

11 community board across the city and affects 400,000
12 people and 71,500 buildings. So, this is really the
13 area that is affected by 1% annual chance storm. And
14 when we look at sea level rise and climate change
15 projections, we see that the risk is—is a little bit
16 different. So, in the future sea level rise is
17 actually gong to lead to daily tidal flooding in some
18 limited areas, and you can see on the citywide map
19 that there really are very limited areas that are
20 affected by—by the—by ten inches of sea rise or 30
21 inches of sea rise, which is the 2050s projection.

22 The areas in Staten Island that they're show are—are
23 mostly wetlands, but there—there are two areas in
24 South Queens that are expected to be affected by this
25 acute daily tidal flooding, both Hamilton Beach and

2 Broad Channel. And this information really informs
3 how we think about zoning and land use. This
4 informing really informs how we think about zoning
5 and land use in these neighborhoods because of their
6 vulnerability. So, in—in these areas we're proposing
7 to limit density in the future because of this acute
8 risk, but in most areas of the city we see that we
9 can accommodate or even encourage development to a
10 new higher resiliency, and those neighborhoods can
11 still recover—recover from storms. So, on Broad
12 Channel, the existing zoning and land use this is
13 really a low density neighborhood. It's zoned R3-2,
14 which has been the case since the Zoning Resolution
15 was adopted in 1961. It allows all residential
16 building types. I has a 40-foot minimum lot width,
17 and a five-foot minimum side yard width, and I
18 mention these things because those requirements don't
19 really reflect the existing conditions of the
20 neighborhood, which predominantly the lots are about
21 25 feet wide. So, you know, meeting these—meeting
22 this—these requirements are a little bit difficult.
23 There is also a C1-2 overlay. It's sort of centrally
24 located in Broad Channel, and this is just a small
25 commercial move. It's—and it permits local uses, but

1 the parking requirements are somewhat high and maybe
2 challenging to meet if these businesses were to
3 rebuild following a storm. So, this is a—a closer
4 look at the sea level rise projections for Broad
5 Channel. So depending on which projection you look
6 at either the low end projection of 11 inches in the
7 2050s or the high end projection of 30 inches in the
8 2050s. We will see anywhere from 20% to 70% of the
9 buildings on Broad Channel impacted twice daily by
10 tidal flooding, and due to the extensive shoreline
11 here, it's really difficult to provide, you know,
12 infrastructure solutions that protect the entire
13 perimeter of the island from this daily tidal
14 flooding, which is different from the storm risk, and
15 this is something daily—or tidal flooding is
16 certainly something that meets this neighborhood
17 basis today. I took this picture during a Super Moon
18 high tide. Everyone here, as some of you may know,
19 keeps the tide—the high tide choice on the bridges.
20 So, this is just a problem that will become more
21 common over time. So, our proposal for Broad Channel
22 is to establish a new special coastal risk district,
23 to limit development to single-family residences, and
24 also prohibit community facilities with sleeping and
25

1 an array of accommodations. We are proposing to
2 rezone the underlying areas from R3 to—to both R3-A
3 throughout most of the island and the C3-A on the
4 southeastern portion of the island. R3-A better
5 reflects the lot width conditions of—in Broad Channel
6 of 25 feet like I mentioned and the C3-A brings—
7 there's several existing marinas. They would come
8 into zoning conformance with—with this change to
9 underlying zoning. We are also proposing to rezone
10 the commercial zone from C1-2 to C1-3, which would
11 essentially allow all buildings in the—in the node to
12 waive out of parking requirements because we see this
13 as a potential problem in—in case that these
14 businesses want to invest in resiliency measures they
15 would be unable to really meet those parking
16 requirements. [pause] Next, I'll talk about Hamilton
17 Beach. The zoning that's in place here is R3-1. The
18 zoning district allows one and two-family detached
19 and semi-detached residences. It also has a 40-foot
20 minimum lot width requirement, and 5-foot side yard
21 requirement, and 78% of the buildings here are
22 single-family detached, 7% are 2-family detached, and
23 13% are semi-detached, and those semi-detached
24 residences have been developed. Most of them have
25

1 been developed within the last 10 or 15 years because
2 the zoning district allows that, but it's not really
3 representative of the character here and is also a
4 concern given the vulnerability of this area. Just
5 north of Hamilton Beach is Coleman Square, which
6 serves the A-Train, Air Train Station. There's a C1-
7 2 overlay here. The same kind of problem where if
8 any of these businesses are trade build, they would
9 be challenged to meet the parking requirements. The
10 sea level rise projections for--for Hamilton Beach are
11 also projected to impact much of the neighborhood.
12 So, anywhere from 65 buildings to 310 buildings would
13 be impacted twice daily with tidal flooding. That's
14 10--10 to 55% of all buildings in Hamilton Beach.
15 So, we see this as an acute risk, but also--and also
16 the shoreline, which is very lengthy. It would be
17 challenging to invest in infrastructure to prevent
18 this daily tidal flooding impact. So, here we are
19 also proposing to establish a special coastal risk
20 district. It's a little bit--there would be a
21 different subdistrict for this area due to different
22 sort of lot width conditions. There's no wider
23 variety of lot widths here. Some are over 40 feet
24 wide, so we worked with local civic, and developed
25

1 this recommendation to limit development to detached
2 residences and only allow 2-family detached
3 residences on lots at least 40 feet wide. Community
4 facilities with sleeping accommodations would also be
5 prohibitive in this area, and the underlying rezoning
6 would—the underlying zoning would change from R3-1 to
7 R3-A to better reflect the narrow lot width
8 conditions in this neighborhood. Finally, we're
9 proposing to rezone Coleman Square from C1-2 to C1-3
10 to reduce that off-street parking requirement. So,
11 that, you know, zoning isn't necessarily an
12 impediment, it's buildings want to make resiliency
13 investments. This is an overview of—of where we
14 come. These rezonings were certified in February,
15 and since then the Community Boards and the
16 Queensborough President have recommended their
17 approval, and—and now here we are today. So, thank
18 you.
19

20 CHAIRPERSON RICHARDS: Thank you so much
21 for your testimony, and I certainly applaud the City
22 Planning Commission for this very thoughtful rezoning
23 as an area—as a representative of just east of here
24 that was hit hard by Hurricane Sandy. I definitely
25 understand the significance in ensuring communities

2 are definitely more resilient. I only have one
3 question. So, why did you piecemeal studying just
4 these three communities rather than doing the entire
5 peninsula?

6 MARSHA HILLIS: You mean the Rockaway
7 Peninsula?

8 CHAIRPERSON RICHARDS: Yes. So, you did
9 Hamilton, you did Broad Channel. What made you
10 select these two communities opposed to doing
11 everything all in one?

12 MARSHA HILLIS: Well, so we always like
13 neighborhood studies. So also study Rockaway Park,
14 Rockaway Beach, and the outgrowth of those studies
15 are recommendations that we think apply citywide in
16 most cases, and so we hope to incorporate other
17 resiliency changes to the Zoning Resolution and the
18 update to the citywide flood text.

19 CHAIRPERSON RICHARDS: And Auburn,
20 Edgemere and Far Rockaway is included in that?

21 MARSHA HILLIS: Yes, that would be—the
22 the update to the flood text would apply all areas
23 within the 1% annual change floodplain.

24 CHAIRPERSON RICHARDS: And when do we
25 anticipate these studies to be completed?

2 MARSHA HILLIS: Well, the Resilient
3 Neighborhood studies have wrapped up, but the
4 recommendations have informed our kind of initial
5 thinking on how to move forward, and we're currently
6 doing a lot of public outreach to take this beyond
7 where we did our Resilient Neighborhood Studies. So,
8 we're actually hoping to work for example in July
9 with the Rockaway Waterfront Alliance to do a
10 workshop in--

11 CHAIRPERSON RICHARDS: Uh-huh, uh-hm.

12 MARSHA HILLIS: --in the Rockaways to try
13 test some of those ideas that came--were an outgrowth
14 of the--the study, but I just want to, you know, point
15 out that

16 CHAIRPERSON RICHARDS: [interposing] So,
17 we're now getting in a public process, and I only say
18 that because time is of essence and, you know, all of
19 these communities are, you know, especially with a
20 busy hurricane season as we anticipate sort of a lot
21 anxiety there. So, how can we ensure that we're
22 moving this forward sooner and quicker?

23 MARSHA HILLIS: Well, we do think that
24 the flood text that's on the books today provides a
25 lot of the release that's necessary to meet

2 resiliency standards, and an update to the flood text
3 would, you know, we would look at going above and
4 beyond possibly what we have on the books today. So,
5 there's nothing, you know, there are certainly
6 rebuilding challenges, and I think those are
7 important to keep in mind, but we also haven't spoken
8 a number of communities in the flood plain since
9 maybe really 2013, and we want to be thorough in our
10 approach. Our hope is that it will enter a ULURP in
11 2018.

12 CHAIRPERSON RICHARDS: Okay, great.

13 Alright, thank you. Any questions from my
14 colleagues? Alright, seeing none, we will close the
15 public hearing. First off, is there anyone from the
16 public who wishes to testify on this issues?

17 Alrighty, seeing none we will now close the hearing
18 on Land Use Items Nos. 685, 686, 680 and 67-687 and
19 688. Thank you for your testimony. Alright, we will

20 now move onto holding a public hearing on Land Use

21 Item No. 690 an Article 11 Tax Exemption-Tax

22 Exemption application that was submitted by the

23 Department of Housing, Preservation and Development.

24 This application is related to 1350 Bedford

25 Application that was submitted after our last hearing

2 on the related items. The proposed development at
3 1350 Bedford will contain 94 units of affordable
4 housing on an existing parking lot. I will now open
5 the public hearing on Land Use Item No. 389, and
6 we'll hear from Jordan—I'm sorry 690, and we'll hear
7 from Jordan Press from HPD.

8 JORDAN PRESS: Good morning, Mr.
9 Chairman. Thank you for having me. Land Use No. 690
10 consists of the proposed Article 11 Tax Exemption for
11 a project known as Bedford Arms located at 1336
12 Bedford Avenue, Block 1205, Lot 28 in Brooklyn
13 Council District 35. The sponsor for the project is
14 currently before the Zoning Subcommittee seeking a
15 zoning text amendment and establishment of a
16 Mandatory Inclusionary Housing area. Summarizing the
17 project, the sponsor will construct on privately
18 owned land a 9-story building that will be financed
19 under HPD's Mixed-Income M² Program. Upon completion
20 there will 94 housing units including 59 1-bedrooms,
21 25 2-bedrooms and 9 3-bedrooms as well as the unit
22 for superintendent. Under program guidelines a
23 minimum of 30% of the units will be affordable to
24 households earning 80% of AMI and 130% of AMI and a
25 maximum of 50% of units are set aside for households

1 earning between 130 and 165% of AMI. I understand
2 the Council is asking for a change in the MIH option
3 from Option 2 to Option 1. If that is approved,
4 there will be approximately Mandatory Inclusionary
5 Housing units, which will be permanently affordable.
6 An additional 15% of the project units, approximately
7 15 units will be affordable in perpetuity bringing
8 the total number permanent and affordable units to
9 approximately 38 units. In order to assist with
10 facilitating long-term affordability, HPD is before
11 the Council seeking approval of an Article 11 tax
12 benefit for a term of 40 years. That will coincide
13 with the regulatory agreement. Council Member Cumbo
14 has been briefed and has indicated support for the
15 project.
16

17 CHAIRPERSON RICHARDS: Thank you, Jordan.
18 Just break down your numbers again, your percentages
19 of AMIs and units?

20 JORDAN PRESS: Okay, so because of the
21 change—the—the proposed change in the MIH option,
22 we're going back to work on some of the specifics
23 that will still fit within the M². So what I
24 described in my testimony is—is simply the term sheet
25 requirements for the M² Program.

2 CHAIRPERSON RICHARDS: Uh-huh.

3 JORDAN PRESS: And as soon as we figure
4 out once the MIH option is changed, which was just
5 brought to us in the last day or so, we'll come back
6 to the Council and give the specifics.

7 CHAIRPERSON RICHARDS: And are we getting
8 to any 30% of AMI on this?

9 JORDAN PRESS: No.

10 CHAIRPERSON RICHARDS: So, 40, 60, 80?

11 JORDAN PRESS: Forty, 40, 60, 80 and 130.

12 CHAIRPERSON RICHARDS: And there's no way
13 to squeeze in some 30s somewhere with an Article 11
14 on those 94 units?

15 JORDAN PRESS: So, again when we go back
16 and work--

17 CHAIRPERSON RICHARDS: [interposing]
18 Okay.

19 JORDAN PRESS: --on any changes under
20 MIH, we will see what we can do, but--

21 CHAIRPERSON RICHARDS: Okay, I would love
22 to see that day. Okay. Okay, are we going to expect
23 you coming back here after any other applications?
24 What this committee has heard is finished. Do-do we

2 anticipate any more Article 11s coming down the
3 pipeline this way?

4 JORDAN PRESS: I'm sorry. I don't
5 understand.

6 CHAIRPERSON RICHARDS: What I'm saying
7 why didn't you do the Article 11?

8 JORDAN PRESS: Right, so because this
9 was—because this was a private rezoning, a private
10 application, sometimes the timing between the owner
11 bringing the project through ULURP and HPD preparing
12 to work with them no the Article 11 don't always
13 coincide very well.

14 CHAIRPERSON RICHARDS: Why not?

15 JORDAN PRESS: So, either the developer
16 isn't aware that we need to bring the Article 11 at
17 the—that we preferred to bring the Article 11 at the
18 same time as the ULURP action. It's not required
19 that we do it at the same time. It's easier on you
20 and easier on us if we do, and it's a process we're
21 trying to work out going forward.

22 CHAIRPERSON RICHARDS: Okay. Well, we
23 would love for the process to be more efficient.
24 Alrighty, any questions from my colleagues on this?
25 Alrighty, seeing none, we will close the public

1 hearing on—Oh, are there any members of the public
2 who wish to testify on this issue? Well, alright
3 seeing none, we'll close the public hearing on Land
4 Use Item No. 690 now, and we will proceed to move
5 onto a vote now I believe. Alrighty, alrighty. So,
6 we're now going to pause to vote on several
7 applications that we've had hearings on today, and
8 several applications that were laid over from last
9 week. We will be voting on the following
10 recommendations for the following applications:

12 We will voting to approve with
13 modifications Land Use Items No. 651 and 652, the
14 1350 Bedford Avenue Rezoning. This application would
15 facilitate the development of a 9-story building with
16 94 units of affordable housing. We will be modifying
17 the text amendment to ensure that MIH Option 1 is
18 used in approving the other actions. Council Member
19 Cumbo does support this application.

20 We will now be moving to vote to approve
21 with modifications Land Use Items No. 654, 655, the
22 125 Edgewater Street Application. This application
23 includes a zoning map amendment and text amendment.
24 We'll be—be recommending a modification to remove the
25 MIH workforce option from the development site, and

1 add the deep affordability option so that the
2 development would need to comply with MIH Options 1,
3 2 or the deep affordable, affordability option. I
4 will now go to Council Member Rose for a statement on
5 this rezoning.
6

7 COUNCIL MEMBER ROSE: Thank you so much,
8 Chair Richards and to the members of the Subcommittee
9 of Zoning and Franchise. Today, we are voting a very
10 important project in my district that will—that will
11 facilitate the construction of a mixed-use
12 development of 371 housing units as well as a
13 commercial and retail development, a public walkway
14 along the waterfront and the expansion the Stapleton
15 Waterfront District. Creating affordable housing in
16 my district is a priority for me, and I have made
17 that clear to the applicant throughout this entire
18 process. I am asking the Subcommittee to approve the
19 application with modifications that will remove the
20 Mandatory Housing Workforce option while adding in
21 the—the Deep Affordability Option 3 of 20% of 40% AMI
22 option. Thus, limiting the development on the site
23 to Options 1, 2 and 3. The applicant has further
24 committed in writing to build no fewer than 10% of
25 the residential units across the project at 40% AMI

1 or below regardless of the options selected. With
2 these options and this commitment from the developer,
3 we ensure that this new development will provide
4 housing for people across a wide range of incomes.
5 This project is one that will benefit the North Shore
6 bringing us needed affordable and market rate housing
7 and a commitment to good jobs while building a
8 greenway that gives the public access to our precious
9 waterfront and commanding views across the harbor.
10 With these commitments, I thank you for your support,
11 and I urge to approve this project as modified.
12

13 CHAIRPERSON RICHARDS: Thank you Council
14 Member Rose for that statement. We'll be voting to
15 approve Land Use Items No. 685, 686, 687 and 688 the
16 Resiliency Text and Zoning Map Amendments for the
17 Broad Channel and Hamilton Beach neighborhoods.
18 These applications have the full support of Council
19 Member Ulrich. We will now move onto voting to
20 recommend approval of Land Use Items No. 677, 678,
21 the 74-04 Northern Boulevard Rezoning. Council
22 Member Dromm does support approval of this
23 application, and as I said to the applicants earlier,
24 I hope to see them meeting with neighbors who live
25 adjacent to this property as well. Lastly, we will

2 be voting on a motion to file Land Use Items No. 653,
3 the 55-57 Spring Street Text Amendment. This
4 application was withdrawn by the applicant last week.
5 We will now hear a statement from Council Member Chin
6 on this application.

7 COUNCIL MEMBER CHIN: Thank you, Chair.

8 I'm pleased to inform my constituents and the
9 subcommittee that the applicant for the 55-57 Spring
10 Street project to alter the boundaries of the Special
11 District has been withdrawn. This is a direct result
12 of the strong advocacy of my local community exactly
13 as the ULURP provides for. The last time the
14 provision of the Special District will alter New York
15 City and Little Italy were very different places. I
16 simply could not support piecemeal approach to
17 addressing these provisions, which were put in place
18 to protect our community and the character of this
19 neighborhood for the benefit of a private applicant.
20 I thank the committee for their support and the staff
21 of our Land Use Division for their technical
22 expertise on this project, and thank you to Raju
23 Mann, Julie Lubin and Liz Lee. Thank you, Chair.

24 CHAIRPERSON RICHARDS: Thank you so much.

25 Okay, are there questions—do we have any questions

2 from members of the subcommittee on these
3 applications? Alright, seeing none, I will now call
4 on a vote to approve Land Use Items No. 677, 678,
5 675-685. I'm sorry-678, 685, 686, 687 and 688 to
6 approve with modifications Land Use Items No. 651,
7 652, 654 and 655 and to file Land Use Item No. 653.
8 We are laying over all other applications on our
9 calendar today. Counsel, please call the roll.

10 LEGAL COUNSEL: Chair Richards.

11 CHAIRPERSON RICHARDS: I vote aye and
12 congratulations to all of our applicants today.

13 LEGAL COUNSEL: Council Member Garodnick.

14 COUNCIL MEMBER GARODNICK: I vote aye.

15 LEGAL COUNSEL: Council Member Williams.

16 COUNCIL MEMBER WILLIAMS: May I be
17 excused to explain my vote?

18 CHAIRPERSON RICHARDS: Yes, sir.

19 COUNCIL MEMBER WILLIAMS: I vote-I vote
20 aye on all, but I do want to congratulate Council
21 Member Debbie Rose and Council Member Laurie Cumbo
22 for the work they did including more income targeted
23 real affordable housing and with Council Member Rose
24 in moving that horrific working force that she might
25 have been there to begin with, and including a-a

2 certain amount for 40% or 10% of 40% AMI. Hopefully,
3 we can work to get them to pick the first option or
4 the second option and not the third option, and
5 Council Member Laurie Cumbo whose project also is
6 going to include—understand the preservation of the
7 Section 8 building right next door, and also includes
8 40% of —or 40% of AMI. So, with that aye on all.

9 LEGAL COUNSEL: Council Member Gentile.

10 COUNCIL MEMBER GENTILE: Congratulations
11 to all. I vote aye.

12 LEGAL COUNSEL: Council Member Wills.

13 COUNCIL MEMBER WILLS: Can I explain my
14 vote?

15 CHAIRPERSON RICHARDS: Yes.

16 COUNCIL MEMBER WILLS: It's not really—
17 it's not really my vote.

18 CHAIRPERSON RICHARDS: Yes, sir.

19 COUNCIL MEMBER WILLS: I vote aye on all,
20 but sometimes I joke with Jumaane and publicly, and I
21 wanted to make sure I said publicly thank you for all
22 the work he does with the affordable housing in the
23 city, and behind the scenes with the members. I joke
24 with him about always speaking a lot, but I just
25 wanted to say that. Thank you, Mr. Chair.

2 LEGAL COUNSEL: Council Member Reynoso.

3 COUNCIL MEMBER REYNOSO: I vote aye.

4 LEGAL COUNSEL: By a vote of 6 in the
5 affirmative, 0 in the negative and 0 abstentions,
6 Land Use Items 685, 686, 687, 688, 677, and 678 are
7 approved. Land Use Items 651, 652, 654 and 655 are
8 approved with modifications, and Land Use Item 653 is
9 filed and all items are referred the full Land Use
10 Committee.

11 CHAIRPERSON RICHARDS: Alrighty. Thank
12 you. We will hold the vote open and we'll take a
13 two-minute recess before we begin our next hearing.
14 [background comments, pause]

15 SERGEANT-AT-ARMS: Ladies and gentlemen,
16 at this time please find your seats. Ladies and
17 gentlemen, at this time please find your seats.
18 Thank you very much. [pause]

19 CHAIRPERSON RICHARDS: Alrighty, we are
20 now going to move onto our last hearing for today on
21 Land Use Items No. 691 and 692, the Greater East
22 Midtown Plan. This application would establish a new
23 zoning framework for the East Midtown area of
24 Manhattan. The new zoning would allow for the
25 development of building with floor area ratios

1 between and 18 and 27 FAR within the proposed East
2 Midtown Subdistrict. The new subdistrict would be a
3 78-block area general bounded by East 57th Street,
4 East 39th Street, Third Avenue and Madison Avenue.
5 Qualifying developments would be allowed to reach
6 their maximum permitted FAR by undertaking one of a
7 number of Identified Public Realm Improvements in the
8 area or by purchasing development rights from one of
9 the landmarks in a district-subdistrict or a
10 combination of those methods. The maximum density of
11 27 FAR would be permitted in the area immediately
12 surround the Grand Central Terminal. The purpose of
13 the proposal would be to encourage development of
14 large modern office buildings while providing for
15 needed transit in other Public Realm Improvements,
16 and protecting distinctive landmarked buildings
17 through the TDR program. The proposed new zoning
18 would apply in Council Member Dan Garodnick's
19 district. I will open the public hearing Land Use
20 Items No. 691 and 692 and go to Council Member
21 Garodnick for a statement.

23 COUNCIL MEMBER GARODNICK: Thank you very
24 much, Mr. Chairman and good morning everyone. I am
25 pleased to be now at the portion of the-the day,

1 which deals with East Midtown and the Rezoning. As
2 you heard, my name is Dan Garodnick, and most of East
3 Midtown lies in my Council District, and I want to
4 thank all of you who have come out today to testify
5 on the proposal and to my colleagues on this
6 committee. Many of us have been working on this
7 proposal for a very long time. It began when Mayor
8 Bloomberg in 2012 had identified the East Midtown
9 area as one in need of a jolt, and although his plan
10 was not the right one for the area, it was the
11 beginning of the process that brings us here today.
12 I want to particular thank the Department of City
13 Planning, the Department of Transportation, the MTA
14 and the Landmarks Preservation Commission as well as
15 the Borough President of Manhattan Gale Brewer for
16 their work on the proposal over the last five years.
17 We've enjoyed great collaboration with our community
18 boards and providing—and various stakeholder in
19 making this something that was viable. The big
20 picture here is that the East Midtown Area needs a
21 rezoning, it needs a boost. It needs the things that
22 its rezoning seeks to create, more class-A office
23 space, more open space, and improved transit
24 infrastructure. I believe that this proposal is on a
25

1 solid path to achieving those goals, but it is not
2 done. A number of important issues remain to be
3 worked out. I want to note that this proposal is the
4 product of significant community consultation. The
5 proposal is based on the work done by East Midtown
6 Steering Committee, a group that was led by myself
7 and Borough President Brewer, and included
8 representatives from all major stakeholder in the
9 area, the community boards, Business Improvement
10 Districts, REBNY, city agencies as well as advocacy
11 groups such as the Municipal Art Society and the
12 Landmarks Conservancy. The report issued by this
13 committee was the result of months of consideration
14 and represented the consensus position of these local
15 stakeholders. I'm pleased to see that the city's
16 proposal tracks our report. In most ways it puts us
17 in a good puts us in a good place here. That said,
18 the proposal still needs amendments. It has come a
19 long way, but we have some open issues. Among other,
20 we need to ensure that the public gets its fair share
21 of the value of the landmark air rights transfers
22 that will be required for additional FAR on new
23 buildings and that the development we're looking to
24 encourage is not stifled by this aspect of the
25

2 proposal. We need to figure out exactly where the
3 eastern edge of the rezoning area will be drawn. We
4 need to make sure that we protect the light and air
5 in Midtown, and that we deliver maximum certainty on
6 the public realm improvements, places for people to
7 walk freely and places to sit down and relax. We
8 surely need to protect the public spaces that we
9 already have a swell. We need to make sure how the
10 Public Improvement Fund will be governed, and how the
11 governing group will operate. I continue to believe
12 that this proposal presents a strong effective plan
13 to revitalize East Midtown as a premier business
14 district and as an economic engine for our city. It
15 has the potential for visionary changes to this
16 commercial district, and our public realm. I'm proud
17 of the East Midtown Community for creating the
18 template for this proposal, and I'm also pleased that
19 the city agencies engaged with that turned it into
20 action. I'm also very interested in the feedback
21 from the public, and I look forward to hearing the
22 various concerns and suggestions that people are here
23 to share today, and with that, Mr. Chairman, I
24 appreciate the opportunity to say a few words, and I
25 turn it back over to you.

2 CHAIRPERSON RICHARDS: Thank you, Council
3 Member Garodnick. We will now hear from Anita
4 Laremont from the Department of City Planning;
5 Frederica Quin—Oh, I'm going to mess your last name
6 up. I don't want to butcher it Quinta. Got it.
7 Alrighty, from the MTA Bob Trettle-Tuttle. It's his
8 handwriting. I could actually do this if it was
9 written better. Like—it's like my handwriting
10 actually. From DCP Ed Pincar, who has bad
11 handwriting, too. NYC DOT Ezra Mazar—Moser who has
12 bad handwriting, DCP. [laughter] Edith Chen, who
13 has good handwriting from DCP. [laughter] Alright,
14 you may begin.

15 EDITH HSU-CHEN: Thank you very much.
16 Good morning, Chair Richards and all Council Member.
17 My name is Edith Hsu Chen. I am the Director of the
18 Manhattan Office at the Department of City Planning.
19 I'm here with Federica Quinta of the MTA and Ed
20 Pincar of the New York City Department of
21 Transportation, and we are very happy to be here to
22 present and to discuss with you the City's proposal
23 for Greater East Midtown. It is without exaggeration
24 one of the most important planning proposals for the
25 City New York in decades. I'm also joined by my

1 colleagues from DCP Anita Laremont our General
2 Counsel and our two project managers Bob Tuttle and
3 Ezra Moser. So, let's get to the presentation. The
4 purpose of the Greater East Midtown proposal is to
5 ensure the long-term strength of this area as premier
6 world class business district. It is home to over 60
7 million square feet of office space, a quarter
8 million jobs, home to some of the most iconic office
9 buildings, landmarks and civic spaces in the city,
10 and we all know it to be a powerhouse of the city's
11 commercial tax base. This area alone accounts for
12 10% of the city's commercial tax base and, of course,
13 with Grand Central Terminal and Grand Central Subway
14 Station and other stations here, it is a regional
15 transit hub with continuing investment in transit
16 infrastructure from the public sector including and
17 East Side access and Second Avenue Subway. But, you
18 know, we all know that this area does have challenges
19 that may jeopardize its future as a strong central
20 business district. I won't dwell on these issues. I
21 think you've heard them. For years now there is an
22 increasingly outdated office dock. There's limited
23 new development. There is obsolete zoning that
24 disincentivizes development, and there are lots of
25

1 challenges in the area of pedestrian public realm and
2 the transit network. We've know about these issues
3 for several years. It wasn't just something we
4 learned about over night last night. The city put
5 forward a proposal for East Midtown in 2013, but we
6 were through with the application before the City
7 Council vote due to several key concerns from area
8 stakeholders and our local leaders. The de Blasio
9 Administration sought to address these concerns in a
10 two-phased new approach. The first step, which was
11 adopted last year was to establish new zoning along
12 Vanderbilt Corridor. This has led to the development
13 of One Vanderbilt, a new 1.5 million square foot
14 state-of-the art office tower that is directly
15 contributing \$225 million worth of public realm and
16 transit improvements to the Grand Central area. The
17 second phase was initiated by the establishment of a
18 stakeholder steering committee co-chaired by Council
19 Member Dan Garodnick and Borough President Gale
20 Brewer. The Administration is deeply indebted to the
21 steering committee, which produced comprehensive set
22 of planning recommendations for the area, and it has
23 served as the foundation for the city's Great East
24 Midtown proposal. The steering committee did not
25

1 just make planning and rezoning recommendations. One
2 of the steering committee's recommendations was to
3 have the Landmarks Preservation Commission designate
4 new landmarks prior to implementation of the zoning
5 proposal. We're very pleased to say that the last
6 year the LPC undertook a comprehensive study and
7 granted landmark status to 12 historic buildings in
8 the Greater East Midtown area bringing the total
9 number of landmarks to a very impressive 50.

11 But to our zoning proposal. Our vision
12 for the Greater East Midtown area is in line with
13 what the steering committee recommended, and we both
14 had—we both were trying to achieve multiple
15 objectives. Number one, we want to incentivize
16 development of new state-of-the-art office build-
17 office buildings. We want to strengthen historic
18 buildings, landmark buildings. We want to eliminate
19 obstacles for the redevelopment of—of a building
20 stock, and we want to upgrade the area's pedestrian
21 realm and the transit network. So, we are proposing
22 a primarily as-of-right framework that will provide
23 predictable growth for a development framework and
24 improvements to the public realm. As Chair Richards
25 mentioned earlier, the proposal's boundaries is

generally East 57th to the north, East 39th Street to the south, the west side of Madison Avenue and the east side of Third Avenue. There is one block that goes to Second Avenue between 42nd and 43rd Street.

You can see that the boundaries were determined by existing land use patterns on this map here. The map shows the area of land use, which is overwhelmingly commercial in use. That's all the red you see there.

Please note that no residential district is being touched or being modified by this proposal. Okay.

Our proposal entails two actions. First is the text amendment to establish the new East Midtown

Subdistrict, and the second is a—a small rezoning.

We are rezoning a portion of the block at 42nd and

Second Avenue also known as the Pfizer block. This

block is consistent with the bulk using character of

Midtown. In fact, they should have been incorporated

in the Midtown Special District years ago. Next

slide please. Okay, so, our—our density framework.

The proposed framework allows development sites to

achieve higher as-of-right densities based on

locational criteria. So, higher earned FARs will be

concentrated around transit stations and along Park

Avenue. Park Avenue, of course, as we all know is a

1 very wide street, and we believe the development
2 belongs near an adjacent transit. We are a transit
3 oriented city. In order to achieve these higher
4 densities, sites must meet the following the
5 eligibility criteria: First, they require that at
6 least—at least partial frontage on our wide streets.
7 A portion of that frontage must be clear. That's
8 part of new developments. Zoning laws with a
9 landmarked building or transit easement along their
10 wide street frontage can use the landmark or easement
11 to achieve the wide street frontage requirement. So,
12 neither will be penalized. Second, at least 80% of
13 the zoning lots floor area to be built must be
14 devoted to commercial use. Again, we're trying to
15 strengthen this area as a central business district.
16 And third, new buildings must meet or exceed specific
17 environmental and sustainability standards. Using
18 the Steering Committee's recommendations as a
19 foundation for our as-of-right framework, qualifying
20 sites may—may use the following three mechanism to
21 earn the higher FAR.

22
23 1. They could do it through the
24 construction of pre-identified transit improvements.

2 2. Through the purchase and transfer of
3 unused landmark development rights.

4 3. Through rebuilding non-complying
5 floor area on site in a new development.

6 So, in the first case blocks that are on
7 or adjacent to below grade transit stations are in
8 what we call a transit improvement zone or a TIZ
9 shown here in purple in the dark purple, NY purple.
10 Qualifying sites within a TIZ are required to achieve
11 between 10 and 20% of their earned FAR through the
12 completion of transit improvements.

13 Next, the second method for qualifying
14 sites to achieve additional FAR is through the
15 transfer of unused landmark development rights.
16 There is approximately 3.6 million square feet of
17 unused development rights—landmark development rights
18 throughout the subdistrict. Our proposal will permit
19 these development rights to be transferred to
20 qualifying sites within the district. So, not just
21 to next door neighbor sites or across the street, but
22 within a wider area. This will facilitate new
23 construction, the preservation of landmarked
24 buildings and would provide funds into a public realm
25 improvement fund. The contribution into the fund

1 will equal either 20% of the transfer of development
2 rights or a minimum contribution of \$78.60 per square
3 foot, whichever is greater.
4

5 Next. The third mechanism is the
6 rebuilding of over-built floor area in the new
7 developments. Buildings built before 1961 that
8 contain more floor area than—excuse me. Buildings
9 built before 1961 may contain more floor area than
10 they're allowed today. So there is a disincentive to
11 redevelopment—to redevelop those sites and the
12 building owner would be allowed less floor area than
13 they already have. So, our third mechanism would
14 allow the demolition and redevelopment up to the—the-
15 the current amount of—of density subject to the
16 contribution of the \$78 per each square foot of floor
17 area that is overbuilt. We're also proposing
18 additional subdistrict regulations. They will be
19 higher environmental standards that will require new
20 developments to either utilize the area as a steam
21 network or to exceed the 2016 Orange Shell(sic)
22 Energy Code Standards by at least 3%. We are making
23 some slight adjustments to the Midtown Height and
24 Setback regulations that govern building design in
25 Midtown. These height and setback regulations

1 tweaked are—are necessary to maintain the as-of-right
2 framework and to accommodate the additional permitted
3 FAR. We are introducing new special permits to allow
4 for additional floor area for transit improvements,
5 and a public concourse. We are also proposing new
6 discretionary actions to permit enlargements on
7 qualifying sites or the modification of the
8 qualifying site criteria, and finally, we are also
9 including a special permit for hotel use through the
10 district to ensure that any new hotel space meets the
11 needs of the business district such as providing
12 meeting and conference space, and telecommunication
13 services.
14

15 So, we all know ever world class central
16 business district has a world class public realm. As
17 we've noted earlier, there are some challenges here
18 in the public realm. So, upgrading the public realm
19 is a core objective that the steering committee and
20 the Administration share. Each of the mechanisms
21 that allow sites to achieve a proposed maximum FAR
22 also contributes to improvements to the pedestrian
23 realm and the transit network. A public realm
24 improvement concept plan was developed that is
25 designed to evolve in order to address needs as

development occurs over the coming decade and to incorporate new ideas and opportunities. The proposed zoning text provides parameters for those improvements to ensure that they attain goals such as providing additional open space, and improvement circulation in the area. The concept plan includes both above grade and below grade improvements. With respect to the transit improvements, each improvement will be assigned a floor area value comparable to the project's scope and public benefits. These projects, the completion of the transit improvements will be tied to a building certificate of occupancy. We have three classes of project types each with a set amount of floor area that can be achieved. Type 1 improvements are assigned 40,000 square feet of floor area and they may include things such as new station entrances, ADA access or a small scale widening of stairs. Type 2 improvements can run up to 80,000 and they include escalators, ADA access to multiple levels and numerous widened stairs, and the third category, Type 3 are assigned 120,000 square feet of floor area and include significant station overhaul and major improvements to station capacity.

1 With respect to the at-grade pedestrian
2 realm improvements, there will be a suite of public
3 realm improvements that are included in the Concept
4 Plan. These types include plazas and median
5 widening, shared streets and thoroughfare
6 improvements. Both the MTA and DOT, my counterparts
7 at-at these other agencies will provide additional
8 details regarding these improvements following my
9 presentation. Next. The funds. A Public Realm
10 Improvement Fund will be generated through
11 contributions associated with the landmark TDR sales
12 and the redevelopment of overbuilt floor area. The
13 funds can be utilized for capital projects identified
14 by DOT and MTA. Although it's expected that the
15 majority of the MTA projects will be completed by
16 development that occurs in the Transit Improvement
17 Zones. The funds will be separate from the city's
18 General Fund. A governing group made up of 11
19 members will be created to oversee the Concept Plan
20 and they will administer the funds. That group will
21 consist of mayoral appointees, representatives from
22 Community Boards 5 and 6, the Manhattan Borough
23 President, and the Council Member from District 4.
24 The governing group will have the ability to amend,
25

2 add or remove projects on the Concept Plan and to
3 prioritize the funding of projects.

4 In line with recommendations from the
5 steering committee, the city is proposing a minimum
6 contribution amount to ensure an appropriate minimum
7 level of investment in the public realm. As I noted
8 earlier, that minimum contribution amount is \$78.60.
9 The minimum contribution amount was computed as the
10 TDR value of the quartile of the most recent land
11 sales in Midtown East and West. The lowest quartile
12 was used rather than the average to account for
13 variability of TDR value across the subdistrict's
14 submarket. I want to stress that this is not a—a
15 floor price as—as somehow sometimes been mis—mis—
16 miscalled. This is a minimum contribution for the
17 Public Real Improvement Fund. The city would not be
18 involved in the private transaction between the
19 developer of the qualifying site and the landmark
20 owner. Okay, so next we will turn to MTA and DOT to
21 hear more about the Transit Network Improvement and
22 the Public Real Improvement Fund. (sic)

23 FREDERICA QUINTA: Good morning or
24 afternoon. So, it's been my pleasure really to work
25 with my colleagues here but particularly with the

1 Steering Committee and everybody who participated in
2 that, and the Council Member and the Borough
3 President on this proposal. The proposal will
4 contribute significantly to the areas of transit
5 infrastructure and ensure that as the area is
6 changing so, too, will the stations that serve it.
7 The projects that are included in this proposal
8 really are a strategic plan to improve the
9 circulation in these heavily stations. In developing
10 the plan, we applied the following principles:

12 First, identified the stations that have
13 a significant number of people coming into East
14 Midtown; relieve key congestion points by using two
15 main approaches. (1) Widen stairs or escalators to
16 increase travel lanes up and down these stairs.
17 Thereby, increasing capacity. Or another approach
18 his to create an entirely new path of travel which
19 could be a new stair (sic) of a platform or a new
20 station entrance while still looking to provide ADA
21 access to these stations making it easier for all
22 riders to use the transit, and then place making
23 where it can improve riders' ability to navigate the
24 space, and improve their environment. So, station
25 eligibility we identified key stations both within

1 the district and just outside as having a significant
2 number of riders who make their way in and out of
3 East Midtown. These six stations serve 13 transit
4 lines and many people who come from all over the city
5 who work in East Midtown. So, workers who live in
6 West Harlem or Southern Brooklyn or Astoria might use
7 these stations just outside of East Midtown to get to
8 work. So, here's a summary of the improvements. We
9 have four new entrances at four stations. These
10 entrances provide really this new path of travel way
11 of addressing capacity. So, for example, one project
12 is a new entrance at the south end of the north bound
13 Lexington local platform. So, currently you have
14 people as sitting from the back of that train have to
15 make their way to the exit at 51st Street. By
16 creating a new entrance or exit at 50th Street many
17 of these customers will be able to leave the station
18 and in this case the platform that much faster, and
19 more efficiently. We're also getting—proposing 12
20 wider platform stairs within four stations, six new
21 stairs within four stations, and new and wider
22 escalators. So, what these projects do is mainly
23 help people get off the platform faster by adding
24 another pedestrian lane or putting a stair in a new
25

1 location. So, for example, at Rockefeller Center
2 we're widening several—seven platform stairs and
3 adding new ones at 53rd and Lex a single escalator—
4 lane escalator will be widened to a double lane. I
5 have nine new ADA elevators at three stations, which
6 will complete the ADA accessibility at the six
7 Midtown Station—East Midtown Station, and we'll also
8 complete the renovation at Lexington Mezzanine. So,
9 those are the projects that are included in the East
10 Midtown Proposal.
11

12 ED PINCAR: Good afternoon. My name is
13 Ed Pincar and I'm DOT's Manhattan Deputy Borough
14 Commissioner. We were—my colleagues and I were also
15 pleased to work with our sister agencies, the
16 steering committee and, of course, community
17 stakeholder to develop a robust and exciting concept
18 plan for public realm improvements in Greater East
19 Midtown. Our guiding principles starts as always
20 with enhancing safety. That remains the agency's
21 core mission and is consistent with Mayor de Blasio's
22 Vision Zero program. We also seek to balance
23 vehicular mobility and pedestrian circulation
24 improvements as well as the curbside needs of local
25 businesses, property owners and workers who access

1 the area each and every day. Understanding the
2 community's great desire for additional public
3 spaces, we wanted to think innovatively about what we
4 are able to do with the limited streetscape that
5 exists. We have developed a series of proposals that
6 would create over 300,000 square feet of enhancements
7 within the right-of-way. The first bucket of
8 improvements would be thoroughfare improvements on
9 the main avenues as well as 53rd Street. These
10 treats—treatments will include expanded sidewalks and
11 bus folds at targeted key intersections to achieve
12 two goals. Firstly, we would create additional
13 pedestrian space to improve circulation throughout
14 the neighborhood. We would also, of course, enhance
15 pedestrian safety by shortening crossing distances.
16 Again, this is consistent with what we are doing
17 elsewhere throughout the city. We have also
18 identified 53rd Street as a potential corridor
19 improvement looking at such enhancements as benches,
20 street seats and possibly even plantings. Next
21 slide. When thinking about public spaces, the first
22 step was to consider how to expand and continue our
23 award winning and much beloved Plaza Program. We see
24 opportunities for additional plazas within the area
25

2 to create vibrant pedestrian spaces by adding
3 seating, plantings and even programmed activities.
4 Yet, we also recognize that East Midtown needs
5 streets to remain open, which is why we are pursuing
6 a new frontier of public space improvements call
7 shared streets. Now, our first shared street in
8 Manhattan is currently being implemented down in
9 Flatiron, but we see the potential for additional
10 shared streets in greater East Midtown, which would
11 allow for pedestrian seating and other areas
12 throughout the day, more walking space while also
13 meeting the needs and demands of local property
14 owners. [pause] Let me just speak to the process,
15 which is very important for the agency. As
16 development occurs, funding will be made-made
17 available to the governing group, which will select
18 which projects to move forward with. DOT will, of
19 course, work closely with the community and local
20 stakeholders as well as with maintenance partners,
21 but to design a responsive proposal that balances the
22 needs of all stakeholder. As is our standard
23 process, we will also continue to go through the
24 community board after conducting those public
25 workshops. [coughing] Now, we understand. Next

1 slide. Oh, that's up. We understand the community's
2 great desire to see certain improvements implemented
3 as quickly as possible, and that is why even before
4 development begins, DO-DOT will pursue certain
5 improvements with interim treatments at key locations
6 that we think will help bring some needed relief and
7 additional vibrancy today. The corridors that we are
8 targeting are 53rd Street for some potential corridor
9 enhancements, a potential plaza at Pershing Square
10 East, some traffic reconfiguration and safety
11 upgrades along Park Avenue, and an exciting new
12 shared street pilot somewhere within the community.
13 With that, I'll turn it back to Edith.

14 EDITH HSU CHEN: Thank you, Ed. Thank
15 you Frederica. There—again as we wrap up
16 representation, we'd like to again especially thank
17 Council Member Dan Garodnick, Borough President Gale
18 Brewer and the East Midtown Steering Committee for
19 laying the foundation for proposal that will help
20 maintain East Midtown—East Midtown's—the Central
21 Business District. We have been faithful to the
22 spirit of the recommendations if not so much to the
23 letter of the recommendations. We are very happy to
24 take your questions. Thank you.
25

2 CHAIRPERSON RICHARDS: Than you all for
3 your thoughtfulness and—and hard work over what seems
4 like years now, and—and certainly I—I think a lot of
5 kudos goes to certainly Council Member Dan Garodnick
6 and Manhattan Borough President Gale Brewer for their
7 work in the Steering Committee for getting this—
8 moving this so far and put their thoughtfulness
9 ensuring that they can get the best deal for this
10 plan. I want to start. So, what's so different from
11 this plan than the prior plan?

12 EDITH HSU CHEN: The main different was
13 that this—this—it is the Council Proposal, this 2017
14 version—

15 CHAIRPERSON RICHARDS: Speak into your
16 mic. Just so we can hear.

17 EDITH HSU CHEN: Excuse me. Thank you.
18 It was started. It was—it's based on a stakeholder,
19 a community steering committee's recommendations.
20 So, the administration we looked to the steering
21 committee, which our Council Member Garodnick had
22 mentioned included a wide range of stakeholders. We
23 looked to them to articulate to us what they believe
24 the best planning and development framework would be
25

2 for East Midtown. So, we got the input from the
3 community first as the means of funds.

4 CHAIRPERSON RICHARDS: So would this
5 Steering Committee say they are totally satisfied
6 withal of the recommendations? I mean how closely
7 are you aligned with all of the recommendations that
8 they put forth?

9 EDITH HSU CHEN: I think we are—we are
10 very closely aligned, and I believe Council Member
11 Garodnick noted a few items for which he would like
12 to have continued discussions and, of course, we are
13 very happy to have those continuing discussion, but,
14 again, the steering committee's recommendations was
15 the foundation, was the incredibly strong basis for
16 our proposal.

17 CHAIRPERSON RICHARDS: Yeah, and
18 obviously anything to do with transit upgrades in
19 these days where we are seeing our public
20 transportation system falling apart literally before
21 I have said it's a great thing. With that same, you
22 know, being said, I just want to move into public
23 realm improvements quick. So, the steering committee
24 did recommend between 20 and 40% contribution being
25 made at the sales price, and I think your

2 recommendation cites an exchange of 20% of the value
3 of transfer rights to be put into the Public Realm
4 Fund. So, can you speak a little bit to that and
5 how did you arrive at 20% and why not 25 or 30%?

6 EDITH HSU CHEN: Sure. We believe that
7 20% is the absolute right amount. It's carefully
8 balanced.

9 CHAIRPERSON RICHARDS: You said it's 20
10 or 50?

11 FREDERICA QUINTA: Twenty percent.

12 CHAIRPERSON RICHARDS: Twenty. Okay.

13 EDITH HSU CHEN: Fifty is the right
14 amount because it is substantial enough to fund and
15 facilitated the Public Realm Improvements that are
16 commensurate with the proposed density increases, but
17 it's not so high as to disincentivize future
18 development. So, we need to make sure that, you
19 know, we see some transactions, and we think the 20%
20 is—is really—is really the appropriate amount in
21 order to do that.

22 CHAIRPERSON RICHARDS: Right, and I won't
23 get too much in the floor price. I'll leave a little
24 more of that for Council Member Garodnick but, you
25 know, you did say something key just now, stifling

2 development and there has been some concerns around
3 the floor pricing, a little bit more. So, I'm
4 interested in hearing a few of your thoughts on that.
5 There's sort of been some discrepancies around how
6 you got to 393 and—and, you know. So, can you speak
7 to—and—and is there flexibility in that—in that
8 number?

9 EDITH HSU CHEN: Sure, of course, I do
10 want to reiterate that we are not establishing a for-
11 floor price for the landmark TDR value. That is
12 going—that's a private transaction between the
13 landmark owners and the developer of the qualifying
14 site. So, they would themselves determine what that
15 proper, you know, square footage dollar value is.
16 What we are requiring through our proposal is—is the
17 minimum contribution. What is the minimum
18 contribution that the developer must put into the
19 public real improvement fund, and we established that
20 number to be \$78.60, which reflects 20% of the—the
21 lowest quartile of the last land transactions in the
22 Midtown area, East and West Midtown. We are using
23 the lowest quartile again because we recognize that
24 the East Midtown area has many submarkets. So, we-
25 we're—we want to make—we want to make sure that we're

2 not overcharging, but we want to make sure that we
3 get an appropriate minimum contribution enough to-to-
4 for the investment in the public realm. The public,
5 yeah, we did, you know, the public deserves a great
6 public realm in East Midtown. We all deserve that.
7 It's good for the property owners. It's good for the
8 public, and we want to ensure that this an
9 appropriate minimum level of investment in the public
10 real in East Midtown.

11 CHAIRPERSON RICHARDS: I will let Council
12 Member Garodnick get a little bit more into that, but
13 I think, you know, we need to have a lot more
14 conversations around-- I know you're saying it's not
15 a floor price, but it looks like a floor price, it
16 smells like a floor price, and we should have some
17 more conversation around that. I'm going to hop back
18 into the Public Realm Improvement Fund. Can you
19 give--speak a little bit to the process. So, of the-
20 of the-of the fund, and what will that process look
21 like?

22 EDITH HSU CHEN: [interposing] Of how the
23 funds are administered?

24

25

2 CHAIRPERSON RICHARDS: How will we
3 monitor it? How will we ensure that the public is
4 aware of what's going on with it at all times.

5 EDITH HSU CHEN: Sure. The zoning
6 establishes as governing group, which at the
7 beginning of--of the ULURP process started out a nine-
8 member group, but through our--through the ULURP we
9 got public input, and we increased the membership to
10 eleven. So, we added--based on the community
11 recommendation, we added a representative from a
12 local civics group, and we also added another mayoral
13 representative. It is a mayoral--a mayoral majority
14 governing group. We are deferring to the governing
15 group to develop its own dialogue. This is a very
16 normal practice when you have let something--

17 CHAIRPERSON RICHARDS: [interposing] Sort
18 of what is used for the form like a 501(c)(3) or what
19 is the governing sort of managing structure on it.

20 EDITH HSU CHEN: Well, I would say
21 technically it would lead to need to file as a--as a
22 non-profit. They would establish their own
23 dialogues, but what we did include also during ULURP
24 is that these meetings would be subject to the New
25 York State Open Meeting Laws. So there would be, you

2 know, public access and transparency in these
3 meetings, but again, the specifics of how often they
4 meet and the process by which they would prioritize
5 improvements, and allocate the fund assistance
6 improvement. The--the best--the specifics of--of their
7 actions we--we defer to the governing group to
8 development into some action.

9 CHAIRPERSON RICHARDS: [interposing] So
10 you're not going to provide any framework for them or
11 have a--

12 EDITH HSU CHEN: [interposing] The
13 framework that they are responsible--

14 CHAIRPERSON RICHARDS: [interposing]
15 Okay.

16 EDITH HSU CHEN: --for the Concept Plan.
17 They're responsible for including new improvements.
18 If new improvements are necessary, they're
19 responsible for--you know, for retiring improvements
20 that are no longer necessary, or improvements that
21 have already been built, and they're responsible for
22 prioritizing the improvements that they do have.
23 Our--our proposal does establish a number of
24 responsibilities for them but that their day-to-day
25 actions and--and how they would carry out the

2 responsibilities again we defer to them to develop
3 their own.

4 CHAIRPERSON RICHARDS: And how much money
5 do you anticipate in the first year or over a five
6 years period?

7 EDITH HSU CHEN: It's hard to say over
8 the first year or five years, and our proposal is a
9 long-term plan. So, it's—we expect our plan to be,
10 you know, fulfilled over decades, and it depends on
11 how many buildings are—are constructed. We—in our
12 environmental review we estimated up to 16 new
13 buildings. We anticipate, you know, hundreds of
14 millions of dollars. We don't have a specific amount
15 because again this—it will depend on how big these
16 buildings, but we expect hundreds of millions of
17 dollars to go into this fund, and again--

18 CHAIRPERSON RICHARDS: [interposing] So,
19 \$100 million, \$200 million or---?

20 EDITH HSU CHEN: Upwards.

21 CHAIRPERSON RICHARDS: Upwards.

22 EDITH HSU CHEN: Upwards yes, and I do
23 want to stress that this is money that, you know,
24 that the city and the MTA does not exist in any
25 capital budget. This, you know, there is no—there

2 are no new taxes being created for this proposal.

3 There is--this money is coming from, you know, value
4 capture from--from this zoning proposal.

5 CHAIRPERSON RICHARDS: And MTA, can you
6 speak to, so someone does a transaction, money goes
7 into the fund, what is the timeline in ensuring this
8 money is spent efficiently and--and as soon as
9 possible. So, can you speak to it? So, you
10 obviously propose a great number of projects?

11 FREDERICA QUINTA: So--so--

12 CHAIRPERSON RICHARDS: [interposing] So,
13 what would that look like?

14 FREDERICA QUINTA: So, I think we
15 anticipate that the primary way that transit
16 improvements occur is through the developer actually
17 constructing those improvements not through the
18 contributions to the fund. So, if a building is
19 redeveloped in one of the areas that it's the Transit
20 Improvement Zone, they would be picked or assigned if
21 there's a mechanism for prioritizing improvement
22 based on their location and--and--and what is remaining
23 to be done in closet station, and then they would do
24 that improvement along with the construction of their

2 building. So, by the time the building is done the
3 improvement is in place.

4 CHAIRPERSON RICHARDS: Okay, I'm going to
5 go to Council man Garodnick. I will come back for a
6 second round in respect to all of the great work that
7 you've done on this project.

8 COUNCIL MEMBER GARODNICK: Well, thank
9 you very much, Mr. Chairman again. So, we've
10 dispensed with the pleasantries. So, let's get into
11 the subject. [laughter] The—in the process of
12 updating the zoning across East Midtown, as you
13 described it, every development site has to earn its
14 FAR either by purchasing it from a landmark or making
15 transit improvements. There is one exception to that
16 rule as proposed, and that is the Pfizer site where
17 the proposal in front of us increases their FAR from
18 a 10 to 15 without any requirements, and then allows
19 it to go up to 21.6 under the Earned FAR framework.
20 My question for you is why is this block getting an
21 extra 5 FAR right off the bat without making any
22 contributions to the Public Real Improvement Fund?
23 What is the public benefit for doing that?

24 EDITH HSU CHEN: The planning rationale
25 for—for doing the rezoning for that block is that—

2 that block should have been included in Midtown
3 decades ago. It—the Pfizer Block is in a 10 FAR
4 district today. The Pfizer Block we're proposing to
5 move into a 15 FAR district. The Pfizer Block is
6 actually greater than 15 FAR. So, even if we bring
7 into the special Midtown District it is still even
8 slight above—above Midtown—Midtown Regs. You know,
9 the site is at 42nd Street and Second Avenue. It is,
10 you know, a major intersection n Midtown. It is—we
11 all know this block to be, you know, a home to a, you
12 know, it's the international headquarters site. So,
13 our basis for including it is that it is—it is
14 absolutely a Midtown Block based on its size, bulk,
15 use and character.

16 COUNCIL MEMBER GARODNICK: So, I—I—I see
17 the planning rationale that you're describing that
18 perhaps the buildings immediately to the west
19 themselves existed in the rezoning that—that predates
20 us here, but the question that I still have is well
21 it hadn't been updated and it hadn't been included,
22 and it still sits there at 10 FAR, and—and maybe it
23 should be able to go up 21.6, but shouldn't they have
24 to earn their way up to 21.6 from 10 as opposed to
25 15.

2 EDITH HSU CHEN: We believe that they
3 should be earning their way from 15 because this
4 should be a 15 FAR district.

5 COUNCIL MEMBER GARODNICK: Okay. I'm not
6 sure I agree with that, but that will be a subject
7 for further conversation. Let's talk about the
8 minimum contribution. [coughs] As you noted and the
9 chair noted, one of the issues that's taken up the
10 most amount of-of public discussion here is about
11 whether there should be a minimum contribution into
12 the fund, which would be used to help finance the
13 public realm and transit improvement projects. At
14 the outset, we heard a couple of different arguments
15 from the Administration as to why a minimum
16 contribution was a good idea. One of the arguments
17 was that there was a concern that perhaps people
18 would maybe gain the system and find a way to pay
19 less in that transfer than the true value of the
20 development rights that they were either buying or
21 selling and, therefore, the public would be denied
22 their fair share, our fair share, and the other
23 argument, the one that I-I-I think that I heard you
24 make in response to Chair Richards was that a minimum
25 contribution would help ensure a stream of revenue

2 into the fund. So, on the first point we have not
3 yet seen any examples of gaming the system on the air
4 rights transfers, but I'm going to ask you about that
5 in a second, but—and—and on the second point, we
6 want—all want to make sure that there is a minimum
7 amount of contribution to the public fund here. I
8 mean that's—that's really one of the most exciting
9 elements of all of this. The question is how—how do
10 we get there, and—and if we set a dollar amount that
11 might actually stifle the development that might be
12 necessary for us to have any money in that fund, it
13 raises—it raises and issue. So, let's—let's talk
14 first about the rationale. If—if the fraud rationale
15 is no longer the rationale, then we can dispense with
16 that right away. We don't have to correct for it.

17 EDITH HSU CHEN: Okay.

18 COUNCIL MEMBER GARODNICK: Is it—is it
19 the administration's concern that there might be
20 gaming of air rights here, and that is the reason why
21 we would need to set a minimum contribution?

22 EDITH HSU CHEN: Our—our main reason, our
23 primary reason is that we just want to assure we get
24 the appropriate minimum level of investment in the
25 public realm, and that is, you know, it could be

2 related to your other point about quote/unquote
3 gaming the system. It's—there are many, many
4 legitimate ways to structure deals for real estate
5 transactions, and you know, not all real estate
6 transactions, you know, necessarily are all cash
7 transactions. Time could be an element. There could
8 be delayed payments. There could be payments in the
9 future. There could be a trade of physical assets.
10 These are all very legitimate ways to have real
11 estate transactions. So, we just want to ensure that
12 the public realm, you know, that the public gets its
13 appropriate contribution because of these deals may
14 not be all straight cash transactions. The fares are
15 legitimate, but again, we just want to make sure we
16 get the appropriate amount into the fund.

17 COUNCIL MEMBER GARODNICK: Okay, so on—on
18 the first point that there may be different component
19 parts for a transaction. If somebody today were to
20 structure a transaction so as to either avoid the tax
21 share and to avoid their necessary taxes, they would
22 be committing fraud, and there were be criminal
23 penalties if they were to do that. So, the—the—the
24 issue as I see is if we're worried about that well
25 then maybe we should find ways to deal with that

2 potential problem although I have not in my research
3 here seen any evidence of those sorts of transactions
4 that you're describing. Have—have you seen any
5 evidence of—of those sorts of structured transactions
6 to avoid minimum payments in air rights transfers?

7 EDITH HSU CHEN: Again, I want to stress
8 that I—I am not saying that these are fraudulent
9 transactions. I think there are very legitimate ways
10 to structure real estate deals. I'm not the expert
11 on this subject, and actually perhaps our General
12 Counsel should take this question. She'll answer it.
13 Thank you.

14 ANITA LAREMONT: I—I would just add to
15 what you were saying that we're not talking about
16 ways in which people are purposefully trying to
17 minimize the amount that is reflected as a payment
18 for air rights. What we are talking about the whole
19 universe of transactions that we can't—we can't even
20 contemplate all those permutations that would
21 actually be possible where people are engaged in a
22 broad framework of transactions that the air rights
23 is only one aspect of. So, possibly there is for
24 example participation the development of another
25 site. That you take the whole of that, and then the—

1 the air rights transaction itself becomes priced at a
2 lower point because at the end of the development
3 you're going to share in profits. That's not
4 fraudulent. That's not inappropriate. People are
5 totally entitled to do that, but we feel that if one
6 does that, that the Public Realm Improvements here
7 should actually be able to realize a sort of
8 consistent and appropriate apples to apples amount
9 for the Public Realm Improvements in the context of
10 that air rights transaction. So that's a--

12 COUNCIL MEMBER GARODNICK: [interposing]
13 So, look, I-I hear your point. Of course, if
14 somebody did engage in different sort of transfers,
15 investments, property-I mean the example I gave in
16 one of our past hearings was a joint-a joint venture
17 at Kentucky Fried Chicken in Reno, Nevada, which we
18 might not, you know, readily-readily see. If you are
19 doing that as part of the-the deal, though, which
20 involves an air rights transfer, it is something
21 which is required to be reported as part of your
22 obligation to the city. So, if you are not reporting
23 it, and if the value is not being captured, then you
24 are doing something which breaks the law. Isn't that
25 correct?

2 ANITA LAREMONT: I-I can't speak to
3 whether or not that's breaking the law. I can simply
4 say that there are many types of transactions that
5 one could participate in where you would not
6 necessarily be breaking the law because the value of
7 the air rights in a transaction were not--was not the
8 fair market value that a--a party next door might pay
9 for them.

10 COUNCIL MEMBER GARODNICK: Okay, well, I--
11 I can't disagree that there are a lot of ways that to
12 structure transactions, but is there any example of
13 that that City Planning has of this particular
14 problem--

15 ANITA LAREMONT: [interposing] [off mic]
16 We don't have--

17 COUNCIL MEMBER GARODNICK: --that you're--
18 that you're seeking to address here?

19 ANITA LAREMONT: Well, we don't have a
20 firm example. We're simply trying to account for any
21 possibility that could arise here so that we assure
22 an even and minimum amount of--of payments here for
23 these--for the minimum contributions.

24 COUNCIL MEMBER GARODNICK: Okay. So,
25 let's talk about that because in 2013, City Planning

2 set the dollar amount for development rights in East
3 Midtown at \$250 a square foot. Now City Planning is
4 saying that the bottom end of the market is \$393 a
5 square foot. Have development rights in—really
6 increased in value by about 50% in the last four
7 years? How do we—how do we explain that discrepancy?

8 EDITH HSU CHEN: You know, we had a
9 market study under Jenkin by an excellent appraisal
10 company. There are—there are certainly several—a
11 handful in the city, and we're—we're—we've done our
12 due diligence. They've done their due diligence.
13 We've checked the work. We have reviewed other
14 similar market studies. They have used assumptions
15 are that—are—are in line with other appraisal firms
16 in terms of determining TDR Value. So, we—we feel
17 very comfortable with the—the number that was
18 produced by Landauer Value and Appraisals.

19 COUNCIL MEMBER GARODNICK: And did
20 Landauer do the study for City Planning Back in—

21 EDITH HSU CHEN: Yes.

22 COUNCIL MEMBER GARODNICK: --2013?

23 EDITH HSU CHEN: That's correct.

24 COUNCIL MEMBER GARODNICK: Did they
25 address the basis for why they believe the value of

2 air rights was supposedly up by 50% in such a short
3 period of time?

4 EDITH HSU CHEN: No-no that was not
5 part of the scope of their work intis proposals in
6 our contract with them. We did not ask them to
7 compare and-and discuss differences between the two.

8 COUNCIL MEMBER GARODNICK: I would-I
9 would--

10 EDITH HSU CHEN: The-the State Study is
11 based on-on-on the scope with flooding (sic) today.

12 COUNCIL MEMBER GARODNICK: I would note
13 that there is nothing short of a \$200 difference
14 between the appraisal that was commissioned by the
15 Department of City Planning, and the one that was
16 commissioned by the Real Estate Board for the same
17 air rights. So, they say the air rights are \$178 a
18 square foot, and you guys the value is \$393 a square
19 foot. I mean it really raises the question as to how
20 professional appraisers to come to such wildly
21 different conclusions. It certainly does not aid
22 this committee and this council in making a
23 determination about setting a precise dollar amount.
24 So, let me ask about the-I'm not going to call it the
25 floor. I'm going to call it the minimum-minimum

2 contribution. Doesn't—doesn't having a minimum
3 contribution actually punish developers who are
4 transacting during a recession when development
5 rights may actually be worth less. For example if
6 development rights are worth let's say \$200 a foot
7 during recession not \$393 if we accept your math.
8 Then the minimum contribution at \$78.60 would be
9 closer to about 50% of the—the value of the
10 development rights. It seems like nobody would want
11 to transact in that environment, and also it seems
12 like we might want to be encouraging those
13 transactions at a moment in New York City's history
14 when the air rights are coming down in value.

15 EDITH HSU CHEN: That's the concerns that
16 we're very sensitive to as well, which is why we are
17 requiring a revisit of the minimum contribution
18 amount every three to five years. We're required to
19 revisit that contribution amount and, in fact, if
20 someone would like to have that minimum contribution
21 amount looked at even sooner than that, we—our zoning
22 does allow for that. So, within a, for example, a
23 year's time a developer could say I would like to
24 have that market—the—the—the land value be assessed,
25 and we could—we could absolutely do that. That's

2 already written into our zoning, and also another
3 point I wanted to make is that again we faced the--the
4 393 is the lower quartile of our recent land--land
5 transactions in the past decade. So, we are account
6 for, you know, a wide variety of markets within East
7 Midtown including the--the lower performing markets.

8 COUNCIL MEMBER GARODNICK: Now, there
9 were not a lot of precedence here, of course, in the
10 area of East Midtown because not--

11 EDITH HSU CHEN: [interposing] Correct.

12 COUNCIL MEMBER GARODNICK: --not a whole
13 lot has happened.

14 EDITH HSU CHEN: Right.

15 COUNCIL MEMBER GARODNICK: The is not the
16 ability to do air rights transfers in the same way.
17 The geographic area that you all studied to come up--
18 you appraisal studied to come up with that \$393 a
19 square foot was East River, the Hudson River from was
20 it 14th to 59th Street?

21 EDITH HSU CHEN: I think it is. I
22 believe so. You.

23 ED PINCAR: And actually it was--it was
24 already down to the tip of Manhattan up to 59th.

25 COUNCIL MEMBER GARODNICK: So--

2 ED PINCAR: [interposing] We used all of
3 those transactions, but the market study did cover
4 all of that area.

5 COUNCIL MEMBER GARODNICK: Okay, so, how
6 do you—how—how would you advise us to reconcile the
7 difference between the appraisal that you all
8 presented to us and the ones that the real estate
9 world presented to us. How—how—how are we supposed
10 to reconcile those—those wildly divergent numbers?

11 EDITH HSU CHEN: Well, I believe there
12 were—there are also intermediate numbers in there.
13 You know, there isn't—you know, I would be foolish to
14 say that there's only one number out there and, you
15 know, that I would fall on my sword for one number.
16 There is, you know, there—different appraisal firms
17 do use slightly different methodologies. We feel
18 very, very comfortable with—with the market study
19 that was undertaken by Landauer. Again, they did due
20 diligence and we did ours, and the—a number—and they
21 used assumptions in assessing TDR values that we have
22 seen in many other of these studies, the sponsored
23 studies.

24 ANITA LAREMONT: I would suggest that
25 maybe it would be helpful if Bob very briefly—

2 CHAIRPERSON RICHARDS: Talk into your
3 mic.

4 ANITA LAREMONT: --talked about the
5 difference between the two methodologies because then
6 you will decide which one you think is appropriate.

7 BOB TUTTLE: So, the methodology--what
8 Landauer did and other appraisal firms that were used
9 through this process, they used an adjustment to 2015
10 dollars. It is within that adjustment ratio that we
11 see the difference between the different--the
12 variability of the different appraisals. Some came
13 out very low as the one that you suggested, and then
14 ours came out at a higher level. So, what we did
15 during the public review process is look at other
16 appraisals that we've done over the last couple of
17 years to see how they indexed. Meaning if a
18 transaction happened in 2005 how they moved that
19 value to 2015 dollars. What we found was Landauer's
20 adjustment fell in the middle of that group, and with
21 the appraisal that you are referencing fell at the
22 bottom for that group. So that make us more
23 confident that the work that Landauer did was in the--
24 in the realm of--correct.

2 COUNCIL MEMBER GARODNICK: If-if we were
3 looking to, as we all are, to best ensure public
4 support in the context of air rights transfers,
5 wouldn't we be better just to increase the percentage
6 from 20 to 25, 30, 27, 23? Whatever the number is
7 because isn't that the way that the public is
8 actually getting its protection here? Twenty
9 percent, twenty-five percent of the air rights
10 transfer is going into the full fund full stop. Why-
11 why do we actually need to take this next step? Why
12 is defining the number so critical or so-so additive
13 in certainty that the public gets what it needs here?
14 It seems to me that it only might inhibit transactions
15 as opposed to guaranteeing the public anything.

16 BOB TUTTLE: I-I would say the-the 20% we
17 believe if all of the transactions were cash and they
18 weren't complex and they're very easy to track, the
19 20% would provide the investment, but what we've been
20 saying here today is that we believe that there are
21 many complex ways, and we think that an
22 administrative tool that allows us to capture the
23 true value of development rights is in the best
24 interest of the public.

2 EDITH HSU CHEN: One of the most
3 important principles that came from the Steering
4 Committee, and which we fully agree with is that this
5 should be an as-of-right process that will allow for
6 efficient and more timely redevelopments in East
7 Midtown. So, I think predictability such as a set
8 minimum contribution amount is a very—one of the very
9 important factors in making sure that things move
10 along swiftly here. Efficiently.

11 COUNCIL MEMBER GARODNICK: Unless, of
12 course, it—it creates a disincentive for things to
13 happen, but we'll—we'll put that aside for—for the
14 moment. I think we've covered this area
15 sufficiently. Let's about the public improvement—
16 Public Real Improvement Fund. So, the Department of
17 Transportation identified a variety of improvements
18 as potential public space projects. If—if we were
19 to fund all of them, how much would that cost?

20 [pause]

21 ED PINCAR: Council Member, as Edith
22 mentioned, I think a lot of that depends on when the
23 projects will be developed over—you know, at what
24 point in time. So, I don't have an exact number for
25 you, but it is going to be, you know, five years from

2 now would be—the cost estimate is going to be
3 different from 15 that it is now. (sic)

4 COUNCIL MEMBER GARODNICK: Well, let's—
5 let's say, and I recognize you may not have it at
6 this moment, but for today if we were to do it, I
7 mean this is something, which we—we want to have a
8 sense of for everything that you've proposed, you
9 know, in today's dollars if we were effectuate it
10 today, what—what are we talking about here, and—and
11 again, if you—if you can't answer it now I would
12 understand, but it is something that we would like to
13 know the answer to.

14 ED PINCAR: I think if I could use
15 Edith's framework from earlier, we're talking about
16 potentially hundreds of millions of dollars. You
17 know, probably more than a 100 and less than another
18 higher thing.

19 COUNCIL MEMBER GARODNICK: Well, has—has
20 DOT actually evaluated the cost of each of the
21 projects that it has proposed?

22 ED PINCAR: I—I do believe we can get you
23 that information.

24 COUNCIL MEMBER GARODNICK: Okay, good.
25 We'd like to have that. The fund that will exist,

2 has city Planning thought about how much money is
3 likely to be delivered to that fund in the course of
4 a year or five years? Have you done an analysis as
5 to--based on the 16 sites you projected will happen
6 over the next I think 20 years, have you done an
7 evaluation of what the funding into that fund would
8 like and by when?

9 ED PINCAR: So, we have not done it year
10 by year, but when we did the analysis for--and then
11 done the review we look at 20-year period, and that's
12 where we get the 16 develop sites. So, if--and those
13 16 development sites exhausts all of the developments
14 rights and complete all of the improvements from MTA.
15 They're on the table at this point. If we look at
16 that and we apply the minimum contribution amount, we
17 end up with-- Well, sorry, MTA handled it by itself.
18 So, the funds then generates about \$300 million. So
19 that--that is really just the \$3.6 million of
20 development rights multiplied by the \$7--\$78.60 and
21 then there is a small amount of overbuilt. So, we've
22 added that in because that would paying them their
23 own contribution.

24 COUNCIL MEMBER GARODNICK: Okay, \$300
25 million, of course not on day one, right.

2 EDITH HSU CHEN: Right.

3 COUNCIL MEMBER GARODNICK: Something
4 needs to happen for any of this—

5 EDITH HSU CHEN: Correct, yes.

6 COUNCIL MEMBER GARODNICK: --to the
7 public, which is to the point about our last—last
8 conversation. So, the—the funds will be held where?
9 Where will this zero ramping up to \$300 million
10 where—where is it going to be held?

11 EDITH HSU CHEN: It's going to be held in
12 a separate—in an account separate from the General
13 Fund. All the monies collected here will go right
14 back into East Midtown. That's a very, very
15 important tenant of this proposal. It would be a
16 city account administered by the—by EDC.

17 COUNCIL MEMBER GARODNICK: And the
18 mechanism that would ensure that these payments are
19 actually going into the Public Improvement Fund of
20 East Midtown as opposed to say being raided for other
21 city needs at some point down the line, what—what is
22 the mechanism to be able to protect those funds, and
23 deliver them back at East Midtown?

24 EDITH HSU CHEN: Well, again, the
25 governing group will allocate the funds, but the

2 funds will be held. It's a--it's a city account that--
3 that, which EDC has oversight, and it can--that money
4 can only be distributed for the governing group's
5 allocation to the East Midtown Public Realm
6 Improvements.

7 COUNCIL MEMBER GARODNICK: Do we define
8 the--I think I heard you say before that it will be up
9 to the governing group to define its bylaws,
10 protocols, et cetera, but it is still a group that
11 has a majority appointed by the Mayor.

12 EDITH HSU CHEN: Yes, correct.

13 COUNCIL MEMBER GARODNICK: Is there
14 anything in the zoning text as proposed that would
15 limit the governing group's decision to let's say
16 move those dollars elsewhere out of East Midtown at a
17 future mayor's instruction.

18 ED PINCAR: Yes, there is.

19 COUNCIL MEMBER GARODNICK: What is that?

20 ED PINCAR: It--the improvements must
21 occur in the subdistrict or immediately adjacent to
22 it, and the--immediately adjacent to it is language
23 that we use throughout the zoning resolution, and it
24 has pretty strict geographical requirements. So, we
25 would expect for instance of 53rd Street that

2 improvement runs from Second Ave to Fifth, but not
3 the tail along the intersection of Second and Fifth
4 and not in the subdistrict, but we would expect that
5 the subject could cover the cost of that full
6 improvement rather than just cutting it off mid-
7 block. That's the reason that we have the adjacency
8 rule, but it is written into zoning, so there--there
9 could be no moving funds elsewhere.

10 COUNCIL MEMBER GARODNICK: Right, unless,
11 of course, the governing group is making its own
12 rules and it allows itself to--to change that, but
13 there may be more.

14 EDITH HSU CHEN: [interposing] But the
15 governing group would not be able to change--

16 COUNCIL MEMBER GARODNICK: [interposing]
17 That's what I want to hear.

18 EDITH HSU CHEN: --the underlying zoning
19 [coughing] that creates that governing group in the
20 first place.

21 COUNCIL MEMBER GARODNICK: And what does
22 that say?

23 EDITH HSU CHEN: The--the zoning says:
24 The funds shall be utilized at the discretion of the
25 public realm and presents a governing group to

2 provide funding to implement improvements to the East
3 Midtown Subdistrict and its immediate vicinity in the
4 Borough of Manhattan. So, that's one of the
5 underlying zoning regulations for the governing
6 group.

7 COUNCIL MEMBER GARODNICK: The--will there
8 be a--a tool for the public to advise them on how much
9 money is fund at any given moment or is that--should
10 we view that as an ordinary budgetary conversation?
11 Like it will come out in the budget process based on
12 oversight, Council or mayor negotiations, et cetera,
13 or was there a more formal process to share with the
14 public how much money is in that fund?

15 EDITH HSU CHEN: Certainly it's a public
16 we wanted to ensure that this body would be maximally
17 transparent, and so we are saying that it needs to
18 apply by the requirements of--of state law for public--
19 for public meetings of public bodies, which requires
20 that it have transparent records in terms of its
21 finances and other things, and so that--we're
22 requiring.

23 COUNCIL MEMBER GARODNICK: And does that
24 include an accounting--

25 EDITH HSU CHEN: Yes.

2 COUNCIL MEMBER GARODNICK: --of what has
3 come in and gone out?

4 EDITH HSU CHEN: An annual accounting.
5 Uh-huh.

6 COUNCIL MEMBER GARODNICK: So, back to
7 DOT for a moment. In the presentation it was noted
8 that there are a few Public Realm Improvements that
9 will be viewed as early action items. They include
10 53rd Street Corridor enhancements. We thank you and
11 your team for walking that areas with me and the
12 Borough President and others to look at potential
13 improvements out there. You've got Pershing Square
14 East Plaza Upgrades. Of course, Pershing Square East
15 is--is already closed to traffic. So, while this is--
16 it's certainly welcomed that we would see
17 improvements there, I don't think the community would
18 view those as additive public space. You have Park
19 Avenue traffic reconfiguration and safety upgrades.
20 Presumably this is the--the painting of lines so as to
21 encourage left turning traffic on the left lane of
22 Park Avenue. Is that correct?

23 ED PINCAR: Correct.

24 COUNCIL MEMBER GARODNICK: So similarly
25 they're not additive public realm space, and then you

2 have Shared Street Pilot Project without further
3 description. Can you say a little bit more about the
4 Shared Street Pilot Project that DOT intends to—to
5 take pilot—I should say pilot project or projects
6 that DOT intends to make in connection with this
7 rezoning?

8 ED PINCAR: Sure I can, but if—if you'll
9 allow me first, I think Pershing Square East will be
10 a bigger impact project than you might consider right
11 now. Because the street is closed, there are no
12 other amenities other than bike share station.
13 Working with local partners to add new seating to add
14 plantings to bring programmed activities to that
15 block is going to really bring it in line with our
16 other plazas throughout the city, and I think it will
17 prove exciting and well received.

18 COUNCIL MEMBER GARODNICK: Got it. Let
19 me just—let me agree that it is—it is good, and
20 exciting, [laughter] but I must disagree on the point
21 that what we are trying to accomplish with early
22 action items by DOT is additive open public space,
23 and that just can't qualify as additive. It may be
24 exciting--

25 ED PINCAR: [interposing] Sure.

2 COUNCIL MEMBER GARODNICK: --but not for
3 this purpose. Anyway, now you can answer that
4 question.

5 ED PINCAR: I--the Shared Street Program
6 is very new and exciting to us. As I mentioned we
7 are working down in Flatiron right now to implement
8 the first Shared Street. We, you know,
9 understanding--lessons learned from that project is
10 that it's complicated and time consuming to identify
11 all of the various means of local property owners,
12 residents, businesses and the like. We want to be
13 faithful to the process that we've established for
14 developing our Plaza Program, and we see the Shared
15 Streets Program as following a very similar path
16 forward. So, we want to be able to have workshops
17 with community members to think about what type of
18 amenities the pedestrians and the workers and
19 residents want while also appreciating and accounting
20 for the types of needs of the local property owners
21 particularly in East Midtown where you do have
22 buildings that get large scale deliveries and have
23 frequent moves--you know moves in the furniture and
24 construction. So, although I can't say one
25 particular street today that we've committed having a

2 pilot for, we are definitely working with partners
3 both inside the city and outside the city to try to
4 figure out what is the right place to try a shared
5 street treatment in Midtown and how do we get it up
6 and running as quickly as possible?

7 COUNCIL MEMBER GARODNICK: So, when I
8 hear workshops, from a community perspective I say
9 well that's great. From a—the perspective of this
10 reasoning plan, I say oh-oh, that sounds like it's
11 very time consuming and we're on a clock now. So, I
12 guess my question for you is by when will DOT be able
13 to tell us the areas in which it intends to pilot
14 shared streets or other public improvements as early
15 action items to go along with this rezoning?

16 ED PINCAR: I think we are definitely
17 working toward having a plan in face by the fall that
18 we're able to share with the community, and point not
19 only to shared streets, but other upgrades that have
20 identified.

21 COUNCIL MEMBER GARODNICK: I should—I
22 should warn you that that's—that's not soon enough
23 because we're going to be voting this plan by the end
24 of next month. So, I—I would encourage you and
25 we've—we've raised this issue the Borough President

2 and I with the Deputy Mayor many, many months ago as
3 a very, very critical point of this rezoning. It's
4 one that our community boards feel very strongly
5 about, and one that we both feel strongly about as
6 well. So, I-I would encourage you to do whatever is
7 necessary to be able to deliver those sorts of
8 improvements and decisions pending, of course, we do
9 want community input before we have the opportunity
10 to vote on this rezoning.

11 ED PINCAR: We understand the importance
12 and the urgency, and we also share your desire to see
13 these types of improvements.

14 COUNCIL MEMBER GARODNICK: Okay, let's
15 move onto third avenue for a moment. The—the Borough
16 President recommended that residential buildings
17 along the east side of Third Avenue be removed from
18 the rezoning. Can you talk a little bit about why
19 the City Planning Commission declined to follow her
20 recommendation and also why the east side of Third
21 Avenue belongs in this proposal at all?

22 EDITH HSU CHEN: I—when you go to Third
23 Avenue, you can see that both sides of the street,
24 the west side and the east side of Third Avenue, it's
25 a high density commercial district. There's simply

1 just no-no question. You can see on some-some of
2 these images here on-on the monitor. There are very
3 tall buildings here, about 250 to almost 600 feet
4 tall. There are very high density buildings 24 FAR
5 buildings here. The is a Business Improvement
6 District that covers both sides of-of Third Avenue
7 and-and beyond and we included Third Avenue based
8 purely on-on-on-on the existing context, and what we
9 see its continued context to be. It is a commercial
10 corridor. There are a few residential buildings on
11 the east side of Third Avenue. They are certainly
12 the small minority, and of the residential buildings
13 that are along the east side of Third Avenue most of
14 them are condominium buildings. So, you know, the
15 fate is in the hands of-of the owners of those condo
16 owners, the fate of those sites.

18 COUNCIL MEMBER GARODNICK: The Turtle Bay
19 Community makes the argument that by including the
20 east side of Third Avenue in the Rezoning Plan that
21 there will be more significant shadow impacts on
22 Turtle Bay. So, I'd like you to address that, and
23 that perhaps City Planning has misprojected-I guess.
24 I don't know if that's a word, but what will be the-

2 the buildings that would likely be developed. So,
3 I'm going to try to rephrase that.

4 EDITH HSU CHEN: Okay.

5 COUNCIL MEMBER GARODNICK: So that you
6 all came up with a list of 16 projected sites. I
7 think only Pfizer and I maybe one other on the east
8 side of Third Avenue. I have heard from members of
9 the Turtle Bay community that they believe that
10 you've misjudged what is likely to be a projected
11 site on the east side of Third Avenue. Can you talk
12 about shadow impacts particularly in that area as a
13 result of this rezoning if it—if it goes forward as
14 you proposed--

15 EDITH HSU CHEN: Sure.

16 COUNCIL MEMBER GARODNICK: --and the way
17 you've gone about doing projections--

18 EDITH HSU CHEN: Sure.

19 COUNCIL MEMBER GARODNICK: --for the 16MV
20 additional buildings as potentials.

21 EDITH HSU CHEN: Sure. Well, we did a
22 very exhaustive environmental review for this
23 proposal as you can imagine, and we found that there
24 are no significant impacts or shadows in this region
25 whatsoever. So, you know, I—I understand that people

2 may not agree with—with all our projects or our
3 assumptions. We do this a lot, and we have no
4 stringent criteria for what constitutes a soft site a
5 development site, a projected or potential site, and
6 again our—our analysis showed that there was no
7 significant impact shadows along for that from Third—
8 from the East Third Avenue Development.

9 COUNCIL MEMBER GARODNICK: Is that just
10 practically speaking? Is that because the shadows
11 already exist and to the extent that a building were
12 to be taller, it would go further but not necessarily
13 additionally casting Turtle Bay into shadows. Is
14 that—is that the reason?

15 EDITH HSU CHEN: That's one scenario and,
16 you know, there's also even in a case of as-of-right
17 development, even as-of-right developments casts—may
18 cast a shadow that may add an increment of—a small
19 increment to existing shadows. There are tall
20 buildings in the area. No question, but there,
21 again, our proposal does not create new significant
22 shadow impacts here.

23 COUNCIL MEMBER GARODNICK: Okay, let's
24 talk about residential conversion--

25 EDITH HSU CHEN: Uh-huh.

2 COUNCIL MEMBER GARODNICK: --for a
3 second. There is an opportunity to do some level of
4 conversion from office space into residential, is
5 that right?

6 EDITH HSU CHEN: That--that allowance
7 exists today, yes.

8 COUNCIL MEMBER GARODNICK: So, if our
9 goal here is to preserve the commercial core of East
10 Midtown, why do we--why should we continue to allow
11 for office buildings to convert to residential?

12 EDITH HSU CHEN: Again, the--the--the
13 allow--the ability to convert a commercial building to
14 a residential or other use does exist today, which I
15 stated earlier. We--we have seen so little conversion
16 activity. In fact, in the last decade we have only
17 seen see one building convert to residential, and
18 that's the Waldorf Astoria, which was built as a
19 hotel, so it's--it already has, you know, kind of
20 bones for a residential building. Most of the
21 buildings in the area, as they were developed
22 commercially, are not--do not lend themselves at all
23 for residential--conversion into residential. So, we
24 just--we don't--we don't have the--we don't have the--the
25 same level of concern at all because of the various

1 scant residential conversion activity here. However,
2 we hear these concerns, and what we did incorporate
3 into our proposal based on these concerns was that we
4 would report back to the community, to the City
5 Council, to the Borough President in five years time
6 about any conversion activity. So, we would do a
7 study and report back to the public at large about
8 the activity here, and actually at the City Planning
9 Commission we did even—we increased that—that
10 commitment. We said that we would actually do
11 another one at three years time. So, we're going to
12 see reports at three years time and five years time
13 to see what kind of residential conversion activity
14 there is in this area, if any.

16 COUNCIL MEMBER GARODNICK: [off mic] I
17 want—[on mic] I want to move to move to one of the
18 more complicated areas of discussion, and those are
19 specifically the—the rules, which dictate the shapes
20 of buildings and how much sky we can see as we walk
21 down the street, or how much a canyon we create. On
22 this issue, the East Midtown Steering Committee had
23 said in order for the new density to be as-of-right,
24 all new development must still adhere to East
25 Midtown's bulk and other regulations that preserve

1 light and air. This proposal, of course,
2 significantly relaxes the rules to make it easier for
3 buildings to go straight up, and with fewer
4 requirements that it—that it be stepped back from,
5 you know, the street as it—as it does go up. Has
6 City Planning done any design studies to show us what
7 it would look like if the buildings that are pro—that
8 are projected development sites are actually built
9 out to give us the understanding of what it feel like
10 on the street as pedestrians if those 16 buildings
11 went up under the relaxed height and setback rules
12 that you have proposed?

14 EDITH HSU CHEN: Sure. First, I'd like
15 to say that we are very proud of the Midtown Height
16 and Setback Bulk Regulations that have been in place
17 since 1982. We—they are—they're highly acclaimed.
18 You know, in fact they're copied in other parts of
19 the world. The Midtown Bulk Regulations has its—its
20 trademark or its, you know, signature thing is that
21 it allows for flexibility while also—it allows for
22 flexibility in design while it also allows for light
23 and air to get to the street. We are very proud of
24 this regulation, and as part of this proposal, we did
25 not want to offend the regulations, we did not want

1 to overhaul. In fact, our goal was to do some
2 minimal tweaking to the Midtown Bulk Regulations. We
3 do have to make modifications to the Bulk Regulations
4 in order to accommodate these—the additional FAR that
5 we are proposing as part of the East Midtown
6 Proposal. So, it is again, very important to do—do
7 some—some loosening on the envelope, but again, our
8 goal is to maintain the—that light and air get down
9 to the street while allowing for flexibility. We did
10 do studies, massing studies, when we were trying to
11 figure out how much we should modify, what degree do
12 we modify these Bulk Regulations, and yet that was
13 the basis even for, you know, when we did an
14 environmental review for example, when we tried to—
15 when we analyzed the potential shadows. You know, we
16 are basing our analysis on—on—on studies of—of the
17 potential modifications, and we arrived again at what
18 we think are very modest modifications to the Bulk
19 Regulations.
20

21 COUNCIL MEMBER GARODNICK: So, forgive me
22 for not necessarily understanding the difference
23 between a massing study and what I described, one
24 where you are able to perceive from the street what
25

2 it will be like if you have one of your 16 buildings
3 built under the rules that were proposed.

4 EDITH HSU CHEN: Sure.

5 BOB TUTTLE: So, as part of the
6 Environmental Review, there's the urban design
7 chapter and that has not only an explanation of the
8 types of design, but it has visuals that show at the
9 street level how this would—how these buildings would
10 interact with the pedestrian realms.

11 COUNCIL MEMBER GARODNICK: Okay, one of
12 the provisions of the zoning also allows building
13 owners that today have a poor height and setback
14 score to keep that score if they rebuild. Why—why
15 would we allow buildings that don't perform well
16 today to keep their poor score? Isn't it our—isn't
17 the goal here to improve the districts overall and
18 also to the extent that we can redesign buildings to
19 add better air and light that we should take that
20 opportunity?

21 EDITH HSU CHEN: I—I wouldn't
22 characterize the scores of these existing buildings
23 as poor necessarily. I think you'd be surprised.
24 Some of—some of the most buildings, and have lower
25 scores or met them than—than—than a—than a—the—the

2 quote/unique "packing grade." But again, what we're
3 trying--what we're--what we're trying to do is we're
4 trying to incentivize redevelopment here. We're
5 trying to remove obstacles to redevelopment and, you
6 know, we are allowing existing buildings to keep
7 their current score because we're not--certainly the
8 situation for light and air is not--wouldn't be worse
9 with the same score. We would be allowing, though,
10 these buildings to be redeveloped by--we would be
11 encouraging these buildings to be redeveloped because
12 they can also keep their interesting score. Much in
13 the way we're allowing these buildings to keep their
14 overbuilt floor area. We've heard a lot from, you
15 know, property owners of these older buildings that
16 they are not at all to--they're not at all inclined to
17 redevelop because they don't want to lose their floor
18 area. They don't want to lose their--their score.
19 So, we are trying--we moving those obstacles.

20 COUNCIL MEMBER GARODNICK: Okay, we're
21 going to--we're going to have to--

22 EDITH HSU CHEN: Okay.

23 COUNCIL MEMBER GARODNICK: -- talk about
24 this one further because first of all, it's quite
25 complicated. So, and I have found myself boggled by

1 the light and air scores in Midtown for the past four
2 years, and there's a reason why they are so
3 technical, but they're very inaccessible, and so we
4 want to make sure that in the—in the weeds of this
5 process that we don't actually lose what we're
6 looking to preserve. Let's talk about the eligible
7 development sites. In—in our Steering Committee
8 Report we—we said that City Planning should calibrate
9 the amount of potential FAR based on the amount of
10 frontage on avenues and wide streets. A building for
11 example that is facing an avenue gets more FAR than
12 one that is on the mid-block, for example. How is
13 our Recommendation B14?

14
15 EDITH HSU CHEN: Okay.

16 COUNCIL MEMBER GARODNICK: But the
17 proposal that City Planning developed allows a site
18 to receive the maximum FAR anywhere from 18 to 27
19 even if it only has a little bit of frontage on a
20 wide street. So, instead of the largest buildings
21 facing the avenue where there's obviously the most
22 light and air and space between them, we—we see a
23 situation where we could have a fair amount of
24 density in the mid-block. Can you help me understand
25

2 why City Planning didn't agree with the Steering
3 Committee's recommendation on this point?

4 EDITH HSU CHEN: We—we actually do agree
5 with the steering committee's principle that more
6 density in the bigger buildings should be on the
7 avenue, which is why we do require some frontage on
8 the avenue. For the as-of-right development, you
9 have to have some frontage on the avenue that's
10 cleared, or if there's a landmark or transit
11 easement, we—we let that—we let that be because we
12 don't want to penalize the—the very good things for
13 the city. The, you know, while FAR we are increasing
14 FAR at the avenues and the mid-blocks. We talked
15 about height and setback regulations earlier. You
16 know, there are height and setback regulations that
17 the new developments must comply with. So, that is
18 one way to help shape the buildings bigger on the
19 avenues and—and—and smaller on—on the mid-block. You
20 had one other question I think.

21 COUNCIL MEMBER GARODNICK: Well, let's—
22 let's talk about that--

23 EDITH HSU CHEN: [interposing] Okay.

24 COUNCIL MEMBER GARODNICK: --that portion
25 of the—the building that's beyond the wide street.

2 EDITH HSU CHEN: Uh-huh.

3 COUNCIL MEMBER GARODNICK: Needs to be on
4 the wide street frontage. How much of a portion of
5 the building needs to actually be on the wide street
6 here to be a qualifying site? Is it—is it just a—can
7 it be any amount of property that's—how much do you
8 need to be on the wide street to be a qualifying site
9 here?

10 EDITH HSU CHEN: There's no minimum
11 linear frontage on—on the avenue. We did not include
12 that in the proposal, but the reality is the Midtown
13 lots are actually quite large. You—you don't see,
14 you know, small townhouses for example in Midtown
15 facing on the avenues. You see larger buildings.
16 So, we expect that you'll get—you'll get a
17 substantial—substantial avenue frontage.

18 COUNCIL MEMBER GARODNICK: But there's no
19 define minimum?

20 EDITH HSU CHEN: There's no defined
21 minimum, correct.

22 COUNCIL MEMBER GARODNICK: Okay. Another
23 question about eligible development sites here.
24 Let's say we have a—a large zoning lot like the
25 Pfizer block.

2 EDITH HSU CHEN: Uh-huh.

3 COUNCIL MEMBER GARODNICK: It's about
4 160,000 square feet, and let's imagine that owners
5 there merge the block into a single zoning lot.
6 Under the proposed zoning, is the amount of transfer
7 that the site can accept? Is it limited to the
8 footprint of the development site, or can a
9 development—a developer transfer based on the overall
10 size of the development lot.

11 EDITH HSU CHEN: It's the zoning lots,
12 but again, the zoning lots—the development must be on
13 clear portions of the zoning lot. So, there are
14 existing buildings on the zoning lot, that's
15 obviously—that's—that's using up some of the floor
16 area allowance on that site.

17 COUNCIL MEMBER GARODNICK: The—the EIS,
18 the purpose of the EIS process is to help inform all
19 of us about potential impacts, but the final
20 Environmental Impact Statement discloses impacts in
21 East Midtown across a variety of—of areas including
22 open space, shadows, historic resources, traffic, you
23 know, a number of intersections like to have a
24 traffic impact, transit, pede—pedestrian circulation.
25 IT goes on and on and on. Can you talk about the

2 specific mitigations that City Planning is proposing
3 to address the impacts here that were identified in
4 the final Environmental Impact Statement?

5 BOB TUTTLE: So, we did identify shadow
6 impacts on Saint Bart's. We looked at mitigation
7 measures, and those mitigation measures actually made
8 the situation worse for the public. So, they were
9 reflecting-light reflectors onto the stained glass
10 windows, which then crated eye sores around when-at
11 the street level, and didn't produce that much light
12 on the stained glass windows. So, that would end up
13 being an unmitigated impact, but by the same token,
14 Saint Bart's would benefit greatly from this proposal
15 with the ability to transfer a wide variety of Air
16 rights. We haven't heard any issues about this from
17 that particular constituency, but it does stand as an
18 unmitigated impact.

19 COUNCIL MEMBER GARODNICK: What about-
20 what about all the intersections?

21 BOB TUTTLE: So, for traffic so we-and as
22 you know, this is-traffic is an issue in East
23 Midtown, and this will introduce new density. What
24 the analysis starts with is a very, very, very
25 conservative look at the area, and it also does not

1 contemplate any possible changes in policy, any
2 possible changes in technology, and so, it stays at a
3 very static level. It doesn't—it doesn't anticipate
4 that there will be any driving changes. It doesn't
5 anticipate a shared economy. What it—what it does
6 assume is that driver usage will remain the same, and
7 will remain constant from this day forward based on
8 like 1970 driving practices. So, I just want to set
9 the stage. It's very conservative, but nonetheless
10 we continue to use it, and it's our standard. What
11 we are doing is working with DOT on a traffic
12 mitigation plan right now to figure out how we're
13 going to work as the development occurs. With every
14 certification we'll work with DOT to identify where
15 that new development site is, and then determine if
16 it would actually have an impact at the time of
17 development rather than trying to look and mitigate
18 everything at this point, and we don't exactly know
19 what—where development is going occur, and at what
20 date and what other measures may have been taken,
21 cars driving themselves, any type of different policy
22 shifts. So, we are—we did that analysis but we're
23 also trying to be realistic that we're going to have
24 to keep working on this for the next-ever, and we've
25

2 committed to work with DOT to inform them. We work
3 with them constantly, but specifically on this as we
4 certify projects to identify where that density will
5 be.

6 COUNCIL MEMBER GARODNICK: [interposing]
7 Will three be a trigger. I know I'm going back to
8 the--to the chairman. This is a question I have. I
9 have a bunch more, but I'm going to--I'm going to take
10 a break. The--is there a specific trigger here?

11 BOB TUTTLE: [interposing] Well--

12 COUNCIL MEMBER GARODNICK: On an as-of-
13 right development as proposed, what is the trigger
14 for City Planning to go and have that conversation
15 with DOT to mitigate as a project is about to be
16 effectuated?

17 BOB TUTTLE: We'll inform them every time
18 there's a certification. We're still working on the
19 triggers. So, we're happy to have that conversation
20 with you on what the number would be for mitigation.

21 COUNCIL MEMBER GARODNICK: Okay, thank
22 you very much, Mr. Chairman.

23 CHAIRPERSON RICHARDS: Thank you, Dan.
24 Before I go to Chairman Greenfield, can we talk on
25 the POPS quick? So, there were some recommendations

2 made by the steering committee that we should be
3 creating more Publicly Accessible Places, POPS,
4 within the rezoning framework, and there's sort of
5 been a reluctance by DCP to do that. So, can you
6 speak to have there been any changes in this area,
7 and why is it that you're so uncomfortable with not
8 including—with not including POPS in this plan?

9 EDITH HSU CHEN: Well, we did include a
10 new special permit for the creation of new public
11 POPS, new public concourses in the area. So, that
12 was a recommendation from the steering committee,
13 which we built in very early in our proposal.

14 CHAIRPERSON RICHARDS: The site is over a
15 40,000 square feet there.

16 EDITH HSU CHEN: This is—that's—that's—
17 this is a separate. This is a special permit for a—a
18 separate POPS. We heard later in the ULURP process
19 what was a request for mandatory POPS. As you know,
20 POPS generally it's—it's a bonus, and privately owned
21 public space. It could be a plaza, a covered
22 pedestrian space, arcade. There are a number of them
23 throughout the city. There are a number of them
24 throughout this area, in fact. East Midtown has a—a
25 very—has a large amount of POPS in the area, and they

1 were almost all created through a bonus. What we
2 heard during the ULURP process was that we should be
3 requiring non-bonus mandatory POPS in the area. You
4 know, our POPS Program since its inception has been
5 an elective program. You know, there's generally a
6 floor area bonus in exchange for the provision of a
7 public space on the private property. To move
8 towards a mandatory POPS program is a—a huge policy
9 shift for the city. However, we did—we did open up
10 the—the site look at what—about sites, sites that
11 were 40,000 square feet or more that perhaps could
12 accommodate a POPS on the ground floor. You know,
13 we—they're about half a dozen of those. Again, it is
14 still very in our opinion problematic to require a
15 POPS on these sites when our overarching objective is
16 to make sure that we get these new state-of-the-art
17 buildings, generally with larger floor plates and
18 these buildings do have high ground floor demands:
19 Lobby, retail, loading, circulation, core. So, we
20 are concerned about requiring POPS on—on these sites.

21
22 CHAIRPERSON RICHARDS: So right now the
23 require—the requirement will be for everything under
24 40,000 square feet, right?

2 EDITH HSU CHEN: It's-it's not part of
3 the zoning proposal.

4 CHAIRPERSON RICHARDS: Okay.

5 EDITH HSU CHEN: It was not incorporated
6 as part of our zoning proposal reflecting our
7 concerns about requiring such a thing, and-and its
8 reflection is a major policy shift.

9 CHAIRPERSON RICHARDS: Yeah, and you
10 study as an EIS alternative, correct?

11 EDITH HSU CHEN: Yes, correct.

12 CHAIRPERSON RICHARDS: So, why not, you
13 know, through-if we're looking at 41 I guess reduce
14 the number to 20 rather than-and I think that's a
15 fair compromise.

16 EDITH HSU CHEN: I-I think the concern--
17 actually our concern would be greater because--

18 CHAIRPERSON RICHARDS: Why?

19 EDITH HSU CHEN: --you know, to get a
20 POPS of any meaningful size, it-it really does start
21 eating into the ground floor of a new development,
22 and again, these new developments, you know, that
23 lobbies, retail, core, circulation, et cetera, and,
24 you know, a required POPS on any site, but in a
25 smaller site would really constrain-would really

2 constrain the programming of these ground floors in-
3 in Midtown.

4 CHAIRPERSON RICHARDS: Right, but we know
5 there most likely can be a deficiency of open space
6 in this plan, correct.

7 EDITH HSU CHEN: We, you know, having
8 great open space in a public realm is one of the most
9 important, a shared goal, you know, with getting new
10 development here. So, our proposal does usher in new
11 public realm improvements through the Public Realm
12 Improvement Fund, through required improvements in
13 the Transit Improvement Zone. So, we—we—we
14 absolutely share this goal that this area must have,
15 you know, new and—and better improved open spaces,
16 circulation spaces. We thin that these can be
17 provided at grade through the Public Realm
18 Improvements that Ed Pincar talked about, through
19 transit improvements that Frederica talked about, and
20 in cases where developers elect to provide a new
21 public concourse through our new Special Permit
22 progress. We are very supportive of that. We do have
23 concerns about the mandatory POPS.

24 CHAIRPERSON RICHARDS: Right, and I think
25 in your—in the—in the FEIS, you know, discloses that

2 there are at least 116 intersections that are likely
3 to have traffic impacts for transit for pedestrian
4 circulation and on and on. So, you know, it would be
5 my hope that we are pushing and thinking more outside
6 the box on ways, and I'm not saying, you know, that
7 you're not doing it but, you know, I think that we
8 need a little bit more to sort of mitigate some of
9 the impacts we're going to see based on this
10 rezoning. Can you speak to that? So, 116
11 intersections and being impacted at least according
12 to the FEIS. Can you walk us through mitigation
13 plans you have to address will 116 or will all 116 be
14 addressed, or how is DCP and others looking to-

15 EDITH HSU CHEN: [interposing] Yeah, as-

16 CHAIRPERSON RICHARDS: --address a lot of
17 these things.

18 EDITH HSU CHEN: As my colleague Bob just
19 spoke-spoke to, you know, as development comes online
20 we will be working very closely with DOT to make sure
21 that the traffic is moving that there is appropriate,
22 you know, mitigation. It's-the reality is yes
23 Midtown is congested and, you know, hopefully, you
24 know, hopefully with new technology things will
25 change and traffic can be alleviated but, you know,

2 using our very conservative assumptions including
3 1970, you know, driving patterns. You know, very,
4 very conservative. You know, we—we will be working
5 with DOT to make sure that—that traffic is moving
6 here.

7 CHAIRPERSON RICHARDS: And maybe sounds
8 good, but I think DOT in anticipation of what we know
9 is coming should be, and I'm not sure if you are, if
10 you can speak to it, but certainly pre-planning to
11 study a lot of these areas. So, I don't know if DOT
12 can speak to what are some of the things you're doing
13 to mitigate some of these impacts--

14 ED PINCAR: [interposing] Sure.

15 CHAIRPERSON RICHARDS: --in advance of
16 development happening.

17 ED PINCAR: Sure, Mr. Chair. Midtown is
18 hugely important to the agency today even before any
19 additional development. Earlier this month
20 Commissioner Trottenberg testified before the
21 Transportation Committee to talk about a variety of
22 ways in which the city as a whole, not only DOT, but
23 our partners at PD or our partners at MTA can
24 approach by trying to tackle Midtown congestion.
25 There is no silver bullet, and it's going to always

2 require us working in cooperation on the enforcement
3 end, on improving transit not only underground
4 transit but also through bus services as well, and to
5 provide New Yorkers with as many options as possible
6 to get to their destination. So, it's something
7 that, you know, I think the agency is working on now.
8 We consider it a rolling plan, and we'll continue to
9 have to do that whether or not additional development
10 comes to this area.

11 CHAIRPERSON RICHARDS: Okay, thank you so
12 much. I'm going to go to Chair Greenfield, but we
13 look forward to hearing a little bit more detail
14 about where you're going .

15 CHAIRPERSON GREENFIELD: Thank you, Mr.
16 Chairman. So, I want to thank you all. I know that
17 a lot of time and effort has obviously gone into this
18 proposals and there's a lot of excitement about it,
19 and we certainly appreciate all the work especially
20 the work that was done together with the Steering
21 Committed that was chaired by Council Member
22 Garodnick and Borough President Brewer that met many
23 times to run through many of these issues. I just
24 want to focus on a handful of issues. I want to pick
25 up where Council Member Garodnick left off on the

2 question of the Pfizer site. So, if you look at the
3 map and the proposed boundary I guess on page 6, sort
4 of one thing that juts out, in fact, is that Pfizer
5 site and it—it really it's sort of stark in the way
6 that it jumps out at you. It's not just that. I
7 think by your own testimony you mentioned
8 specifically that the—everywhere else on this map—
9 make sure that map—that's the map. Everywhere else
10 on this map essentially is going to be a zoning text
11 change, but this particular site is going to be
12 getting a rezoning or what's known as a map change.
13 So, getting back to the conversation, and I heard
14 your response regarding the—well—well, I didn't
15 really hear the exact response. So the—the
16 additional 5.0 bonus, which is going to jump them up
17 from 10 to 15 FAR. So, I certainly appreciate and—
18 and respect that it is your land use determination
19 and planning determination that you—you think it
20 should be at 15 FAR, but I don't understand why they
21 don't have to contribute to the improvement fund in
22 return for that additional 5 FAR.

23 EDITH HSU CHEN: Well, certainly if they
24 want to get above 15 FAR they would have to
25 contributed to the fund that indicates that the

2 redevelopment. Again, you know, when--when we propose
3 rezoning districts, new--new zoning districts, you
4 know, we are basing it on--on land use rationale of
5 height, bulk use, density character. It would--it
6 would not be appropriate for us to be motivated for a
7 zoning change based on how much dollar--how many
8 dollars we can get into our fund. Our primary--our
9 professional goal and judgement has to be what is the
10 right thing to do in terms of a planning--a zoning
11 deter--a planning and zoning determination.

12 CHAIRPERSON GREENFIELD: So, I apologize
13 Director. I'm a little bit confused. So, just to be
14 clear, we agree that for a 15 FAR, that would have to
15 go into a fund, right?

16 EDITH HSU CHEN: Correct, yes.

17 CHAIRPERSON GREENFIELD: And so, in fact,
18 that is legitimate motivation because essentially
19 this entire rezoning is based on the idea that you
20 have to pay for greater FAR, right?

21 EDITH HSU CHEN: Earn your way up there,

22 --

23 CHAIRPERSON GREENFIELD: [interposing]

24 Good.

25 EDITH HSU CHEN: --but as--

2 CHAIRPERSON GREENFIELD: [interposing]

3 But the question that I have, and going back to the
4 original question is so why the 10 to 15 jump? Why
5 is that free? Why aren't paying for that 10 to 15
6 jump?

7 EDITH HSU CHEN: Because is 15 FAR today.
8 It's built greater than 15 FAR. It is a Midtown
9 building. It is at 42nd and Second Avenue, a major
10 intersection. It is—it was inadvertently or perhaps
11 I can't—I should say that because I wasn't there in
12 1982--

13 CHAIRPERSON GREENFIELD: [interposing]
14 I'm sure, yes.

15 EDITH HSU CHEN: --but it should have
16 been included in the Special Midtown District in
17 1982, and this has been an oversight for, you know,
18 30 plus years and we are correcting that mistake now.

19 CHAIRPERSON GREENFIELD: Okay. So, just—
20 just to clarify on—on this issues. Just, you know,
21 I'm always concerned about the folks who can't sleep
22 at night who are watching this at home. If this
23 building was knocked down right now by the owner, and
24 they wanted to build a brand new building today,
25 could they build 10 FAR or 15 FAR?

2 EDITH HSU CHEN: Without the rezoning
3 they would--

4 CHAIRPERSON GREENFIELD: [interposing]
5 Without the rezoning today.

6 EDITH HSU CHEN: Today?

7 CHAIRPERSON GREENFIELD: Yeah.

8 EDITH HSU CHEN: So, today without a
9 rezoning to 10 FAR.

10 CHAIRPERSON GREENFIELD: Okay, so we are--
11 so when this rezoning changes, they will be able to
12 as-of-right build to 15 FAR. Is that correct?

13 EDITH HSU CHEN: Yes, correct?

14 CHAIRPERSON GREENFIELD: Okay, so that's
15 a considerable difference in terms of what the
16 current rezoning is and what it will allow as-of-
17 right?

18 EDITH HSU CHEN: Yes.

19 CHAIRPERSON GREENFIELD: Okay, I think we
20 might agree to disagree on this one because to me it
21 seems like with everything else that we're doing,
22 we're--everything else that we're doing essentially
23 we're capturing some value back whether it's four the
24 landmarked sites, which some of that is going to the
25 public improvements, or whether it's directly to

2 public improvements or in the third scenario
3 certainly it's none of those funds as well. I-I still
4 don't understand why this is the exception to the
5 rule, and so the other thing I will ask is that it's-
6 it's pretty well known that this particular site is
7 currently up for sale, right? And so, we're giving
8 the-these folks a pretty significant benefit both
9 instantly from 10 to 15 and then potentially much
10 larger benefit by being able to build a much larger
11 building. So, obviously this is going to benefit the
12 Pfizer Corporation immediately. Are there assurances
13 from Pfizer that they're going to keep their
14 headquarters in New York? Do we have those
15 assurances and conversations? It seems like a pretty
16 big concession to give to a pretty large corporation.
17 I know that they're looking to leave. This is all
18 public information based on what's available through
19 news research. I know they're looking to leave site
20 and potentially go to a new site. Has the city
21 engaged in conversations to say Pfizer, you know,
22 we're doing this pretty solid-solid change for you.
23 We're going to increasing your values by tens and
24 perhaps hundreds of millions of dollars. Just want
25 to make sure you guys aren't skipping out on us and

2 going to Jersey or God forbid Connecticut. Have you
3 had that conversation?

4 EDITH HSU CHEN: Retention of Pfizer at
5 this site has not been part of this proposal--

6 CHAIRPERSON GREENFIELD: Okay,

7 EDITH HSU CHEN: --and they--they did not
8 approach us with this rezoning. This rezoning came
9 from the Department of City Planning.

10 CHAIRPERSON GREENFIELD: Okay, so I hear
11 you. You are aware, though, if not, I just want you
12 to be whether the Council actually carved this out
13 back in 1982 via the--during the rezoning because
14 there was concern from residents in the neighborhood
15 that this, in fact, was not an appropriate area to be
16 rezoned. So, I just want to flag it. It wasn't an
17 accident. It was an intentional carving out, and
18 that's why we're flagging it here again, and
19 certainly would consider looking at that--looking at
20 that again unless we had some of those issues. But
21 I--I would certainly feel a lot better about it before
22 we gave a-- I mean it's--it's almost in a weird way,
23 this is why I'm flagging it, and I know that Planning
24 and this Administration works very closely with the
25 folks at EDC and HPD and other agencies. We're

2 almost in a weird way, we're almost incentivizing
3 them to sort of sell and leave town, right. So, it
4 would be nice to know at least they're going to stick
5 around. Right, if you're saying hey, here's this
6 piece property that may or may not sell, they're
7 exploring selling and hired a broker, and now we're
8 going to make it even more valuable for you to sell.
9 It might be worth sort of asking hey, are you folks
10 planning on sticking around in New York City? It's a
11 world headquarters, a lot of jobs here. I mean, just
12 send me a flag.

13 EDITH HSU CHEN: Appreciate it. Thank
14 you.

15 CHAIRPERSON GREENFIELD: Just if-if-if
16 you can get back to us on that, and if there is some
17 sort of conversation that can happen on that I would
18 appreciate that as well. I want to follow up on some
19 of the conversations that Chair Richards is having
20 specifically about some of the transit challenges. So
21 the chair mentioned was it 116, Chair? Is that how
22 many intersections you mentioned? 116 intersections
23 are going to be impacted by traffic. So, I'm a
24 little stressed out about that, but as someone who
25 occasionally drives through-through Midtown. So,

2 part of—part of the rubric over here is that there's
3 going to be—there's going to be a capturing of some
4 of the—some of the funds, right, with this—with this
5 improvement fund, and these funds are going to used
6 both for above grade and below grade improvements.
7 Is that correct? Right, so they're going to have
8 some transit improvements and then some of these
9 improvements are going to be happening on the city—
10 the city/state side as well. Is that fair?

11 BOB TUTTLE: We project that the above-
12 grade improvements would happen through the fund, and
13 that the below grade improvements would happen
14 through direct development or development that
15 directly funds the MTA improvements because they're
16 in a TIZ.

17 CHAIRPERSON GREENFIELD: Okay.

18 BOB TUTTLE: Though its offer was instead
19 that everything would have to come from the funds.
20 That's—that's not likely, but it's a possibility.

21 CHAIRPERSON GREENFIELD: Okay, and so, so
22 it seems—it seems pretty clear that this is going to
23 be pricy. I think Council Member Garodnick asked you
24 for you a price. I'm not sure that we got that
25 number, and sort of what it would cost to sort of fix

1 everything, right? You asked that question. I don't
2 think we got a—we got that testimony on that. I
3 think we can agree it's a lot of money, right? So,
4 it would be significant to sort of deal with—deal
5 with the impact. So, I guess the question I'm asking
6 is what is the city—what's the down payment the city
7 is putting down, right? I remember back in 2013, I
8 think it was Deputy Mayor Steel he offered \$100
9 million to get the ball rolling. In other rezonings
10 for example in East New York we've set at hundreds of
11 millions of dollars through the City's Capital
12 Program. Is the city saying okay, we understand that
13 there's going to be a lot of impact over her? We're
14 going to be having these new huge skyscrapers, and
15 certainly it's going to draw more people into East
16 Midtown, and so there's going to be more transit and—
17 and in fact when we talk about the transit there's no
18 guarantee that those transit improvements are going
19 to be made because certainly the bulk of those rights
20 could be purchased through a landmark transfer,
21 right. And so then you're only capturing a small
22 percentage of that that's going to go back into the
23 improvement fund, then who knows how long it's going
24 to take until the improvements actually happen. So,

1 the above grade, let's talk about the ones that are
2 happening actually on the street. What is the city
3 fronting? What's the city saying okay, we're willing
4 to put in \$100 million, \$200 million or whatever to
5 get the ball rolling to actually do these
6 improvements.

8 EDITH HSU CHEN: Okay, so you heard from
9 Ed earlier about some of the improvements. We have
10 four improvement projects at the at grade public
11 realm that would be in addition, above the
12 improvements that are coming through the East Midtown
13 Proposal. But let me—I wanted to go back because you
14 mentioned, you know, back in 2013 there was a
15 commitment for \$100 million. I'm going to go back to
16 Chair Richards, your question at the very beginning
17 of the Q&A you said, How is this proposal different
18 from the 2013 proposal? A huge difference is that in
19 2013 there was insecurity. There was a lot of
20 anxiety about the Public Realm and transit
21 improvements because they were not adequately
22 identified or specified in advance. We have a very
23 different scenario today where every, you know, we
24 have—we've—we've heard from Frederica. We know every
25 single transit improvement that they, you know, would

1 like to have in-in this area at these six stations,
2 and we've heard from Ed that there is going to be a
3 variety of-of-at grade public realm improvements.
4

5 And every single development that is created through
6 the East Midtown proposal today will be making a
7 contribution, will have its role, will have its
8 requirement in helping to fund the public realm and
9 transit improvements whether it's through developer
10 outright constructing the transit improvements when
11 they're in the TIZ. Whether it's through the
12 contribution of required as part of our landmark TDR
13 or whether it's through the required contribution as
14 part of our overbuild/rebuild. Every single building
15 that comes-coming out of this proposal will be making
16 a-a-will be furthering the Public Realm Improvements,
17 and we have them pre-identified. So, the \$100
18 million in 2013 was about, you know, giving some
19 assurances that there would be improvements since
20 there was some-there were concerns and questions
21 about what those improvements would be since we-we
22 didn't get to nearly this level of certainty in
23 improvement in 2013. So, that-that is-that is a
24 major difference in-in the proposal between 2013 and
25 today.

2 CHAIRPERSON GREENFIELD: So, just to be
3 clear, you now have a detailed list of improvements
4 you'd like to make--

5 EDITH HSU CHEN: [interposing] Yes.

6 CHAIRPERSON GREENFIELD: --but you're not
7 offering funding upfront for those improvements?

8 EDITH HSU CHEN: Other than--

9 CHAIRPERSON GREENFIELD: [interposing]
10 Because that--I mean that would be a significant
11 difference as well between now and the 2013 one.

12 EDITH HSU CHEN: [interposing] But one
13 more--one more thing I should add--

14 CHAIRPERSON GREENFIELD: [interposing]
15 Yeah.

16 EDITH HSU CHEN: --that the \$100 million
17 in 2013 was an advance on the improvements that were--
18 were--were--there were pressing needs at the Lexington
19 Line, the 456, and as you know, as part of the One
20 Vanderbilt Proposal, they are undertaking \$225
21 million worth of improvements, much of it, you know,
22 deliver--they're delivering so many improvements to
23 the 456 Line at the Grand Central Station. So, you
24 know, again that--that was the most pressing need--

2 CHAIRPERSON GREENFIELD:

3 [interposing]Okay.

4 EDITH HSU CHEN: --for the Public Realm
5 Improvements, and they are being handled already by
6 the One Vanderbilt Proposal.

7 CHAIRPERSON GREENFIELD: So, to be clear,
8 then, the Administration is not offering a dollar now
9 upfront to deal with any of these listed improvements

10 EDITH HSU CHEN: I-I don't think again
11 the--that the--the distinction is that back in 2013,
12 there was insecurity and questions about what
13 improvements would be undertaken and I think that
14 there was, you know, that you referred to it as a
15 down payment to make sure we would get these
16 improvements the 4, 5, 6 Line improvements. Those
17 are being done today. They're--they're under
18 construction as we're here today and, you know, we
19 are going--we have assurances through this proposal
20 that the public realm will be improved through
21 contributions or just outright construction TIZ.

22 CHAIRPERSON GREENFIELD: So, I want to-I
23 want to distinguish. I think it's just a very
24 important point, but I think that we need to
25 distinguish between what you're discussing, which are

2 the transit improvements, which I agree with you that
3 based on the way you structure the transit
4 improvements that the below-below grade transit
5 improvements will, in fact, get made because the
6 developer has to complete those improvements before
7 they get the C of O. So, we agree that's going to
8 happen versus the above-ground improvements, which
9 essentially there are no assurances those are going
10 to get made because if I'm a developer and I purchase
11 the air rights, for example from a church, and I pay
12 \$100 million, and \$20 million goes into this fund, I
13 could build my building and my building can go up,
14 and there's no assurances, in fact, that those
15 improvements will be made concurrently with that
16 because there's a fund and there's a process, and
17 that's why I'm asking particularly about the above-
18 ground improvements. My question is would you
19 consider fronting some of that as we've done in just
20 about every-not just about-in every other rezoning
21 that we've done in this administration. We've put
22 money upfront. So, why not? I think it's an
23 important distinction. I-I can see the point on the
24 transit improvements. You're correct. Transits
25 improvements is a good plan. We've already worked on

2 some of that through the One Vanderbilt negotiations
3 with SL Green. I'm pleased about that. Well, I'll
4 go back to a question that I have about those as
5 well, but on the above—on those 116 intersections, on
6 all those innovative streetscapes that we discussed,
7 nothing is funded yet. And, what we're saying is
8 that it will go into a fund once a deal is made to
9 purchase the air rights or one of the other
10 possibilities of having—having the money go into the
11 fund. That's fair, but we don't know when those are
12 actually going to happen. So, why not—the city of
13 New York is doing okay. Why not front some of that
14 cash and consider it a loan, right. You know, I'm
15 not saying that it's—it's money that you're never—
16 you're going to get back. You're very confident that
17 this—that this fund is going to flush with cash. Why
18 not say okay, we're willing to get \$100 million
19 rolling over here of these projects so that these
20 projects are built before these buildings go up as
21 opposed to after, which will create a strain on that
22 particular area of East Midtown?

23 EDITH HSU CHEN: [pause] Again, we are—we
24 are delivering four projects that are not—53rd
25 Street, the Pilot shared street, Pershing Square East

2 and Park Avenue Transit, and these are—these are
3 significant improvements that go above and beyond
4 what the East Midtown proposal had contemplated. So,
5 these believe are—are, you know, they serve as—they
6 serve as the—the down payment I suppose that you
7 called them for the city's commitment in investing in
8 the public realm.

9 CHAIRPERSON GREENFIELD: Alright, I think
10 we can agree to disagree over here. I'm point out
11 that in every rezoning that we've done so far, the
12 major rezoning, we've had the Administration commit
13 to providing these funds upfront. I understand that
14 if we're getting these commitments from a developer,
15 certainly there's no reason why we shouldn't capture.
16 I agree with that, but if you look for example where
17 we did East New York, hundreds of millions of
18 dollars. We're doing something similar in Far
19 Rockaway in Chair Richards' district where there's
20 going to be a hundred plus million dollars in
21 investments, and I don't see why this neighborhood
22 which is going to be facing some adverse impacts
23 certainly based on the EIS, why we shouldn't be
24 investing in that upfront certainly if you're
25 competent it's not a very big risk. It doesn't cost

1 you much. You float the money. You start getting
2 these projects off the ground and then eventually
3 you're recapture money from the funds. So, we'll
4 just agree to disagree and—and we'll move onto—to the
5 next point about these public funds. I want to talk
6 about actually specifically some of these transit
7 improvements. Some of them honestly seem a little
8 bit—a little bit dubious. For example, one of the
9 transit—transit improvements is providing ADA access
10 between the Flushing platform and the Mezzanine level
11 of the Flushing line Sixth Avenue. Why—why are—I
12 mean these improvements, which are ADA access
13 essentially are legal requirements for the MTA. The
14 MTA has to do them as a matter of law, and now we're
15 funding them through—through these transit
16 improvements. Is that really the best use of the
17 limited resources that we're going to have to make
18 these improvements? I mean the things that are
19 required by law, the MTA should be okay to just do it
20 on their own rather than pass the buck on to some
21 private developer?

23 EDITH HSU CHEN: So, the MTA it is—has a
24 requirement to do a 100 key stations, and we're going
25 to be completing those 100 key stations at the end of

2 this capital program. Going forward, after
3 that[coughs] it's -we'll still have many hundreds of
4 stations left to do, and we want to continue to
5 improve the accessibility of those stations, but we
6 can't say exactly when all of those stations will,
7 and when we'll be able to get to them. So, what this
8 does is say, you know, as improvements are occurring
9 in the area, let's have the accessibility going along
10 with it. And in some cases, we cannot make the
11 capacity improvements without providing the access,
12 which is, as you said, the law. So, this is really
13 a-a way of making sure that as the development is
14 occurring, the accessibility is coming along with it.
15 If we do get to these stations in advance of the
16 development, then the project will come off, and
17 something else will be put in its place.

18 CHAIRPERSON GREENFIELD: Just to be
19 clear, you're saying that if a developer pays
20 privately for the ADA access, which the MTA is
21 supposed to be paying for, essentially you're
22 proposing what I just proposed a minute ago, which is
23 that somehow you're going to make these projects
24 whole by using that money for something else? Is
25

2 that what you're saying? I just want to be clear on
3 that.

4 EDITH HSU CHEN: Well, I guess what I'm
5 saying is there is a tremendous need for our transit
6 infrastructure to have investments, and we're
7 constantly prioritizing and looking at how to
8 allocate those resources within a five-year capital
9 program period. So, yes, we hope to get to ADA for
10 all of our stations at some time in the future I
11 would guess, but I can't tell you exactly what that
12 timeframe would be. And so, including these projects
13 in the Zoning Proposals allows for them to happen as
14 development occurs, and in some cases we would not be
15 able to make the other improvements or the developer
16 could not make the other improvements if the ADA did
17 not occur as well.

18 CHAIRPERSON GREENFIELD: So, you're not
19 necessarily going to give that money back into those
20 projects. You're just saying that it has to happen.
21 And, even though you're the ones who are supposed to
22 do it, you may never--eventually you're going to do
23 and, therefore, a private developer should do it now?

24 EDITH HSU CHEN: It's a way of--

2 CHAIRPERSON GREENFIELD: It's not super-
3 all I'm saying, which would be fair, it's not super
4 compelling to tell the public that it's a great new
5 thing you're getting, which is something that we
6 should be paying for anyway, but now you're going to
7 pay for it. I'm just flagging that as a-as a matter
8 of-of-of due course, right. I mean there's a big
9 difference between-between when you're making an
10 improvement that the public would not have gotten,
11 this is an improvement that the public should have
12 gotten instead. And I was just flagging-flagging
13 that as an issue, but I certainly-I certainly-I
14 certainly hear your response. Alright, I'm going to
15 turn it over back the Chair, and I appreciate it, but
16 I'll be back for round two lest you be concerned, and
17 I thank you all for your testimony today.

18 CHAIRPERSON RICHARDS: I'm going to go
19 back to Council Member Garodnick.

20 COUNCIL MEMBER GARODNICK: Thank you
21 again, and Chair Greenfield, I thank you for your
22 questions about the fronting of money into the fund.
23 It's certainly something that makes sense, and I-I
24 must disagree with Ms. Hsu Chen about the reason why
25 it was important last time. The reason it was

1 important the last—the last time was the reason that
2 you described. People were concerned as they are now
3 about the—the likelihood of the projects coming
4 online, and we've gotten a long way in that we have
5 the transit improvements baked into zoning, but a lot
6 of insecurity remains about when, and under what
7 circumstances these things are going to happen, and
8 we have impacts. So, I thank you for that, and think
9 you're right on the money. I want to turn just for a
10 money to—and I don't have that many more questions.

11 So, you all have been patient and thank you.

12 Shadows. So, Green Acre Park has made an argument
13 that they will lose a significant amount of sunlight
14 on their very heavily used open space. They have
15 asked that we require certain future developments to
16 conduct shadow studies so that we can keep a close
17 eye on the situation. Is there any drawback here to
18 requiring a shadow study for those developments that
19 likely would have an impact on Green Acre Park?

20 EDITH HSU CHEN: A—what kind of shadows?

21 I mean the EIS is the EIS and, you know, we—we found
22 no significant shadow impact on Green Acre Park. You
23 know, even as-of-right development may have a normal
24 incremental shadow on the park, but this proposal
25

2 does not create any significant impacts on—on shadows
3 on—on Green Acre Park.

4 COUNCIL MEMBER GARODNICK: So, you
5 disagree with their assessment that there were
6 incremental shadows on Green Acre Park as a result of
7 one or two or more of the projected buildings that
8 would come online here?

9 EDITH HSU CHEN: We found very nominal,
10 short shadow increments—incremental shadows on Green
11 Acre Park, but nothing nearing an impact. Correct.

12 COUNCIL MEMBER GARODNICK: Okay, I'm sure
13 we're going to hear from them shortly. To finish up
14 with just a few more questions here, one of our
15 fundamental goals in this zoning was to create the
16 certainty in the improvements for the transit system,
17 and in so doing the zoning breaks down the transit
18 projects into three different options. It's got one
19 type, which are the smaller improvements where you as
20 a developer would get less floor area, 40,000 square
21 feet in exchange for completing—that is completing
22 the work, thank you, and then 80 or 120,000 square
23 feet depending on what you do. So, for example one
24 of the Type 1 projects is to widen platform stairs at
25 the east end of the Flushing Platform, which Chair

2 Greenfield just mentioned. So, the—the question here
3 about the specificity defined in the Zoning
4 Resolution for these improvements, this is a really a
5 question for City Planning as opposed to MTA, but,
6 you know, when we're talking about a Type 3 project,
7 which includes renovating remaining portions of
8 Lexington Mezzanine, that would be in exchange for
9 120,000 square feet. Is that satisfactorily detailed
10 for a developer or for City Planning to really sink
11 their teeth into and do?

12 EDITH HSU CHEN: You know, we believe so.
13 I mean, of course, the—the specific details would
14 have to be worked out in terms of, you know, the
15 actual material. I mean Frederica could speak to—to
16 that more than I, but we based these floor area
17 values on our 30-year track record of subway
18 improvement bonuses. So, we have looked, you know,
19 at previous special permits that generated bonuses
20 per subway improvements, and we arrived at that these
21 values for these different kinds of improvements.
22 You know, the—the—the specific details will have to
23 be worked out in terms of, you know, the actual
24 dimension of the paves or the tiles or, you know,
25 column width, but certainly the—the improvements and

2 what they are trying to do in terms of improved
3 circulation, improved capacity those parameters are—
4 are within the zoning. Zoning does specify that
5 these improvements must make—must make improvements
6 in terms of improving capacity and circulation, but
7 we don't get into, for example, you know, the—the
8 mention of a paver.

9 COUNCIL MEMBER GARODNICK: So, let's—
10 let's just talk about that as if—if someone comes to—
11 to want to do a development site in East Midtown, and
12 they're in a transit improvement zone, and they wish
13 to secure 120,000 square feet from the pre-identified
14 transit improvements, and one of them is renovate
15 remaining portions of the Lexington Avenue Mezzanine,
16 and they go to the MTA, and the MTA says okay, well,
17 that looks like this set of blueprints that we have
18 here waiting for you, and the developer says, well, I
19 don't—I don't think that that that's reasonable.
20 What becomes the—the—what does the—the formal
21 mechanism look like for the developer to actually be
22 entitled to 120,000 square feet of development rights
23 here? Is there a level of interaction with MTA
24 contracting with the MTA? What exactly does it look
25 like?

2 EDITH HSU CHEN: Well, there is a
3 required certification that the improvements that the
4 developer is proposing to, you know, to earn the
5 120,000 or the 40,000 or if it meets the objective
6 and the goals of the MTA, and that those improvements
7 will fulfill the obligations that's left in zoning,
8 and will meet the requirements of the MTA. So, there
9 is a certification that is a City Planning
10 certification where we say okay, this--this--this looks
11 good.

12 COUNCIL MEMBER GARODNICK: Do you look at
13 it? Do you at City Planning look at it independently
14 of the other the MTA? If the MTA were to say okay,
15 well, you don't want to do all of our blueprints.
16 We've got three blueprints. You only want to do one.
17 We're desperate, you know, just do the one, does City
18 Planning get a chance to say, I'm sorry, we don't
19 believe that you have earned the full 120,000 square
20 feet in this instance? Who--who is the certifier of
21 the fact that this was a fair trade for the public
22 that you're getting a development opportunity in
23 exchange for specific pre-identified transit
24 improvements?

2 EDITH HSU CHEN: I mean MTA they're the
3 experts on their subway stations and the subway
4 station needs. So, we would look to MTA to tell us
5 if the improvements proposed by the developer are,
6 you know, meet-meet the -meet the goals and meet the
7 standards. We would defer to them but, of course, we
8 work together, and we make sure that the improvements
9 do meet the objectives that we have set forth in-in
10 the zoning. But yes, ultimately the-it is a City
11 Planning certification. So, we-we make sure that
12 everything looks good.

13 COUNCIL MEMBER GARODNICK: So, you have
14 the final approval of that?

15 EDITH HSU CHEN: Yes, it-it is not a
16 discretionary review, but yes we do have the-we do
17 have the final say.

18 COUNCIL MEMBER GARODNICK: [pause] Okay,
19 but if it's not a discretionary view, then you're
20 just essentially checking a box that says MTA has
21 certified that the work that they have proposed is
22 done?

23 EDITH HSU CHEN: Yes, I think that's very
24 fair. I mean again they are the experts on their
25 subway station needs, and I've never known the MTA to

2 be less demanding [laughter] and more demanding of
3 the--of the private sector developments, and--and
4 certainly in every case for a subway station
5 improvement bonus that I've worked on they've been
6 very demanding of the private sector. For us we
7 would check to make sure that those subway
8 improvement meet the parameters that we've set forth
9 in zoning to make sure that the improvements,
10 improved circulation, that they improve capacity and
11 MTA also has to, you know, also makes those
12 determinations that also tells us that they
13 improvements in their specific details meets with
14 those obligations.

15 COUNCIL MEMBER GARODNICK: So, it's
16 ministerial--

17 EDITH HSU CHEN: [interposing] Uh-huh.

18 COUNCIL MEMBER GARODNICK: --but they
19 still need to--

20 EDITH HSU CHEN: [interposing]
21 Absolutely.

22 COUNCIL MEMBER GARODNICK: --they--they
23 need to meet--

24 EDITH HSU CHEN: Yes.

2 COUNCIL MEMBER GARODNICK: --the-the
3 specific obligations that are set out in zoning.

4 EDITH HSU CHEN: Correct.

5 COUNCIL MEMBER GARODNICK: That's fair.

6 EDITH HSU CHEN: Yes.

7 COUNCIL MEMBER GARODNICK: Okay.

8 EDITH HSU CHEN: Thank you.

9 COUNCIL MEMBER GARODNICK: Okay, and my
10 last question is it's a public review questions. We-
11 we have a-a lot of as-of-right proposed development
12 in this-in this plan, and some of the buildings that
13 we built under this proposal will be, they'll be some
14 of the densest buildings in New York. Why shouldn't
15 we require some level of public review for say the
16 largest of these buildings? Let's say, you know,
17 over 24 FAR so that there can be some public
18 discussion or feedback on building design? Shouldn't
19 we do that or why shouldn't we do that?

20 EDITH HSU CHEN: I think an as-of-right
21 framework and as-of-right regime is critical to the
22 success of this program. I think what we have seen
23 already in the town is that there are mechanisms to
24 increase floor area. There are mechanisms to get you
25 above 15 FAR, but we have seen almost no development

1 in the past 20 years, in the past 30 years. In fact,
2 there's only been two really, and now we're seeing
3 One Vanderbilt, but that was—that's only happening
4 because of—of last year's—last year's zoning actions.
5 But an as-of-right framework is really important here
6 so we can facilitate development here. There have
7 been many obstacles. Zoning has—has proved itself to
8 be an obstacle not just because of the base FAR being
9 lower than many of the over-built buildings, but also
10 the mechanisms that get you above 14 FAR that prove
11 to be very onerous, and unpredictable, and very risky
12 and time consuming. And if we—if we—we all want to
13 see new development here, and the new development
14 comes with the Public Realm Improvements. We all
15 want to see these two together. An as-of-right
16 framework is absolutely critical at every level of
17 density.
18

19 COUNCIL MEMBER GARODNICK: Okay, with
20 that I'm—I'm going to—I'm going to call it the end of
21 my questions, but I do want to just say thank you for
22 working with us on this. Obviously, we have some
23 work to do. The—the biggest and most obvious is that
24 the commitment on the public realm front, the
25 projects, the pilots the upfront allocation of funds.

2 The—the other ministerial questions, you know,
3 frankly eh Council has the power to amend the
4 proposal. So, we appreciate the—always working with
5 you and hearing your feedback, and certainly despite,
6 you know, disagreements of the years, it has been an
7 absolute pleasure to work with you all on this plan.
8 So, so thank you and we'll look forward to the
9 conversations in the coming weeks. Thank you.

10 EDITH HSU CHEN: Thank you.

11 CHAIRPERSON RICHARDS: Thank you, Dan,
12 and thank you for all your hard work on this
13 application. The last question for me I just want
14 you to speak a little bit about sustainability and
15 what are you doing to ensure that, you know, we're
16 making these buildings energy efficient and, you
17 know, 70% of carbon emissions come from buildings in
18 New York City. So, what requirements or what are we
19 doing to ensure that we are reducing our carbon
20 imprint—imprint—carbon print as much as we can
21 through this rezoning?

22 EDITH HSU CHEN: It's a—it's a huge goal
23 for us, too. A very important objective is to make
24 sure that every new development coming—coming to
25 Midtown through this proposal is a high performing

2 environmental sustainable building. So, for example,
3 we are requiring that these new buildings either plug
4 into the steam system of Midtown or exceed the
5 city's—the core and shell standards by at least 3%.
6 So, you know, we—we are already—we—we have built into
7 the zoning that the baseline for any new development
8 here must already exceed anything else you can build,
9 you know, as-of-right.

10 CHAIRPERSON RICHARDS: Okay and how are
11 you incorporating solar and other—so how are you
12 working to ensure that building owners are going to
13 use solar panels or green roofs or other things?
14 Have you had discussions on that?

15 EDITH HSU CHEN: Well, the—the property
16 developers will—they can incorporate those elements
17 as part of their proposal to exceed the standards to
18 exceed the core and shell. [background comments]

19 CHAIRPERSON RICHARDS: And no incentives
20 to do that, or are there any incentives to do it?

21 EDITH HSU CHEN: [interposing] So Core
22 and Shell Energy Codes. I just want to make sure
23 that I get the title correct. They have to exceed
24 the 2016 Core and Shell Energy Code Standards by at
25 least 3%, and they could—they could get to that goal

2 through a number of means including several that you
3 just mentioned.

4 EZRA MOSER: I will note, though, we
5 have—we have researched and I would say really the
6 Mayor's Office of Sustainability has researched solar
7 in central business districts, and we're not at that
8 level of technology yet. The technology doesn't
9 exist.

10 CHAIRPERSON RICHARDS: Why not?

11 EZRA MOSER: I am not a scientist so I—

12 CHAIRPERSON RICHARDS: We're—we're
13 falling behind France.

14 EZRA MOSER: We've seen one building. I
15 believe it's in Sweden. It's 26 stories. That's the
16 highest, and then we're not in the Central Business
17 District, but they are the highest that has used
18 solar. What we've tried not to do is create rules
19 that would completely disincentive the development,
20 but this doesn't preclude as we do the program—

21 CHAIRPERSON RICHARDS: They would save
22 money. So, I don't know how you would disincentivize
23 Development.

24 EZRA MOSER: We don't want to put rules
25 on development that would preclude them from being

2 able to develop it, but as we see changes occurring,
3 we can update the text and those primary rules.

4 CHAIRPERSON RICHARDS: Just a quick fun
5 stat. France requires these things on every
6 building. Okay. I'm going to go to Chair
7 Greenfield.

8 CHAIRPERSON GREENFIELD: Thank you. Two
9 final questions. Thank you, Mr. Chairman. Notice so
10 this is an as-of-right proposal. So right now if
11 someone is going to take advantage of this and now
12 build a much larger, bigger, denser, bigger building
13 is there any notice the needs to go to the community
14 board or the local elected officials or anyone for
15 that matter?

16 EDITH HSU CHEN: No, it functions as a
17 standard as-of-right proposal.

18 CHAIRPERSON GREENFIELD: Okay, I mean
19 with considering the significant implications of much
20 larger buildings would you consider that? I want to
21 be clear. I'm not obviously calling for a ULURP type
22 of process where there has to be approval, but at the
23 very least letting the community board, council
24 member, borough president know okay we're now filing
25

2 an application to build a skyscraper in this
3 particular--

4 EDITH HSU CHEN: [interposing] I-I should
5 note actually-

6 CHAIRPERSON GREENFIELD: [interposing]
7 neighborhood so that the community board and elected
8 officials and borough president could start working
9 on, you know, the kinds of issues that might come up
10 with such a significant new structure in terms of
11 anything from transportation to density or things
12 like that?

13 EDITH HSU CHEN: Well, I should note, I
14 mentioned earlier that there is a certification
15 required as part of the transit improvements.
16 There's also certifications required as part of a
17 landmark TDR, and as part of the Overbuild/Rebuild.
18 You know, when the minimum--when the contribution
19 amount has been deposited, there--a certification
20 would certify that such an action has taken place.
21 So, there is--there is a process involved in each one
22 of these three as-of-right mechanisms.

23 CHAIRPERSON GREENFIELD: Oh, and I
24 certainly understand that, but does that
25 certification and process also require that notice be

2 given to the local community board and elected
3 officials?

4 EDITH HSU CHEN: I-I-I do not believe it
5 does.

6 CHAIRPERSON GREENFIELD: Okay, would you
7 consider that amount?

8 EDITH HSU CHEN: We can—we should talk
9 about that, yes.

10 CHAIRPERSON GREENFIELD: Okay, great.
11 Finally, the Public Realm Improvement Fund, I-I have
12 concerns. I think it's—the fund is fabulous
13 obviously. I mean who could be opposed to the idea
14 of putting money into a fund, which will then go and
15 spend money, except in my experience in government
16 any time—any time it has something to do with the
17 word development and funds, strange things happen in
18 this town, and so I'm—I'm just concerned about a few
19 things. So, I just want to flag for you and I'm
20 curious as to what your response would be. So, the
21 language—the language of the funds says: The funds
22 shall be utilized at the discretion of the Public
23 Realm Improvements Fund governing group to provide
24 funding to implement improvements to the East Midtown
25 Subdistrict, and its immediate vicinity in the

2 Borough of Manhattan. It seems very for lack of a
3 legal term—I'm going to call it loosey-goosey, right.
4 So, to implement improvements to the East Midtown
5 Subdistrict and its immediate vicinity improvements.
6 So, so that's not every clear on what these
7 improvements are. It's not very limited the minute
8 you're saying that it could go to the immediate
9 vicinity of the East Midtown Subdistrict. Is there a
10 way to tighten this language make it clearer here
11 specifically what these funds are going to be going
12 for? I'll give you an example of what I'm concerned
13 about. We're very fortunate, and I've said this on
14 many occasions, we have a wonderful department in the
15 City Planning and all of you are wonderful
16 professionals and you work very hard, but we don't
17 know what's going to happen in 5, 10, 15 or 20 years
18 from now. I mean some, you know, money mayor shows
19 up and decides of, you know, what, I—I don't like
20 East Midtown any more. You know what I'm going to
21 do, I'm going to take these funds that are in this
22 Public Realm Improvement fund and instead of using
23 city funds to pay for repaving of the streets, I'm
24 going to use these funds to repave the streets, and
25 I'm going to take the money that I saved in repaving

2 all the streets in Midtown and I'm going to now use
3 that to help Staten Island. Now just to be clear,
4 this would be a Republican mayor obviously [laughter]
5 because no one else would make such a bizarre
6 proposal. But the point that I'm making is that it
7 is possible, and in my experience if you don't set
8 out very clearly what you're doing and how you're
9 doing it time lines, which I'm going to get to in a
10 moment, it does lead to potential for abuse, and I
11 know this is going to come as a surprise, but
12 occasionally politicians abuse the system. So, what
13 say you? Do we tighten up this language to make it
14 clear that her are the improvements. He is what
15 needs to get funded. Here's how it's going to get
16 funded. Here's when it's going to get funded. Is
17 that doable so that we can be certain especially
18 those of us here who are term limited we can be
19 certain that 10, 15, 20 years from now these things
20 are actually going to happen.

21 EDITH HSU CHEN: Sure, well two things.

22 Number one, that money can only be released by the
23 governing group. The governing group, you know, has
24 their mission. One of their missions is to make sure
25 that this money is allocated to improvements in the

1 district, and could prioritize the improvements.

2 They, you know, we talked earlier about what—what

3 their obligations are, but again money has to go

4 through the governing group. But with respect to the

5 language, we did have to conclude immediate vicinity

6 because some of these subway stations as Frederica

7 mentioned are just outside of the rezoning boundaries

8 proper, but these are subway stations that serve the

9 East Midtown community. So, it was important that we

10 did include at least, you know, the adjacent

11 immediate vicinity language in the text. But I think

12 if you're looking for ways where we can tighten--for

13 us to tighten language, yeah, we can—I think we can

14 work with you on that.

15
16 CHAIRPERSON GREENFIELD: I certainly

17 would like to see some tighter language. I want it

18 to be clear that these funds are going to be used for

19 those very specific projects that everybody expects

20 the funds are going to be used for in advance. The

21 government has a very good history. I'll give you a

22 perfect example, right now. We have—we have

23 essentially what's known in the budget Council Member

24 Garodnick is an expert in this as well, what's called

25 healthcare trust fund, and in theory this is a fund

2 that is supposed to be utilized for healthcare
3 expenses except that it's a lie. Nobody ever
4 believes that these funds are going to be used for
5 healthcare expenses, and essentially it's a padding.
6 It's a budget maneuver that we utilize in the budget
7 to throw some extra funds so that in the recession
8 hits, we essentially will raid said healthcare trust
9 fund. So, the reason I'm mentioning this is that
10 sadly this happens all the time, and it is not about
11 the question of whether there are good intentions. I
12 know our intentions are good. I just think it has to
13 be clearer, and it has to be very specifically
14 delineated. The next question I have in relation to
15 this is can we also add language—and that is going to
16 seem like a bizarre request, but this actually goes
17 back to your point, which is well not to worry.
18 There's a governing group. Can we add language that
19 the money actually has to be spent because, in fact,
20 there we could easily envision a scenario where down
21 the road the governing group doesn't get along and
22 they're fighting and no one is really sure, and then
23 suddenly you've got hundreds of millions of dollars
24 that are just sitting there piling up in this entity.
25 Is there a way to ensure that these funds actually

2 get spent, which comes back to my original point
3 before, which is that I'm concerned that there's a
4 whole list of great improvements, but they may not
5 necessarily actually happen in a timely fashion.
6 Right, to be clear I think they're going to happen,
7 but also to be fair, it takes many years to make even
8 a minor improvement. To get a bench on a sidewalk
9 can take two years in this city. To get a bus
10 shelter, I'm waiting five years to get a single bus
11 shelter in my district. Seven and a half years
12 later--I cannot make this up. I wish I was making up
13 this story because it's embarrassing for me as an
14 elected official that happily I'm a legislator and
15 not in the executive. So, it's more embarrassing for
16 the executives. Seven and a half years after I
17 started the project of building a bathroom in my
18 district it has clocked in at over \$2 million for a
19 400 square foot bathroom, and despite repeated
20 assurances and promises that it would be open months
21 ago, most recently say--the City swore to me: The
22 bathroom is going to be open on Father's Day, and
23 Father's Day has come and gone, and the bathroom is
24 still not open. For a small 400 square foot bathroom
25 in my district it took 7-1/2 years to build. So, you

2 understand my-my concern, which is sounds great.

3 This is wonderful. You know, we're going to have
4 this fun, and there's going to be all this money in
5 there and we're going to spend it, but there is no
6 assurance that the money is actually going to get
7 spent or it's going to be spent on the things that we
8 want to get it spent on or it's actually going to get
9 spent in a timely fashion, and-and-and unfortunately,
10 we get \$300 million, but by the time we spend this
11 money that could be the cost of one bathroom and the
12 rest of the improvements won't necessarily be there.
13 So, can we have a conversation about specific
14 language to make sure that the money actually gets
15 spent for example and that the money goes out the
16 door, and we know exactly what the money is going
17 for, and what-what that's actually going to look
18 like? Is that something that we can do perhaps?

19 EDITH HSU CHEN: Assuming that that
20 language is within scope, certainly. Certainly we
21 can have that conversation with you. I don't see why
22 it wouldn't be. I mean again I do want to repeat
23 that the governing group is subject to the state's
24 open-open meetings law. So, there would be a lot of-
25 there's transparency with respect to how much money

2 they have when they need private allocating, et
3 cetera. So, I think we can all, you now, because
4 there is so much transparency and sunshine on-on this
5 governing group, they'll be-I-I expect a high degree
6 of-of pressure and responsibility by this governing
7 group to use this money. We want to see this money
8 used also. It's very-we're very motivated by that.

9 CHAIRPERSON GREENFIELD: Did you take-did
10 you take the train anywhere today per chance?

11 EDITH HSU CHEN: I-I tried to. [laughs]

12 CHAIRPERSON GREENFIELD: You tried to?

13 EDITH HSU CHEN: No, I did. I did take
14 the train, yes.

15 CHAIRPERSON GREENFIELD: [interposing]

16 Are you familiar with the challenges--

17 EDITH HSU CHEN: [interposing] I had to
18 change my train a couple of times. (sic)

19 CHAIRPERSON GREENFIELD: --are you
20 familiar with the challenges that the trains have had
21 this morning?

22 EDITH HSU CHEN: Yes, I have--

23 CHAIRPERSON GREENFIELD: [interposing]

24 It's not unusual.

25

2 EDITH HSU CHEN: I had a challenge on the
3 train.

4 CHAIRPERSON GREENFIELD: On multiple
5 lines were transit challenges this morning. Do you
6 know that MTA is a similarly operating group, which
7 is subject to public disclosures laws, and you want
8 to know something fascinating about the MTA, we can't
9 even get an elected official in this state to
10 actually say that they're even in charge of said MTA.
11 And so, the point that I'm making—I'm not trying to
12 beat up on the MTA. I'm just being fair. The
13 reality is that, you know, these—these kinds of
14 entities they're very worrisome, and I think unless
15 we have very specific detailed language that makes it
16 clear on what's happening with that money, when is it
17 happening with that money, how that money is getting
18 spent, what happens if it's not clear, and the money
19 just gets stuck. Is there a mechanism to actually
20 push these projects forward? I'm—I'm very concerned
21 that this something that is potentially going to be
22 problematic, and I'm certain that when they created
23 the MTA, and had that conversation years ago, they
24 were all saying oh, this is a great entity, and isn't
25 this a wonderful idea, and we're going to have so

2 many people from all parts of the state having
3 conversations about who should run for the MTA, and
4 right now, you know, go on Twitter and see what
5 people think this morning of the MTA. Not very
6 positive despite all those laws that are in place to
7 make sure that those happen. So, all I'm saying is
8 let's learn from our mistakes, and let's try to make
9 sure that this--this wonderful, terrific noble idea
10 actually gets executed because the--the one thing that
11 government is good at is killing good ideas, and so I
12 would just caution that before we wrap up. The
13 particular language I would argue for some very more
14 clear specific language on exactly what the money is
15 being spent on, how it's been spent on and where it
16 needs to be spent so that there's no confusion in 10,
17 15 or 20 years from now, even a 100 years from now
18 that, you know, our grandkids aren't fuming over the
19 fact that they didn't get the improvements that were
20 promised way back in the good old days in 2017. I
21 thank you all for all the hard work, and the effort.
22 I know that this has been incredible. I know that
23 it's incredibly important for the city, and we
24 appreciate it. I know that it's not just the five of
25 you who are sitting up here today, and there are

2 literally dozens of people and multiple agencies and
3 I understand that that work that was done here was
4 unprecedented from the works that you did with the
5 Landmarks Preservation Commission to the work that
6 you did with the MTA to the DOT and the cooperation
7 that we've seen under the leadership of the task
8 force led by Council Member Garodnick. And the
9 Borough President has been extraordinary, and we're
10 certainly grateful for it, and do want to be clear
11 we—all we're trying to do is to improve the last mile
12 of the process to make sure that all that good work,
13 in fact, does come to fruition and make what is a
14 very good process just a little bit better. So, I
15 thank you for your indulgence today ,and I appreciate
16 all of your hard work, and look forward to wrapping
17 this up soon. Thank you, Mr. Chair.

18 CHAIRPERSON RICHARDS: Thank you and
19 thank all of you for coming out and enduring at least
20 20 hours of hearing so far. [laughter] We're not
21 going anywhere, but want to thank you. We look
22 forward to just continuing to work with you to make
23 sure that we shape this plan to be the best plan for
24 East Midtown. We recognize there's been a lot of
25 work put into this and, you know, there's some areas

2 we can certainly tighten up on including the floor
3 price saying it's not a floor price, and ensuring
4 transparency and accountability when it comes to the
5 public realm dollars being put in and transit
6 dollars. So we look forward to continued
7 conversation. I go to Council Member Garodnick if he
8 wishes to close out. No, alrighty. Showing great
9 leadership. You are now done. Thank you.

10 EDITH HSU CHEN: Thank you very, Chair
11 Richards, Chair Greenfield and Council Member
12 Garodnick. Thank you.

13 CHAIRPERSON RICHARDS: Sergeant-at-Arms.
14 [background comments] I'm going to call the first
15 panel, Mohamed and ask you to put three minutes on
16 the clock, and we're going to go Rick Edgars
17 representing Community Board 6; Wally Rubin for Vikki
18 Barbero Community Board 5; Eric Stearn, Community
19 Board 5; and Chuck Jordan, Community Board 5. [pause]
20 Thank you for your patience. Alrighty you may begin.
21 If you will just state your name for the record and
22 who you're representing, and then you may read your
23 testimony.

24 RICK EDGARS: [off mic] Thank you very
25 much, Mr. Chair.

2 CHAIRPERSON RICHARDS: Just hit your mic.
3 It will light up.

4 SERGEANT-AT-ARMS: Make sure the mic is
5 on.

6 CHAIRPERSON RICHARDS: You ought to be
7 red. There's a button in the middle. There you go.

8 RICK EDGARS: I got it now. Technical
9 than you. Chair Richards and member of the committee
10 thank you for his opportunity to present the comments
11 of Manhattan Community Board 6 on the Greater East
12 Midtown Rezoning Proposal. My name is Rick Edgars,
13 and I'm Chair of Community 6. CB6 has participated
14 in discussions about East Midtown Rezoning for many
15 years now, and was represented on the Steering
16 Committee led by Council Member Dan Garodnick and
17 Manhattan Borough President Gale Brewer. On March 8,
18 2016, CB6 passed a resolution outlining our object-
19 our objections to the proposal as it was formulated
20 at that time. We are submitted that resolution as
21 our written comments to this committee. I have to
22 say that after hearing the questions being asked by
23 the committee today it seems you've already read our
24 resolution, and we appreciate the probing comments,
25 the probing questions that you had. Thanks to the

1 efforts of Council Member Garodnick and Borough
2 President Brewer the subsequent Manhattan Borough
3 Board Resolution included many of the concerns that
4 CB6 raised, but based on the stated position of CB6
5 did not—still did not go far enough. While progress
6 has been made, the proposal fails to resolve
7 sufficiently the issues of open space, boundaries of
8 the zoning district, above ground public realm
9 enhancements, and the negative impacts of air and
10 light reductions especially on open space such as
11 Green Acre Park and the residential district of
12 Turtle Bay. Specific recommendations to address
13 these issues are stated in our resolution, and
14 include privately owned public space should be as-of-
15 right by certification, and the first additional FAR
16 earned by any site should be for on-site public open
17 space. The zoning text should limit the floor area
18 that may be added to the mid-block sites and should
19 maintain the incentives of the current height and
20 setback rules throughout the Special Midtown
21 District. The eastern boundary of the East Midtown
22 Subdistrict should be moved west to the center of
23 Third Avenue from 43rd Street to 56th Street. We have
24 heard this many times from the residents of Turtle
25

2 Bay. We ask you to consider several additional
3 concerns that appear in our written comments, and
4 thank you for hearing our comments today.

5 CHAIRPERSON RICHARDS: Thank you.

6 WALLY RUBIN: Hi. I'm Wally Rubin
7 representing Community Board 5, Chair Vikki Barbero.
8 Thank you to Chair Richards and all the members of
9 the subcommittee. It's a been a long road since the
10 Department of City Planning first came to the
11 community board five years ago this month. From that
12 time until now we've been consistent in our demand
13 that the creation of new public space is a core
14 objective of any plan for this congested district.
15 Our current resolution calls for the creation of new
16 public space on every redeveloped site. While we
17 strongly prefer new outdoor public space, the
18 creating of indoor public space is preferable to no
19 new public space at all. It is clear what REBNY and
20 its constituents are receiving from this rezoning
21 proposal. It is clear what the district's landmarks
22 are receiving from this rezoning. What remains to be
23 determined after all this time is what the public
24 will be receiving. Where will the thousands of new
25 office workers go to relax, eat their lunch and get

1 some air? We see the effects that Bryant Park have
2 had on the lives of people who live and work near it
3 not to mention the effects the revived Bryant Park
4 has had on the property values in its vicinity.
5 The same is true of the Highline. Open space is not
6 some optional amenity. It is essential for good
7 planning. We implore the Council to include open
8 space as a requirement at each new redeveloped site
9 in the district. We know that under the current
10 system POPS are considered an unwelcomed burden the
11 Department of City Planning as oversight is spotty
12 and DCP does not have enforcement power. Therefore,
13 we call for the creation of a new unit within DCP
14 that would have sole oversight and enforcement of all
15 POPS. If we're going to create new public spaces, it
16 is incumbent upon us to make sure that these space
17 remain user friendly and fulfill their objective. We
18 believe that the governing group that will be created
19 by this rezoning should be empowered to act only if
20 at least one non-mayoral appointed votes in agreement
21 with the mayoral majority. This group, which will be
22 doing its work long after the current administration
23 leaves office must not be a rubber stamp for some
24 future mayor who may never have been part of this
25

2 rezoning effort, and who may not have—who—who may
3 have his or her—her own priorities. It is imperative
4 for the judicious functioning of the governing group
5 that coalition building is baked into the process.
6 Finally, Community Board 5 believes that there needs
7 to be some form of community review for the very
8 largest new developments, those that exceed 24 FAR.
9 We do not require that this be a full ULURP, but we
10 have found time and time again that allowing the
11 Community Board a chance to review projects, almost
12 invariably makes them better. We want to sincerely
13 thank our Council Member Dan Garodnick for hearing us
14 out, and acting on our input from the very first day
15 five years ago. We believe that making the changes
16 to the proposals that we've outlined today would make
17 for a strong result with better buildings and
18 healthier more attractive environment for the
19 thousand of New Yorkers who in the years ahead, will
20 be spending their days in East Midtown. Thank you.

21 CHAIRPERSON RICHARDS: Thank you.

22 ERIC EDWARDS STEARN: My name is Eric
23 Edwards Stearn and I chair Manhattan CB5's Land Use
24 Committee. I also served as a member of the East
25 Midtown Steering Committee. Chair Richards, Chair

1 Greenfield and Council Member Garodnick, thank you
2 for hearing my testimony today. CB5 is opposed to
3 the rezoning unless key changes are mad that would
4 the public realm is improved by the proposal. I'm
5 going to run through these key points. There must be
6 a public space requirement on every redeveloped site.
7 The steering committee said that public realm is a
8 priority. The City's zoning proposals—proposal as is
9 results in no guarantee of above grade public realm
10 improvements tied to redevelopment. This is not an
11 exaggeration, and the Council should not approve this
12 zoning plan without a POPS requirement on redeveloped
13 sites. There must be a minimum contribution price.
14 An audit is insufficient to ensure that the reported
15 price is the true consideration value. This is not
16 an issue of fraud and, therefore, it would not be
17 picked up by an audit. So, for instance for a non-
18 cash transaction, the transacting parties would have
19 an incentive to have an appraisal done that
20 significantly undervalues the consideration for
21 development rights. An appraiser can make 200
22 assumption that all individually might be reasonable,
23 but if all are chosen to make the reported
24 consideration just a fraction of the true
25

1 consideration, there would be no way for an appraiser
2 to—to know that. CB5 sees such manipulations of
3 appraisals all of the time, and this is especially
4 the case with applications before the Board of
5 Standards and Appeals. CB5 will be happy to provide
6 further information to the Council to explain our
7 concerns about this proposed appraisal methodology
8 for the propose audit methodology for appraisals.
9 Council Member Garodnick, you noted before that
10 professional appraises can come to very different
11 conclusions when looking at the same issue. So, why
12 do we think that wouldn't happen when they're
13 reporting consideration for one of these
14 transactions? On light and air, the Steering
15 Committee did not support a wholesale reduction in
16 Daylighting Standards. The Daylighting Standards
17 should remain, and if a site proves and noted to
18 prove that they cannot pack in all of the permitted
19 development rights into—into a building, then there
20 could be a modification that is reviewed by the
21 Planning Commission and by the Council. On their
22 governing group the city's proposal is inconsistent
23 with the Steering Committee Report. The Steering
24 Committee called for a governing group to not simply
25

2 be a rubber stamp, and as it, that's what is before
3 you. It's--there must be a buy-in from at least one
4 non-mayoral appointee to--in order for the governing
5 to act. The steering committee said that the city
6 must prohibit conversion--the city must prohibit
7 conversion of 12 FAR or larger commercial buildings
8 to residential without some sort of a public review.
9 The city has already proposed taking away a property
10 right from--from owners in this case. The removal of
11 the ability to construct hotels as-of-right. So,
12 there's not really a conceptual reason why the city
13 cannot similar--similarly restrict the as-of-right
14 conversion of large commercial buildings to
15 residential use. I thank you for hearing my
16 testimony and I welcome any questions.

17 CHAIRPERSON RICHARDS: Thank you.

18 CHET JORDAN: Good afternoon. My name is
19 Chet Jordan and I am a member of Community Board 5,
20 it's Land Use, Housing and Zoning Committee, and I
21 work in the district. It's good to be here today, and
22 I have appreciated listening to everyone so far. I'm
23 here today to speak on behalf of speak on behalf of
24 the board related to the Greater East Midtown Zoning
25 Application. I would just like to add to what my

2 colleagues have already said. The Board opposes the
3 application unless these conditions are met. The
4 City invests at least some of the DOT identified
5 improvements prior to the adoption of the proposed
6 zoning text improvements. Prior to it—sorry—prior to
7 the adoption of the proposed zoning text. There
8 would be some mechanism for Community Board review
9 from the development that would exceed 24 FAR. There
10 is a prohibition on the as-of-right conversion of
11 more than 12 FAR from non-residential use to its
12 residential use and a special permit mechanism
13 created to permit such conversions on a discretionary
14 basis. The board insists that every redeveloped site
15 have pre-determined public space, and that the
16 further planned redevelopment district light and air
17 access only in specific circumstances—restrict light
18 and air access only in specific circumstances. Thank
19 you for your time and for listening to us on these
20 matters. We appreciate it.

21 CHAIRPERSON RICHARDS: Thank you so much
22 for your testimony. Any questions from my guys?
23 Okay, thank you so much for your testimony. Alright,
24 we're going to call the next panel. [background
25 comments] Oh, actually I'm call the vote and open and

2 call the vote of Richie Torres. Counsel please call
3 the vote.

4 LEGAL COUNSEL: Continued. [coughs]
5 Continuing vote for the Zoning Subcommittee. Council
6 Member Torres.

7 COUNCIL MEMBER TORRES: Aye on all.

8 LEGAL COUNSEL: The final vote stands at
9 7 in the affirmative, 0 in the negative and 0
10 abstentions. Thank you.

11 CHAIRPERSON RICHARDS: Thank you.

12 Alrighty, we'll move onto the next panel; Jim Caras,
13 Manhattan Borough President Mike Slattery; Real
14 Estate Board, Joseph Rosenberg; Catholic Community
15 Relations Council Rob Byrnes; East Midtown
16 Partnership, and Peter Munson, Grand Central
17 Partnership. You may all come up. So, Jim, Caras-
18 Caras-Caras, sorry. Manhattan Borough President; Mike
19 Slattery, REBNY; Joseph Rosenburg, Catholic Community
20 Relations Council; Rob Burns, East Midtown
21 Partnership; Peter Lempin, Grand Central Partnership.
22 [pause] You may begin.

23 JIM CARAS: Good morning, Chair Richards,
24 Chair Greenfield and member of the Subcommittee on
25 Zoning and Franchises. I'm Jim Caras, General

2 Counsel and Land Use Director here on behalf of the
3 Manhattan Borough President in support of the Greater
4 East Midtown zoning as modified by the A Text and
5 approved by the commission. We want to thank the
6 City Planning Commission, Council Member Garodnick,
7 the Interagency Task Force convened by the Deputy
8 Mayor for all their hard work to bring us to this
9 point. The proposal is base off the work of the East
10 Midtown Steering Committed which was chaired by
11 Council Member Garodnick and the Borough President,
12 and comprised of representatives of Community Boards
13 5 and 6, property owners and businesses, landmark
14 groups and unions. The recommendations of the
15 Steering Committee were the results of over 20
16 meetings and almost a year's worth of work, but even
17 the Steering Committee didn't resolve all of the
18 issues we confronted. So, we're really appreciate
19 that you're here today listening and as you all said
20 trying to make the final proposal as good as it can
21 be. In the Borough President's recommendation we
22 highlighted the dire need for high quality above
23 grade public space in East Midtown. While we
24 recognize the difficulty in creating new spaces in
25 such a built up area, we must reiterate that we

1 should do all we can do to address this key
2 consideration. We believe the proposal must include
3 language that makes the provision of indoor or
4 outdoor public space a requirement, not an option.
5 City Planning committed to study such a requirement
6 for qualifying sites of 40,000 square feet or more,
7 and this requirement should be included in the final
8 text. In order to properly address the above-grade
9 public realm issues, there also needs to be assurance
10 that the proposed improvements will actually happen.
11 Unlike the below grade transit improvements, the
12 above-ground improvements will not be written into
13 text. Thus it's crucial to have upfront funding and
14 outreach to the community and we are looking forward
15 to immediately begin work on some Public Realm
16 Improvements, which DCP has committed to pursue
17 including East 53rd Street corridor improvements,
18 designation and upgrade in Pershing Square, the
19 piloting of a shared street, and the improvement of
20 vehicular patterns on Park Avenue with subsequent
21 engagement to determine the feasibility of pedestrian
22 improvements on the Park Avenue Median. The Eastern
23 Third Avenue Boundary remains a controversial issue.
24 We walked this are and spent a lot of time on the
25

1 concerns of residents east of Third Avenue, and it is
2 a clear that there is a significant presence of
3 residential buildings on this corridor, and that
4 Third Avenue functions to some extent as a buffer to
5 more residential areas to the east. We again call for
6 the removal at a minimum of all the existing
7 residential buildings on the east side of Third
8 Avenue from the rezoning boundaries. This should
9 reduce or eliminate displacement of residents without
10 interfering with the broader goals of the rezoning.
11 With regard to the Public Real Improvement Fund, we
12 continue to believe that in mechanism like a set
13 minimum valuation and a contribution rate of the
14 transfer of development rights is a sensible
15 solution. However, the current minimum valuation of
16 \$393 per square foot [bell] has been consistently
17 criticized as too high, and also continues to give us
18 doubts. We believe there should be a minimum and not
19 impede development. So, it seems prudent to err on
20 the side of a lower number. You can—I'll refer you
21 to my testimony. We would like a review and a report
22 on residential conversions in the area. The five
23 years that City Planning offered us is—is not an
24 adequate number. We think it should be annual, and
25

2 we welcome changes and encourage you to add some more
3 specifics to the Public Real Improvement Fund, and to
4 consider every proposal to make sure that there are
5 no shadow impacts of Green Acre Park. Thank you.

6 CHAIRPERSON RICHARDS: Thank you.

7 MICHAEL SLATTERY: Good afternoon. I'm
8 Michael Slattery representing the Real Estate Board
9 of New York. REBNY supports the Greater East Midtown
10 Rezoning. However, in order for the vision to be
11 realized, development and landmark transfers must
12 occur. We will propose some modifications in our
13 testimony, and want to refer—reaffirm some provisions
14 that are being criticized today. REBNY opposes the
15 concept of a floor price, which would be an
16 impediment to transaction. The city's price is too
17 high, and the use of land sales is flawed approach to
18 this—to this methodology. The market should set the
19 price and the fund should receive 20% of the
20 proceeds. Our concern is also with prime avenues for
21 new development. Our land and opportunity costs that
22 are also given market rents. Enlargements and mid-
23 block development, permitted as-of-right should
24 permit the developed and desired and sooner helping
25 to provide funds through the public realm. The east

side of Third Avenue is commercial and offers an opportunity for more affordable develop opportunities and open space. This area should be retained in the plan with other tools used to address concerns about commercial encroachment in the mid-blocks. The City has made reasonable and necessary adjustments to the height and setback rules to accommodate as-of-right development in the potentially larger FAR buildings. These changes are necessary allowing new buildings to meet the score of what was on the site would ensure that daylighting is unchanged from the existing condition prior to the new development. Also, removing the encroachment penalty would provide for more-to flexibility and the opportunity to create more architecturally distinguished buildings. As the street causes any changes to the existing traffic flow on the street should be done in close consultation with the property owner and the area BIDs to ensure that the anticipated public benefit does not impose harsh operational burdens on the property owner. There should also be an extended grace period for new hotel projects underway and for hotel conversion projects far along in the planning process for conversions and mechanisms should be

1 established to ensure that these projects comply with
2 the underlying intent of the Special Permit
3 provisions of the proposal. The price to pay for
4 over-built space also should be set at 25-20% of the
5 modified floor price for buildings built under the
6 1960-160-I'm sorry 1916 rules, but the prices should
7 also be the same for those built under the 1961
8 rules, and the-both buildings are over-both types of
9 buildings are over-built and there should be no
10 difference in pricing for the over-built. There is
11 also opportunities to modestly increase the amount of
12 building square footage without changing its built
13 form. However, to acquire this modest amount of
14 additional square footage would require a full
15 payment of all existing over-built floor area. In
16 this context, the cost is punitive and would prevent
17 the types of building improvements desired for this-
18 this district. In such cases where the existing
19 building is to remain and the amount and the amount
20 of additional square footage is modest, a more
21 reasonable pricing mechanism should e established.
22 Lastly, we believe that the Pfizer site should be
23 retained and treated as an FAR 15 site, and lastly,
24 new development should restrict the use to 20% of the
25

2 new development. However, existing residential on
3 the zoning lot of the new development should be
4 exempt from the 20% restriction. Thank you.

5 CHAIRPERSON RICHARDS: Thank you.

6 JOSEPH ROSENBERG: Well, good afternoon.
7 I'm Joseph Rosenberg, Director of the Catholic
8 Community Relations Council. This rezoning is
9 strongly supported by the Archdiocese of New York and
10 is essential to the revitalization of East Midtown.
11 It would help preserve landmarked houses of worship
12 by allowing their development rights to be
13 transferred to other sites throughout the proposed
14 district. Religious organizations do not generate
15 revenues from their houses of worship, are ineligible
16 to receive public funding, and face great challenges
17 in maintaining the unique features of the landmarked
18 properties. Funding available through this rezoning
19 will, therefore, be invaluable to preserving St.
20 Patrick's Cathedral for future generations. We
21 strongly urge, however, that you eliminate the floor
22 price for calculating the required Public Realm
23 contribution from landmark owners. The contribution
24 rates should instead be based on actual proceeds
25 received by the landmark owner and should remain set

1 at no more than the currently proposed 20%. One of
2 the strengths of this rezoning is to rely on as-of-
3 right development. The assumption that any
4 development process is that market forces establish
5 the price of the transaction. The proposed
6 requirement that landmarks set aside a minimum amount
7 of proceeds from each transfer regardless of the
8 sales prices alters the market and significantly
9 reduces the value of any transaction for landmark
10 owners who could wait for the market to catch up to
11 the artificially established and inflated floor
12 price. With landmark owners reluctant to undertake
13 such transfers, there will be less development, less
14 funding for landmark preservation and less financing
15 for Public Realm Improvements. Taxes on real estate
16 transactions are based upon the actual consideration
17 for the arms length sales between willing sellers and
18 buyers. To treat owners of landmarks in a different
19 manner is illogical and counterproductive. A
20 rational voice for the minimum floor prices is that
21 owners will circumvent reporting the consideration
22 received from the transfer. This argument fails to
23 recognize the existing reporting systems that
24 determine transaction value. These include the
25

2 Transfer Tax Filing System at the Department of
3 Finance and for houses of worship the need for the
4 New York State Supreme Court to approve all real
5 property sales thereby assuring the accuracy of the
6 reported sales consideration. Intro 1631 sponsored
7 by Council Member Garodnick calls for a regular
8 auditing process for transfers within East Midtown.
9 In the past, it would complement the existing
10 transaction value report systems and in our view
11 strengthen the argument for eliminating the minimum
12 floor price. This is an absolutely important
13 rezoning proposal, but to ensure success, we strongly
14 urge the City Council to eliminate the floor price
15 and maintain the contribution rate at no more than
16 the currently proposed 20% of factual proceeds.
17 Thank you.

18 CHAIRPERSON RICHARDS: Thank you.

19 ROB BYRNES: Good afternoon. I'm Rob
20 Byrnes, President of the East Midtown Partnership,
21 which is a business improvement district covering the
22 northern and northeastern part of the proposed
23 subdistrict. I'm going to skip over most of my
24 remarks to just really echo what you've already heard
25 here. I want to focus instead on the importance we

1 feel with keeping the east side of Third Avenue in
2 the proposed subdistrict. I've—we were part of the
3 steering committee, and I've stated repeatedly
4 throughout the process over the last few years that
5 it's imperative that this area—the area of Third
6 Avenue south of 56th Street including the east side
7 stay in the district. We do appreciate and respect
8 the concerns of some representatives from neighboring
9 residential areas east of Third—east of the Third
10 Avenue property line, I should say in fear of
11 prospective redevelopment of the properties might
12 further encroach on their communities. However, it
13 is a fact that the east side of Third Avenue has
14 uniformly housed high-rise commercial structures for
15 several decades. And as an aside off my written
16 remarks, I keep hearing people talk about residential
17 properties on the east side of Third Avenue. I can
18 tell you at least between 58th and—between 48th and
19 56th Street those properties do not exist. I don't
20 know if they're already south of 48th Street, but
21 along Third Avenue, it is 100% commercial. And,
22 we're also sympathetic, by the way, to concerns about
23 potential shadows cast by new development. However,
24 even—even the worst case scenario study undertaken by
25

2 Green Acre Park anticipates for much of Third Avenue
3 that it would not have any impact on that park.
4 Moreover, new development could result in new public
5 spaces not necessarily restricted to POPS, but also
6 including redevelopment of the 53rd Street Corridor,
7 shared streets, et cetera. So, I think—we think it's
8 overly simplistic to single out the Third Avenue
9 Corridor as problematic when rezoning could result
10 and should result in many new benefits to the public
11 realm. Finally, I should note that most of Third
12 Avenue would have the maximum as-of-right FAR 18,
13 which while greater than currently allowed is far
14 less than the maximum along Park Avenue and closer to
15 Grand Central Terminal with the exceptions of 875 and
16 885 Third Avenue, which are connected to a series of
17 subway entrances and platforms in dire need of
18 improvement. So, finally, we feel strongly that the
19 impact of this rezoning proposed would be
20 significantly weakened if commercial properties on
21 the east side of Third Avenue were removed
22 altogether. Thank you.

23 CHAIRPERSON RICHARDS: Thank you.

24 Good afternoon Mr. Chairman, members of
25 the committee. My name is Peter Lempin. I'm with

1 the Grand Central Partnership. [coughs] Excuse me.
2
3 The Grand Central Partnership fully supports the
4 Greater East Midtown Rezoning Plan and urge this
5 Council to make it happen. We were pleased to have
6 been a participant on the East Midtown Steering
7 Committee as an advocate for not only our
8 jurisdiction, but our entire city, and we thank
9 Council Member Garodnick, and Borough President
10 Brewer for giving us the opportunity to participate
11 in this critical effort. In the time allotted I will
12 focus on the area in which we are most familiar and
13 have experienced Public Realm Improvements. There's
14 been significant concern raised and in some cases
15 outright opposition expressed by property owners and
16 businesses impacted by proposed concepts such as full
17 street closures and shared streets. We have spent
18 the past few months facilitating meetings to provide
19 the opportunity for city officials to hear directly
20 from the stakeholders and most directly [coughs]
21 those most directly impacted, a process that
22 unfortunately did not take place prior to the release
23 of the Concept Plan Proposals. We reiterate our
24 position that is—that it is crucial that any project
25 plans be fully evaluated to help identify the

negative impacts and not just the potential benefits.

Issues such as traffic congestion, access to

business, freight elevators and loading docks are

more critically first responders or the emergency

vehicle access must be evaluated as part of any

review to close or partially close the street. While

there is reference to these issues of FDIS, they are

references, criteria in the design phase for the

public space not as a criteria to determine

feasibility or appropriateness of the location

itself. When stakeholders requested involvement in

this process, and were told that they would be

involved, they meant in the identification of the

site and not really the design of it. Further, our

most recent discussions with city representatives

have focused on created language for the Concept Plan

that will provide greater clarity and certainty in

how these necessary conditions will be addressed.

While we appreciate that effort language, it still

has not been presented to us with any of our

stakeholders. We enjoyed our recent tour through the

East 53rd Street area with Borough President Brewer

and Council Member Garodnick, the administration

officials and our good neighbors to see how we can

2 help facilitate the commitments made by the Mayor's
3 Office or the Borough President and the Councilmen
4 for some immediate public realm enhancements. There
5 are a few other ideas that with stakeholder
6 discussions still underway could lead to some
7 additional improvements to the pedestrian experience
8 and we will continue to work on those. So, as this
9 process continues we hope the Council can help
10 provide more certainty in the partnership that
11 businesses and property owners can rely on as
12 improvements are contemplated, and we wholeheartedly
13 hope that this overall rezoning plan [bell] is
14 adopted to solidify our neighborhood's position as
15 the world's premier 21st Century commercial district.
16 Thank you.

17 CHAIRPERSON RICHARDS: Thank you so much,
18 and before I go to Council Member Garodnick. So,
19 Mike, can you go through so there's a discrepancy
20 between your market study and obviously what the city
21 did on the TDR? So, can you speak to [coughing] what
22 you all found different, and then I'll go to Council
23 Member Garodnick.

24 MICHAEL SLATTERY: A couple things.
25 [coughs] We—our analysis worked from the City's

2 Market Study. However, we feel that using land sales
3 as a method or to evaluate air rights was not
4 appropriate, and so what we ended up doing was
5 looking at the air rights sales that were in this
6 study, followed the same methodology to look at the
7 ten most recent sales, and pick the lowest quartile,
8 and based upon that analysis we ended up with a value
9 of \$179. We also questioned the city's methodology
10 in terms of using Hudson Yard sales. The Hudson Yard
11 sales are only partly the source for the full
12 development potential of the site. The other two
13 mechanisms regarding air rights from the DIF (sic) as
14 well as purchasing air rights from the Eastern Rail
15 Yards. Both of those land prices were significantly
16 lower, and that in our view resulted in the ability
17 for someone to pay more for the land for the smaller
18 portion of the site than for the entire site itself.
19 So, we thought those were relevant factors that
20 needed to be factored in, and when we did that on a
21 couple of the Hudson Yard sites, we ended up pretty
22 close to this total value for land in the Hudson Yard
23 of roughly \$180 a square foot.

24 CHAIRPERSON RICHARDS: So, if a floor was
25 removed from this plan, would you, you know, and I'm

2 interested to hear this from anyone would the
3 contribution rate of 20% being raised to 25 or 30% be
4 something that REBNY and others would be willing to
5 entertain?

6 MICHAEL SLATTERY: I think moving in that
7 direction is moving back to this—the same problem
8 that floor price has is that you are trying--

9 CHAIRPERSON RICHARDS: [interposing] Oh,
10 come on, come on, you got to get something back.

11 MICHAEL SLATTERY: I didn't know we were
12 going to negotiate here.

13 CHAIRPERSON RICHARDS: [laughs] We don't
14 have to negotiate here.

15 MICHAEL SLATTERY: But I—I think, you
16 know, the concern I think that the—the issue here one
17 is that as you start to raise that prices, it almost
18 becomes piscatory (sic) where now we're asking
19 property owners particularly churches and not-for-
20 profits to become basically the funders of the public
21 realm, and if there's some concern about property
22 owners having to fund the MTA improvements, I think
23 there is equal concern about the institutions, the
24 not-for-profit institutions actually funding the
25 public realm through contributions. And this

2 contribution rate doesn't take into account also the
3 obligation that they would have to maintain the
4 landmark as well, and in particular with Grand
5 Central there's also a committed 5% obligation. So,
6 their 20% is really 25% because there's 5% more on
7 top of that. So, I think it's moving in a wrong
8 direction. It will discourage transactions, and it's
9 why we were concerned about the floor price to begin
10 with.

11 CHAIRPERSON RICHARDS: Okay, alrighty. I
12 will go to Council Member Garodnick. We could date
13 that and certainly we'll go to the Council Member.

14 COUNCIL MEMBER GARODNICK: I only just
15 wanted to make a quick comment of apology. I had to
16 run across the street to vote in the Education
17 Committee. I am well aware of all of your concerns
18 and look forward to working with you in the—in the
19 coming—in the coming weeks, and certainly appreciate
20 your patience today and for—for being here and, of
21 course, to the Borough President for her partnership.
22 You look different now. Thank you.

23 CHAIRPERSON GREENFIELD: I am just
24 curious. You may have heard earlier to we had a
25 lengthy back and forth. The variety of nuances

2 regarding the Pfizer site, I'm curious if any of you
3 had opinions on that whether or not it should be
4 included in the rezoning or whether it should, in
5 fact, get the free bump from 10 to 15 and so on and
6 so forth. So, I just wanted to open it up to the
7 esteemed panel for some feedback.

8 MICHAEL SLATTERY: Well, one I think it's
9 bad practice to start, you know, doing something
10 which we think is good planning sense. I think the—
11 the logic for including Pfizer as a 15 FAR site is
12 sound. Even in Hudson Yards there was a—almost a
13 doubling of the increasing of the base FAR without
14 charging them for that initial FAR increase. It was
15 only when they took advantage of the bonus that they
16 were able to have to pay more. So, I think it's
17 certainly impressive here for doing that for the
18 Pfizer site. However, Councilman, you did raise an
19 interesting issues, and that was that if we are
20 trying to keep Pfizer here, and is there some
21 opportunity to use this particular unique situation
22 to advance the city's interest in other areas, I
23 think as a—you know, as an industry that's used to
24 making deals, I think that's a suitable approach.

2 CHAIRPERSON GREENFIELD: Thank you, and
3 will just state your name for the record, Michael?

4 MICHAEL SLATTERY: I'm sorry.

5 CHAIRPERSON GREENFIELD: Would you just
6 state your name for record pleas.

7 MICHAEL SLATTERY: Michael Slattery.

8 CHAIRPERSON GREENFIELD: Thank you very
9 much. Alright, unless there's any other comments from
10 this panel, we thank you and we'll invite the next
11 panel up. Michael Kwartler, Tom Devaney, Michael
12 Gruen, John West and Lois Clemmons if you can please
13 join us as our next panel. [pause]

14 CHAIRPERSON RICHARDS: You may begin.
15 [pause] Just hit your mic. It's going to be the red
16 button. [background comments] Press the button.
17 There you go.

18 MICHAEL KWARTLER: Ah, got it.

19 CHAIRPERSON RICHARDS: That won't cut
20 into your minutes.

21 MICHAEL KWARTLER: It's very—it's very
22 nice, too. (sic) Okay. I am Michael Kwartler,
23 President of the Environmental Simulation Center and
24 Principal of Michael Kwartler & Associates, and I am
25 among those today speaking for the City Club. By way

1 of background co-authored the Midtown Height and
2 Setback Regulations with member of the City Planning
3 Department. So, better of for worse, I'm quite
4 intimate with them. These are the same regulations
5 that were adopted in 1982. They have worked for the
6 last 35 years resulting in a light and bright
7 Midtown, all of Midtown. The Department of City
8 Planning's planning, as stated by Edith, is that the
9 Greater East Town-Midtown area remain one of the
10 region's premier office districts, et cetera. That
11 said, the proposed modifications to ensure DCP's
12 vision of East Midtown as an officer district--
13 [background comments] Sure, I want to do that.
14 Okay. But it appears to fall short of that goals.
15 Second, we agree with DCP that as-of-right is the
16 preferred method as was the method in 1982, to
17 achieve the vision using--using clearly drafted and
18 unambiguous regulations also falls short of that
19 goal. My specific concerns are focused on, at least
20 for this portion of it, the definition of qualifying
21 and non-qualifying sites, and the special permits
22 will allow non-qualifying sites to become qualifying
23 sites. And second, the proposed modifications to the
24 existing daylight evaluation and daylight
25

1 compensation regulations, which by the way are not
2 minor, as notwithstanding the city's planning. The
3 concept of qualifying and non-qualifying sites is-is
4 designed to privileged large avenue, wide street
5 fronting sites for large floor plate Class A office
6 buildings. The current definition is too broad and
7 should be limited to clear block front sites fronting
8 wide streets and avenues. The proposed special
9 permit to allow no-qualifying sites to become
10 qualifying sites should just be eliminated to prevent
11 the over densification of East Midtown—East Midtown's
12 lower scale and density mid-blocks. Further, a site
13 either qualifies or it doesn't qualify because there
14 would be little incentive to assemble a non-
15 qualifying site. Why would you do that if you could
16 easily take any site and make it qualify? Height and
17 setback modifications for qualifying sites should be
18 more nuanced and only allow for office buildings. In
19 other words, the modifications should only apply to
20 office buildings. It's very clear and that based on
21 the trial work that we have done doing simulations,
22 that mixed-used buildings with resident or hotels on
23 the upper floors do not need large floor plates, and
24 there is no need to modify the height and setback
25

2 regulations for mixed-use buildings in East Midtown
3 keeping them the same as West Midtown. The only
4 modification [bell] would be for the purpose of
5 having larger floor plates for only office buildings
6 with the upper portions of the building, and that
7 would reduce the score to 66%. In both cases the
8 penalty area should be preserved because without
9 that, and you can see the simulations I have
10 enclosed, you'll get a canyon effect that would
11 really dramatically lower the daylighting in East
12 Midtown. Thank you very much.

13 CHAIRPERSON RICHARDS: Thank you.

14 TOM DEVANEY: Good afternoon. Tom
15 Devaney, Senior Director of Land Use and Planning at
16 the Municipal Art Society. As a member of the East
17 Midtown Steering Committee, MAS remains steadfast,
18 and a number of critical issues need to be addressed
19 before we can fully support the proposal. Therefore,
20 we urge the city to consider our recommendations
21 regarding the Public Realm Improvements, daylight
22 evaluations, sustainability, residential conversion,
23 historic preservation and subdistrict boundaries
24 along Third Avenue. Due to time, our comments today
25 focus on Public Realm Improvements, Daylight

2 Evaluation and DEIS. We have submitted more
3 comprehensive testimony to the Council Regarding the
4 Concept Plan, with the congestion in East Midtown's
5 public transit stations and the sidewalks, limited
6 open space and the incremental 28,000 workers
7 expected under the plan, we find the proposed
8 improvements to the Public Realm Improvement Plan to
9 be fundamentally deficient. Unless the proposed
10 transit infrastructure improvements, the right-of-way
11 measures under the proposal are not codified into the
12 text amendment-[coughs]-to the text amendment leading
13 the public with no assurance that they would be
14 implemented. Regarding privately owned public space,
15 POPS account for 50% of the area's open space, yet
16 they have largely been ignored under the current
17 proposal. As part of our testimony, we have
18 submitted to the Council a comprehensive list of
19 specific recommendations for POPS. Among them MAS
20 urges the city to re-evaluate the 1 FAR bonus for
21 POPS, and reconsider requiring developers to exhaust
22 all the other options for increasing commercial
23 density before the FAR bonus for POPS can be
24 utilized. Establish guidelines for improving
25 existing and future POPS and provide incentives for

renewing POPS. POPS are important retreats, help reduce urban heat island effect and offer opportunities for implementing sustainable storm water management practices. Regarding daylight evaluation, we find the proposed modifications to the daylight evaluation methodology that lower the scoring standards for qualifying sites will be detrimental to light and air in the public realm. MAS urges the city to work with the leadership of the steering committee to find a compromise on modifications to daylighting scoring analysis. Regarding the DEIS Environmental Review, MES finds the DEIS to be deficient in many areas, specifically, it's not clear which buildings have been included in the No-Building Development scenario. The Shadow Impact Evaluation on Green Acre Park and Saint Bartholomew-Bartholomew's Church and particularly mitigation measures. Analysis of the views of historic buildings in particular the Chrysler Building, the Chanin Building and the Waldorf Astoria the conceptual analysis lacks the evaluation of sites using special permits and other alternatives to increase FAR and building height. And the quantitative there's no quantitative analysis on open space.

2 We look forward to continued dialogue on these
3 vitally important issues, and thank you for the
4 opportunity to comment on this critical project.

5 [bell]

6 CHAIRPERSON RICHARDS: Thank you.

7 MICHAEL GRUEN: Good afternoon. My name
8 is Michael Gruen. I'm President of the City Club of
9 New York. Everyone will agree that East Midtown is a
10 uniquely attractive business district because of the
11 varieties, its space, the mixture of architecture,
12 the presence of galleries, restaurants and boutique
13 shops, but the proposed plan is largely oblivious to
14 these considerations and values. It caters primarily
15 to a quasi perceived need for vastly increased modern
16 office space. The problem is that it offers no proof
17 of such a need. In fact, the Planning Department
18 writes on its web page that this area currently
19 performs well in terms of overall office district
20 cache, rents and vacancy rates, and go onto say, but
21 the area may not in the long run offer the kinds of
22 spaces and amenities desired by tenants. That is not
23 reasoning. It's conjecture and who didn't hear
24 anything added to that characterization today from
25 the City Planning Department. What is the real

1 purpose of the rezoning? Unfortunately, what
2 dominates the text of the proposal is raising money
3 by selling zoning rights, and the language used today
4 has consistently on the moves (sic) of the Council
5 Members and on this bench here used the language of
6 purchase and sale of valued added of exploiting value
7 and so on. That violates very firmly set rules of
8 the Supreme Court during the last 30 years in the
9 *Roland, Dolan* and *Koontz* cases. Those prohibit
10 selling rights to being with. They do allow for an
11 owner to ameliorate the burden he imposes on the
12 public by exercising zoning rights. That are
13 requires that government clearly relate the exaction
14 to the amelioration and place no greater burden on
15 the owner than is necessary for that purpose. What
16 we heard today from the Planning Commission is a
17 different concept entirely. It was declared that it
18 would be a terrible thing really for and
19 inappropriate for us to be motivated by rezoning—
20 motivated in rezoning by selling zoning rights as if
21 the question was what's the real values and intention
22 of the City Planning Department is rather than what
23 is perceived by the public because of the conflict of
24 interest. I'm—I'm—I'm disturbed by the
25

2 insensitivity to the law on the subject, which is
3 intended to benefit the public, assure its cred—the
4 credibility of the planning process, and the
5 acceptance of the public of that credibility. It's
6 important that this committee read these cases and
7 understand them because there will be litigation over
8 them if—if this is passed in its present form.

9 CHAIRPERSON RICHARDS: Thank you.

10 MICHAEL GRUEN: Thank you.

11 JOHN WEST: I'm John West, and I'm among
12 those speaking today for the City Club. The City
13 Club of New York has been carefully examining and
14 commenting on the series of proposals to be rezone
15 East Midtown during the last several years. Some
16 three years ago, we produced a paper proposing an
17 alternative approach, and it was titled *A Better Path*
18 *for East Midtown*, [background comments] and it—we
19 shared it widely. More recently we updated it, and
20 an abbreviated version of it has been published in
21 the last issue of *City Law*, copies of which have just
22 been submitted. We agree with the stated goal of
23 maintaining East Midtown as a premier business
24 address, and our cautions and recommendations have
25 been intended to help achieve that vision. We regret

1 that we disagree with the means City Planning has
2 chosen to achieve its goals. We start by thanking
3 the East Midtown Steering Committee for its efforts
4 to understand East Midtown and to address its
5 problems, and now we are hopeful that the City
6 Council will improve the city's proposal by turning
7 it back towards the recommendations of the steering
8 committee. Our general criticism is and has been
9 that the proposals for East Midtown are not founded
10 on a well considered plan. Such a plan would put
11 East Midtown in a regional context, and would address
12 issues of transit access, local circulation and
13 improve public realm, and the inter-relationships of
14 uses in a complex urban ecosystem. Our specific
15 concerns are three types: Departures from the
16 recommendations of East Midtown Steering Committee,
17 Conflicts of Interest between implementing a well
18 considered plan, and zoning for dollars, and
19 conflicts with constitutional protections. Our
20 written testimony, which you have [coughs] explains
21 how the proposed zoning text departs from the
22 recommendations of the steering committee. It argues
23 that conscious or not, the reason for the departure
24 is raise money for the MTA and DOT. It also explains
25

2 that parts of the resulting zoning are like legally
3 impermissible, and finally, it suggests way to
4 improve the plan and reduce its exposure to
5 challenge. Thank you for the opportunity to speak.

6 CHAIRPERSON RICHARDS: Thank you.

7 LOIS CREMMINS: My name is Lois Cremmins,
8 Executive Director of Greenacre Foundation. I am here
9 today to raise serious concerns about shadow impacts
10 on Green Acre Park. Abby Rockefeller Mauze through
11 Greenacre Foundation opened Green Acre Park in 1971.
12 Mrs. Mauze gifted an endowment to the foundation to
13 ensure that the park would be maintained at a higher
14 standard in perpetuity. According to recent shadow
15 models commissioned by the foundation, the proposed
16 rezoning will result in six development sites placing
17 additional shade on the park and thus causing
18 significant adverse impacts to the park, and that the
19 afternoon sun will virtually be eliminated. The City
20 Planning Commission in their FEIS countered that the
21 incremental shadows would not have a significant
22 adverse impact that would require mitigation. Green
23 Acre Foundation strongly disagrees with the
24 commission's conclusion, and believe that the city's
25 analysis is flawed. The city predicts low heights

1 for the six development sites. These low heights are
2 not realistic. The number one goal of the Rezoning
3 Proposal is to incentivize extra high building
4 heights, not limit them. Thankfully, Manhattan
5 Community Board 6, Manhattan Borough President Brewer
6 and Councilman Garodnick have called for the
7 protection of the park with appropriate mitigation.
8 Respectfully we ask the City Council to save the park
9 by either limited the heights of the six development
10 sites identified in the Green Acres Shadow Study or
11 creating a certification process that requires the
12 evaluation of shadow impacts at the developer submits
13 a new building application. This certification
14 process would apply to developers within the rezoned
15 area seeking to exceed the base FAR to conduct a
16 shadow study of their building's impact on all public
17 parks, POPS greater than half an acre, about nine,
18 and all privately owned public spaces other than
19 POPS, Green Acre Park and Paley Park. Protection of
20 parks in open spaces from excessive shadows by the
21 City Council is perfectly appropriate and welcomed
22 public policy. In one of his last letters of
23 support, the late David Rockefeller wrote the
24 following to former Planning Director Carl Weisbrod.
25

2 Over the course of my life I have been deeply
3 involved in urban redevelopment projects. One of the
4 principles that I always fought for was balance,
5 bringing in the new without totally sacrificing the
6 old. It seems to me this principle of balance could
7 be applied to Green Acre Park so that a valued,
8 beloved and essential open space within the existing
9 city fabric would not be sacrificed as other
10 important objectives are pursued. Thank you.

11 CHAIRPERSON RICHARDS: Thank you. Thank
12 you all for your testimony. Any questions? Alright,
13 thank you so much. Alright, we're going to go to our
14 next panel. Ron Wade, 32BJ, Michael Pantelidis --
15 Pantelidis, New York Building Congress, Jim Corrine
16 Inspection Management Corp, Allen the Yale Club. I
17 won't try to say your last name, Malcolm Kaye,
18 Development Consulting Services, Marcia Caban,
19 Central Synagogue. So, Alan from the Yale Club. I
20 think it's Dutton-Dutton. Alright I got it. Okay.
21 Jim Corrine, Ominous Perspective Management Corp.,
22 Michael Pantelidis--Pantelidis, New York Building;
23 Ron Wade, 32BJ; Malcolm Kaye, Development Consulting.
24 Alright we got everybody. Okay. Alrighty, you may
25 begin. You have been here all day it seems like.

2 RON WADE: Pretty much. Again, my name is
3 Ron Wade. I'm here representing on behalf of Local
4 32BJ SEIU, the largest union of property service
5 workers in the U.S. with 163,000 members nationwide,
6 80,000 building service workers here in New York
7 City. We believe the redevelopment of Greater East
8 Midtown if done responsibly can help ensure the
9 district remains a competitive commercial hub of New
10 York City and most importantly a thriving district of
11 high quality job creation. There are currently over
12 9,000 cleaners and security officers who are 32BJ
13 members working in commercial office buildings in
14 East Midtown, 800 of whom work in buildings that are
15 slated to be redeveloped to create the office
16 buildings the city anticipate will be built over the
17 next 20 years. Their—their union jobs have been a
18 pathway to the middle-class providing them with
19 family sustainable wages, health benefits, retirement
20 and job security and access to training for career
21 advancement, which in effect makes the prevailing
22 wage the standard of compensation for cleaners in the
23 subdistrict. The rezoning also represents an
24 opportunity to raise standards for security officers
25 across the subdistrict. Most security officers in

2 East Midtown are lagging behind the MT standards for
3 wages, benefits and training. In addition to
4 preserving standards for cleaning jobs, it is
5 important to also raise standards for the women and
6 men who keep buildings safe and secure. Further, it
7 is important that there are protections for existing
8 workers. Building service workers including the 800
9 32BJ members are going to be impacted by buildings
10 being sold, and closed down to facilitate the
11 processes of redevelopment. We believe all
12 stakeholder, employers, building owners, contractors
13 and tenants can work together with us to make sure
14 there are plans in place to relocate workers and
15 adequately compensate and notify them of the changes
16 to come. We have seen good examples of this like
17 with S.R. Green at One Vanderbilt and Pfizer as they
18 relocated to Hudson Yard. We also believe the plan
19 should include both the east and west side of Third
20 Avenue. Given the trans access, currently commercial
21 characters and the economic facility of development
22 on the avenue. Third Avenue can be a key corridor of
23 development in the subdistrict and help advance the
24 goals of rezoning. Finally, we urge the Council and
25 city to work with the real estate industry to

2 establish a pricing mechanism with the air rights
3 that both [bell] incentivize and development and
4 provide the resources the community needs for
5 necessary trans and neighborhood improvement. With
6 responsible development East Midtown can continue to
7 be a hub of good quality jobs as we seek to work
8 together with developers, contractors, tenants and
9 employers on protecting existing building service
10 workers. We seek to ensure the creating of good
11 quality cleaning and security jobs as we develop
12 post-rezoning. Thank you.

13 CHAIRPERSON RICHARDS: Thank you for your
14 testimony. [pause]

15 JIM CORRINE Good afternoon. I'm Jim
16 Corrine Omni (sic) Inspection Management Corporation.
17 My family and I own the Lever House as well as to
18 other landmarks, 240 Central Park South and 608 Fifth
19 Avenue. We strongly support there Greater East
20 Midtown Rezoning. We followed this process for
21 years, and they've always fully agreed that East
22 Midtown should be rezoned in preparation for the
23 demands of the 21st Century. This preparation must
24 encompass the roles of both new buildings and
25 landmarked buildings that together represent the best

2 of New York. By providing a broad straightforward
3 and manageable transfer of landmarked development
4 rights, we believe the rezoning will put landmark
5 owners like us in a position to properly maintain and
6 preserved landmarked properties in keeping with their
7 historic significance. In order to succeed, the
8 rezoning needs to create significant demand for
9 available development rights. We share the concern
10 expressed by Manhattan President Gale Brewer, REBNY
11 and others that the proposed floor price for
12 transfers is too high for office buildings and it
13 will discourage development. The proposed minimum
14 value for transfers should be reduced or eliminated
15 in order to generate the healthy demand, which will
16 be necessary to achieve the stated goals of the
17 rezoning. We are committed to ensuring that Lever
18 House remains an iconic building and an active part
19 of the thriving globally competitive East Midtown.
20 We believe that a thoughtful implementation of the
21 Greater East Midtown Rezoning will be beneficial for
22 landmarks and new neighborhoods. Thank you.

23 CHAIRPERSON RICHARDS: Thank you.

24 ALAN DUTTON: My name is Alan Dutton. I'm
25 General Manager of the Yale Club in New York City,

1 which owns and occupies the building located at 50
2 Vanderbilt Avenue between East 44th and 45th Streets.
3 Thank you Chair Richards, Council Member Garodnick
4 and members of the subcommittee for the opportunity
5 to speak today on the Greater East Midtown Rezoning
6 Proposal. While the club generally the Greater East
7 Midtown Rezoning Proposal, it is adamantly opposed to
8 the implementation of the Shared Suites Program on
9 Vanderbilt Avenue as proposed by the DOT in
10 connection with the Zoning Proposal for Greater East
11 Midtown. The club is the largest university club in
12 the world. The 22-story clubhouse includes 138 guest
13 rooms, two restaurants, athletic facilities, meeting
14 and banquet rooms can accommodate up to 350 guests,
15 employed 250 people. On any given day a thousand
16 people come in and out of the club including many
17 Albany people and peopled with disabilities. The
18 club was designated a New York City Landmark in
19 November 2016. The East Midtown Proposal provides
20 for a Public Real Improvement Fund, which would be
21 funded by contributions generated by landmark
22 development rights, transfers and would facilitate
23 improvements to the public realm in the area. The
24 proposal contemplates that the fund will be
25

2 administered by a governing group, which would adopt
3 a concept plan containing a list of priority
4 improvements. To inform the initial concept-concept
5 plan, a suite of conceptual Public Realm Improvements
6 has been prepared by the New York City DOT. One such
7 improvement identified-identified by the DOT with
8 very little consultation with the club or the Steak
9 House is the implementation of the Shared Streets
10 Program along Vanderbilt Avenue, which would make
11 pedestrians the primary users of the street, and the
12 vehicles allowed as invited guests subject to a-speed
13 limits of no more 5 miles an hour. To date, despite
14 the objections of the property owners on the street,
15 there has been no acknowledgment of our concerns by
16 the DOT or the City. In a letter to Manhattan
17 Borough President Gale Brewer dated April 20-April
18 12th, Deputy Mayor Alicia Glen announced the city's
19 commitment to piloting the shared streets on the
20 street to be determined in the Greater East Midtown
21 District. While the details of the Shared Streets
22 Program were not included in FEIS, I asked for the
23 DOT's presenting materials. Applying it to
24 Vanderbilt Avenue would essentially land lock the
25 club by severely limiting or precluding vehicular

2 access to its only public entrance, which is located
3 on Vanderbilt Avenue between 44th and 45th Street.
4 This could result in unacceptable increased response
5 times for first responders and other emergency
6 vehicles, which will require immediate access with as
7 few obstructions as possible. Moreover, the Share
8 Streets Program is lodge in testing (sic) in New York
9 City with the exception with one shared street in
10 Jamaica. Although the Yale Club remains skeptical
11 about the viability of the Shared Streets concept on
12 Vanderbilt Avenue, we appreciate the commitment set
13 forth in the City Planning Commission on rezoning.
14 We—we commend Council Member Garodnick, the City
15 Planning Commission and the Borough President for
16 their hard work with this rezoning. Though the club
17 largely supports the proposals, it remains very
18 concerned about the implementation of the Shared
19 Streets concept on Vanderbilt Avenue. Thank you.

20 CHAIRPERSON RICHARDS: Thank you.

21 MALCOLM KAYE: Good afternoon. My name
22 is Malcolm Kaye. I'm a partner at Development
23 Consultant Services. We are zoning consultants, and
24 our practice is exclusively devoted to New York City
25 zoning. That's all we do is New York City zoning. My

1 partner Michael Parley was co-author of the Special
2 Midtown District in the 1980s when he was a senior
3 urban designer with the Department of City Planning.
4 So, we do know what we're talking about. The City
5 Planning Commission has sent you a very farsighted,
6 fair and competent proposal, which balances the need
7 to revitalize East Midtown as a business center with
8 the interests of the community and landmarked
9 properties. I would like to congratulate City
10 Planning on proposing an excellent set of regulations
11 and I encourage the Council to adopt it. My partners
12 and I have analyzed numerous sites under the existing
13 and the proposed regulations. As a result, we
14 understand very well how the proposed regulations
15 impact actual potential development sits within the
16 East Midtown Subdistrict. It is our opinion that the
17 proposed regulations work extremely well. There have
18 been concerns that modifying the height and setback
19 requirements will reduce the light and air in East
20 Midtown. Midtown height and setback controls were
21 written in 1981 and '82 to accommodate buildings with
22 15 to 18 FAR floor area. It is absolutely necessary
23 to update the height and setback requirements for
24 East Midtown now, because the existing zoning law
25

2 simply cannot accommodate 21 to 30 FAR buildings.

3 The need to do this is exacerbated by the fact that

4 the floor-to-floor heights required for Class A

5 offices have increased over the last 35 years. We

6 think that City Planning has done an admirable job of

7 modifying the regulations to allow as-of-right

8 without sacrificing the public's access to light and

9 air. I strongly encourage you to enact this

10 outstanding proposal. Thank you.

11 CHAIRPERSON RICHARDS: Thank you.

12 MICHAEL PANTELIDIS: Hello. I'm Michael

13 Pantelidis Vice President of Public Affairs for the

14 New York Building Congress. I'm submitting the

15 testimony Of Carlo Scissura, President and CEO of the

16 New York Building Congress. Thank you to Chair

17 Richards and the Subcommittee on Zoning and

18 Franchises for hearing our testimony. The New York B

19 Building Congress is a membership coalition

20 representing more than 500 constituent organizations

21 and 250,000 trades people and professionals including

22 contractors, architects, engineers, unions, real

23 estate mangers, developers and owners who comprise

24 the New York building industry. Through its advocacy

25 initiatives, industry research and networking events,

1 the Building Congress serves as a forum through which
2 leaders from across the building industry can
3 collaborate ensure the growth and success of New York
4 and the building industry as a whole. Consistent
5 with its mission of building a better New York, the
6 Building Congress strongly supports the city's
7 Greater East Midtown Zoning Proposal. The proposed
8 measure would will generate thousands of jobs and
9 economic opportunities for members of the building
10 community and beyond. The Greater East Midtown
11 Business District, a 73-block area surround Grand
12 Central Terminal is a major job hub and one of the
13 world's premier office districts. Its 600 million
14 square feet of office space are home to more than a
15 quarter of a million jobs and some of the city's most
16 iconic office buildings. However, the neighborhood
17 faces an urgent issue that threatens its premier
18 status: It's outdate office building stock. The
19 current stock lacks the type of space and amenities
20 that are desired by world class tenants that the area
21 once attracted. Furthermore, the existing zoning
22 framework prevents necessary improvements from being
23 made. Over the course of five years in collaboration
24 with various community stakeholder the Department of
25

1 City Planning has formulated a plan to rezone East
2 Midtown. The plan will incentivize the development
3 of modern sustainable Class A office space and reduce
4 challenges for the redevelopment of outdated and
5 over-built buildings. Without taking this proactive
6 measure and implementing the proposed plan, the
7 neighborhood will have failed to maximize on its full
8 potential. For this reason, the Building Congress
9 urges the City Council to ensure the execution of
10 DCP's Rezoning Plan. In addition to updating the
11 office building stock, the plan would offer more
12 public spaces for residents to enjoy as well as
13 update the area's existing transit infrastructure.
14 Other anticipated projects including the Economic
15 Development Corporation proposed East Midtown
16 Waterfront project, which—which will supplement
17 rezoning efforts by creating a 22-block Esplanade to
18 allow for a bikeway and walkway along the waterfront
19 and providing residents with access to the East
20 River. The Building Congress will continue to
21 encourage and actively promote the implementation of
22 projects such as the proposed East Midtown Rezoning
23 so as to ensure the stability and vitality of New
24 York's thriving neighborhoods. On behalf of our
25

2 constituent organizations and trades people who
3 comprise New York's building industry, we hope the
4 New York City Council will consider the advantages of
5 the proposed plan and see that it is implemented.
6 Should you have any questions, or if any of our
7 members can ever be of assistance, please do not
8 hesitate to contact us. Thank you.

9 CHAIRPERSON RICHARDS: Thank you. You
10 maybe begin, ma'am. Would you mind switching seats
11 with her, sir? So, she can-[pause]? Thank you.

12 MARSHA CABAN: Good afternoon Chair
13 Richards and members of the Subcommittee of Zoning
14 and Franchises, I am Marsha Caban, Executive Director
15 of Central Synagogue. Central Synagogue is the older
16 Jewish house of worship and continuous worship in the
17 State of New York. Our congregation comprises over
18 2,000 households and more than 6,000 individuals. We
19 treasure the landmarked status of our sanctuary,
20 which is located at the corner of East 55th and
21 Lexington. Our sanctuary was one of the earliest
22 designated New York City landmarks in 1966. While
23 our religious and educational missions will forever
24 be our first priorities, we are immensely proud of
25 the landmarked sanctuary building, but the cost of

1 maintaining the building is high. As a landmark we
2 cannot alter the appearances of our sanctuary. We
3 have to fix and maintain the many unique
4 architectural features. It's quite expensive and
5 unlike a standard commercial building we are unable
6 to substitute less expensive methods or materials.
7 The East Midtown Zoning Proposal before you is
8 essential for the revitalization of East Midtown as a
9 commercial district. It will help us sustain
10 landmarked houses of worship such as Central
11 Synagogue by allowing development rights to be
12 transferred to other sites throughout the district.
13 The rezoning addresses many of the challenging issues
14 facing East Midtown including the dearth of receiving
15 sites that preclude landmark transfers. We,
16 therefore, urge your support for the proposed
17 rezoning area, and the proposed FAR and Bulk Rules
18 that will help ensure an available supply of viable
19 development sites for the receipt of unused floor
20 areas from landmarked properties. Our sanctuary has
21 approximately 150,000 square feet of unused
22 development rights. The proceeds from the potential
23 sale of these development rights would help us to
24 advance our mission and to maintain the upkeep of our
25

landmarked building. Not-for-profits and religious organizations like us do not receive funds from the landmarked buildings, nor do they receive public funding. The air right transfers must generate significant funds to help compensate landmark owners with the economic burden of ongoing maintenance and rehabilitation costs. Like other religious institutions with landmarked properties in East Midtown, we have concerns about the floor price used to calculate the minimum public realm contribution from the landmark owners. It is essen-essential that this contribute-contribution rate be set at no more than the current proposal of 20% of the transaction price and that there be no floor price or minimum contribution amount regardless of the actual amount received by the landmark owner. The floor price is based on an unrealistic assumed minimum sale price rather than relying on the market to establish the price for air rights. We do not believe landmarks should be treated adversely by having a minimum tax amount on a sale, while all other real estate transactions in New York City are based upon a percentage of the actual consideration received without a floor. To ensure any such air rights are

2 fairly recorded as a religious institution we have
3 disclosure obligations to the New York City
4 Department of Finance and the New York City Supreme
5 Court. We also believe the price floor could hinder
6 the transfer of air rights since it is not—since it
7 may not be worthwhile to transfer floor area when it—
8 a portion of the amount of the sale price is not
9 actually received. A decrease in transactions would
10 have the unintended affect of decreasing funds for
11 Public Realm Improvements. To ensure that the
12 rezoning continues to support both landmarks and
13 infrastructure improvements, we strongly recommend
14 that the contribution rate not be increased to an
15 amount higher than the current—currently proposed and
16 the floor price for development rights transfer from
17 landmarks be eliminated. We appreciate your
18 attention hearing the views of affected stakeholders
19 as we did in our prior testimony. On behalf of our
20 congregation we wish you the wisdom of Solomon in
21 completing this exercise. Thank you.

22 CHAIRPERSON RICHARDS: Thank you. Thank
23 you for that Biblical term, too. Alright, we're
24 going to go to our next panel. Thank you. Jeffrey
25 Crossler—Crosslair, City Club of New York; Andrea

2 Goldwyn, New York Landmarks Conservancy; Craig
3 Whittaker, City Club; Diedra-Diedra Carson, 120-1248
4 Associates, LLC; Joseph Ginney or Giney-Ginney, 1248
5 Associates, LLC; and Roxanne Warren, Vision 42.

6 [background comments, laughter] Thank you all for
7 your attention. Thank you all for your attention
8 today. You were here all day. You may begin.

9 JEFFREY KRESSLER: Good after-good
10 afternoon. My name is Jeffrey Kressler, Chair of the
11 Preservation Committee of the City Club of New York.
12 I come today not to praise this resolution but to
13 bury it. Essentially, it's 100 years ago that New
14 York enacted its zoning resolution and now on its
15 101st year we are making it irrelevant. This is-
16 what-what brought about the zoning resolution was a
17 terribly large building, the Equitable Building. New
18 Yorkers looked at it and said is this our future, and
19 New York said, no, let's regulate, lets preserve our
20 light, air and quality of life. Turn now to One
21 Vanderbilt. The reaction to One Vanderbilt should
22 have been is this our future? Is this what we want,
23 and then we would have enacted resolutions in the
24 zoning rules to prevent building like One Vanderbilt.
25 What we have instead is a zoning resolution to have

1 an entire district of One Vanderbilt, which is
2 profoundly—profoundly anti the urban values that New
3 Yorkers want. On the preservation front, everyone is
4 patting themselves on the back for the 12 landmarks
5 that have been designated. The Landmarks Chair has
6 said to the preservation community that's it. That's
7 all you get. We're not designating any more no
8 matter how much you beg. So, essentially these are
9 the only historic buildings that are going to be
10 protected, and that we consider to be unacceptable
11 and not good government. Mayor Bill de Blasio has
12 dawned the mantle of progressivism. The zoning
13 resolution for 1916 was the very essence of
14 progressivism. The idea of progressivism was to
15 protect the people from the interests. What we have
16 with this proposal is to privilege the interests
17 against the wishes of the people. For a bit of
18 perspective, I quote from a New York Times editorial
19 from a long time ago, 1974 when there was a change to
20 a zoning resolution. 1974 increasingly the city has
21 been recognizing environmental and social values in
22 its zoning legislation. It has, in fact, treated
23 these regulations as a tool to improve New York or
24 safeguard what is good about it. New York's planners
25

2 are continuing a trend toward the progressive and
3 creative interpretation of zoning in the interests of
4 a more livable city. In this entire zoning
5 resolution no one has talked about the quality of
6 life [bell] for the citizens of New York Thank you.

7 CHAIRPERSON RICHARDS: Thank you. Sir,
8 you may begin. Hit your mic button. Yes.

9 CRAIG WHITAKER: Thank you, Mr. Chairman.
10 My name is Craig Whittaker. I'm an architect, urban
11 designer and former president of the City Club of New
12 York. I have three general observations about this
13 proposal, and the first is that the--the City Planning
14 staff has stated that he reasons for this are
15 essentially to provide new office space rather than
16 trying to glue additional floors under an existing
17 build, which is always a perilous undertaking, they
18 would like to see new building produced. Two of the
19 reasons for this were first that there be greater
20 floor to floor heights to accommodate the plenums of
21 wiring that are needed for a technologically
22 sophisticated business, and secondly buildings or to
23 create buildings that had a column free environment.
24 Well, the only two buildings that I know that were
25 column free in Manhattan, office buildings were the

2 north and south towers of the World Trade Center. We
3 think that the new buildings must be wired with
4 enormous plenums. I only would use the two words
5 WiFi as a way of diminishing the need for these
6 heights. [off mic] [on mic] Sorry. I seemed to
7 have not pushed my button. The second point that I'd
8 like to make is that many cities around the world
9 particularly since the second world war have realized
10 that a central business district is full however they
11 might define it whether it's space, maximum use of-of
12 infrastructure and have created new districts. Now,
13 all of these that I know about had—all of the
14 successful ones have a common denominator and that is
15 that they're mixed use. Perhaps the best and first
16 was Battery Park City. Residential use, public uses,
17 office space for sure, Hudson Yards, Pudong (sp?) in
18 Shanghai, Canary Wharf in London. But here this
19 proposal is intended to create more of a monoculture.
20 That is to limit or discourage other uses to
21 encourage only the office space itself. The third
22 point that—I—I—I would make is maybe the most
23 important, and it has to do with—[background
24 comments, pause] Thank you. So much for that.
25 [laughter]

2 CHAIRPERSON RICHARDS: I think the mic
3 doesn't bite.

4 CRAIG WHITAKER: The—the third is the
5 question of light and air. We all know since the—the
6 Seagram Building was finished in 1957, that the
7 development community could provide open space, which
8 government no longer seemed to have the political
9 resolve to do so, but light and air and park and
10 plaza are almost four words that you can use in the
11 same sentence now. I would say to you that one of
12 the most important ingredients for light and air are
13 the mid-blocks—[bell] Does that mean I'm done?

14 CHAIRPERSON RICHARDS: Ten more second.

15 CRAIG WHITAKER: Thank you, Sir.

16 CHAIRPERSON RICHARDS: Only because you
17 couldn't get the—the button on.

18 CRAIG WHITAKER: Thank you very.

19 CHAIRPERSON RICHARDS: Okay.

20 CRAIG WHITAKER: The 1916 Zoning
21 Resolution recognized that the more valuable
22 properties were on the avenues with greater light and
23 air. The smaller less tall buildings would be on the
24 side streets, and it is those buildings, which
25 provide light and air on the street. The City

2 Planning staff's allowance of letting big buildings
3 bleed into the mid-block now. I don't want to sound
4 hyperbolic but it is one can imagine most of East
5 Midtown eventually being in shadow with this kind of
6 a proposal. It doesn't seem to be in the city's
7 interest at all. Thank you.

8 CHAIRPERSON RICHARDS: Thank you, Mr.
9 Whitaker.

10 ANDREA GOLDMAN: [coughs] Good afternoon
11 Chair Richards, Chair Greenfield, and Council Member
12 Garodnick. I'm Andrea Goldman speaking on behalf of
13 the New York Landmarks Conservancy. [coughs] Excuse
14 me. The Conservancy was pleased to be a member of
15 the East Midtown Steering Committee and thanks
16 Council Member Garodnick and Borough President Brewer
17 for their leadership. Some four years ago we
18 testified against the previous plan, which almost
19 entirely ignored the significant architecture in this
20 section of the city. Our main focus then and now is
21 the protection Midtown East historic buildings.
22 Through the steering committee and interagency
23 process Landmarks has taken a much more central role
24 and the Landmarks Commission designated 12 individual
25 landmarks last year. We're delighted with these 12

landmarks, but there is more to do. Our priority list for designation includes sites such as the Hotel Intercontinental, and Poston Building, which are eligible for listing on the National Register. They're now labeled as protect-excuse me-projected development sites. We urge the LPC to bring them to a public hearing. The proposal envisions up to 16 massive new buildings. If all are built, it will strain transit, light, air, and quality of life for residents and workers. City Planning sets on primarily on avenues and wide streets to ameliorate some of that burden. We oppose any effort to expand the definition of qualifying sites to include full mid-blocks, which would surely be a loophole to the Sliver Law, which is protect low-scale mid-blocks since the 1980s. Regarding the landmark TDR Program, we believe that landlocked landmarks will benefit from the opportunity to sell their development rights across the rezoning area. As you know, the original intent of the 74-79 Transfer Provision was to provide building owners significant relief from the cost of maintaining landmark buildings and to assist in their overall preservation. We appreciate that the proposed 20% assessment is at the low end of the

1 range that the steering committee recommend, and it
2 should ensure that this intent can be realized. We
3 opposed the minimum contribution, which would
4 disadvantage landmarks. The market is unpredictable
5 and the three to five-years schedule of evaluation
6 insufficient. As we've seen, a lot can change in a
7 few years. With the floor contribution, the city
8 will be creating a set stream of revenue for itself
9 while landmark owners have no such guarantee. Once
10 the assessment is collected, the proposal should
11 provide better guidance on how it's to be used to
12 ensure it truly benefits the Midtown East Community.
13 A list of Non-Transit Public Realm Improvements
14 should be memorialized, and it should be clear the
15 improvements go beyond standard upgrades. The list
16 of MTA improvements is extensive, and as two-thirds
17 of them are outside of the rezoning area, one could
18 conclude that the MTA could add to the list
19 indefinitely using all of the funds before any above-
20 ground work is undertaken. This plan will bring
21 substantial new developments to Midtown East. It's
22 been successful in creating certainty for developers
23 and has surpassed its predecessor in what it gives to
24

2 the public, but that job is not complete. [bell]

3 Thank you.

4 CHAIRPERSON RICHARDS: Thank you.

5 DIEDRA CARSON: Good afternoon, Chair
6 Richards, Chair Greenfield and Council Garodnick and
7 members of the Subcommittee. I'm Diedra Carson of
8 Greenberg Traurig and we represent 1248 Associates,
9 which is in the process of developing a new 32-story
10 hotel at 1214 East 48th street. My client will be
11 adversely affected by the passage of the Greater East
12 Midtown Zoning Legislation before you. The proposed
13 text will for the time in 100 years of zoning in New
14 York make hotel use in Midtown a non-conforming use,
15 and it may only be established by special permit from
16 the City Planning Commission. We are here today for
17 a very limited purpose, to request that the Council
18 amend proposed Section 81-621 of the text to provide
19 that any hotel development that obtained its complete
20 building permits and had commenced construction prior
21 to the enactment date of the text, will not be
22 subject to the special permit requirement,
23 effectively vesting the right to build under the law
24 as it exists today. My client's project has been in
25 planning, development, and construction for more than

1 three years. The site was acquired in 2014, and
2 among other things, a demolition permit was obtained
3 in June of 2015, an application for complete plans
4 and permits was filed with the DOB in June of 2016.
5 A full foundational permit was issued on January 30,
6 2017 and the balance of the permits are being issued
7 as this testimony is being given. Material
8 obligations have been incurred to third parties
9 including a hotel operator, a lender and the
10 project's contractors. Foundations have been
11 commence, excavation is complete, but construction of
12 the foundation is not expected to be complete until
13 September. In case such as this, the City Planning
14 Commission and City Council have on many occasions
15 adopted special vesting rules to protect developers
16 who had expended material resources in planning and
17 starting to build, but who cannot ensure foundation
18 completion by a zoning enactment date. These types of
19 provisions may be found, for example, in Zoning
20 Resolution Sections 11-281 to 11-338 and in Section
21 111-20(d)(4) of the Zoning Resolution. In some
22 cases, the provision in question did benefit only a
23 single project. While we and our client are
24 confident that we will prevail if forced to go to the
25

2 BSA for an additional six months to complete the
3 foundation of the new building pursuant to Zoning
4 Resolution 11-331. The financial damage that our
5 client would needlessly suffer in doing so seems
6 counterproductive and the delays that result could
7 place the client's contractual arrangements with its
8 operator and lender in jeopardy. We, therefore, ask
9 the Council to amend the proposed text to add a
10 provision to proposed Section 81621 to vest the right
11 of developers of new hotel developers who have
12 approved plans and have commenced construction prior
13 to the date of enactment to allow them to continue
14 construction without interruption when the next text
15 takes effect. [bell] Thank you for this opportunity
16 to speak.

17 CHAIRPERSON RICHARDS: Thank you.

18 ROXANNE WARREN: [coughing] My name is
19 Roxanne Warren.

20 CHAIRPERSON RICHARDS: You mic's on? Did
21 you press the button? Okay, okay, is it red? If it's
22 red it's on. Okay. Alrighty, I'm sorry.

23 ROXANNE WARREN: Oh, okay.

24 CHAIRPERSON RICHARDS: Proceed. I'm
25 sorry. I hear you better now. Thank you.

2 ROXANNE WARREN: My name is Roxanne
3 Warren. I'm an architect and I'm Chair of the
4 Project Vision 42, which is a citizens' initiative to
5 re-imagine upgrades to surface transit in Midtown in
6 Manhattan with a low floor like rail line running
7 river to river on 42nd Street within a landscaped
8 pedestrian boulevard. The proposed East Midtown
9 Rezoning would add some six million square feet to
10 what is already the most congested business district
11 in the nation. In order for such high density
12 development to avoid congestion and to fluidly
13 function, attention has to be made to paid first to
14 the district's transport systems. We strongly
15 recommend that the planners consider the proven
16 advantages of surface light rail for this function
17 for its greater capacities, comfort, compact design
18 and reliability. At the same time, space should be
19 reserved for natural elements as landscaped
20 environments are very much appreciated where humans
21 are packed so closely together. A group of
22 distinguished consultants have studied this plan, and
23 made the recommendations. As designed, Vision 42
24 would incorporate a 2-1/2 mile [coughs] low floor
25 light rail line traveling river to river in 21

1 minutes with vehicles arriving every 3-1/2 minutes at
2 peak hours and every four minutes at off peak. It
3 would link subways, needless to say Grand Central
4 Terminal and other transport hubs, ferry terminals,
5 the United Nations Headquarters, and many other of
6 New York's major destinations. The U.N. is one of
7 New York's great glories, which we should honor and
8 we should honor the U.N. with a grand entrance on or
9 close to 42nd Street instead of where it is now. It
10 is going to be—the U.N. is looking to move its new
11 visitor's center closer to 42nd Street. [bell] Two-
12 two quick questions: Why auto free? Currently,
13 although half a million people arrive daily at 42nd
14 Street's major transit hub, some 60% of the street
15 space is allocated to motorists. This current
16 allocation of street space, motorists or pedestrians
17 is grossly unjust. In fact, there are already six
18 times as many pedestrians as motorist in this
19 district. We should, instead, be putting people
20 first since pedestrians need to be on this vital
21 street. Motor vehicles can be shifted to other
22 streets. The other question is why light rail rather
23 than buses? It's—rails create a self-enforcing path
24 resulting in more dependable trip times. It has a
25

2 smoother more appealing ride. Therefore, a record of
3 attracting passengers of all income levels, and the
4 man should appreciate that. It has three times the
5 capacity of buses and, therefore, no bus bunching and
6 its permanence reinforces new development. Surface
7 light rail can provide by its very nature inexpensive
8 ADA accessibility, which is important for New York
9 City with its growing population of elderly
10 residents. Okay, thank you.

11 CHAIRPERSON RICHARDS: Thank you, Ms.

12 Warren, and

13 ROXANNE WARREN: You're welcome.

14 CHAIRPERSON RICHARDS: --Council Member

15 Garodnick has a question.

16 COUNCIL MEMBER GARODNICK: Thank you, I-I
17 just had a follow up on the--the point about the
18 hotel. So, you are already pretty far along in the--in
19 the development of this project, is that right?

20 ROXANNE WARREN: Yes, and the--not in the
21 construction of the super structure of the above-
22 grade structure, but in the construction of the
23 foundation, and we expect that by the time of
24 enactment we will have expended approximately 61% of
25 the total foundation budget, and that will include

2 the construction of 47 cason piles, the pouring of
3 approximately 35% of the foundation mat and the
4 foundation walls and then, of course, there's already
5 been all of the excavation, the underpinning is
6 essentially complete as of this point of the adjacent
7 property so--

8 COUNCIL MEMBER GARODNICK: And at the
9 time that you commenced the--the work on the
10 foundation, were you aware of this proposal or was
11 this proposal in certification? What--what stage was
12 this proposal in?

13 ROXANNE WARREN: [coughs] Well, we got
14 our foundation permit on January 30th, although we
15 had applied for our permits in June of 2016, and
16 that's a comment on how long it takes to get our
17 complicated project through the Department of
18 Buildings these days. And so, they began--they
19 commenced excavation immediately and started to do
20 the construction of the foundation when we discovered
21 an encroachment from a neighboring building that had
22 not been accounted for in the engineering and the
23 design of the foundation, and so some adjustments had
24 to be made. Plans had to be modified and a--and a
25 filing was made at the end of April to provide for

2 that. So, that has slowed our foundation
3 construction process down.

4 COUNCIL MEMBER GARODNICK: But you
5 applied in June of 20--?

6 ROXANNE WARREN: 2016.

7 COUNCIL MEMBER GARODNICK: Now, the
8 problem for you all as I understand is if we pas this
9 zoning proposal with a special permit requirement for
10 a hotel, then you would at--at that point--

11 ROXANNE WARREN: [interposing] At that
12 point---

13 COUNCIL MEMBER GARODNICK: --need to--

14 ROXANNE WARREN: We would apply to the
15 Board of Standards and Appeals under Section 11-331,
16 which permits the Board to give--give developers in my
17 client's position up to six months to complete
18 foundation construction and thereby vest their rights
19 under the laws that existed prior to the new
20 enactment. So, we would under no circumstances be
21 going for a special permit. We would just suffer a
22 loss of--a delay in the project and now an additional
23 delay with some of the ones we've had up to this
24 point while we went to the BSA, and it's very
25 difficult to predict how long that process could

2 take. I've done quite a few of these cases and they
3 really run the gamut.

4 COUNCIL MEMBER GARODNICK: What--what is
5 the range of time that's--

6 ROXANNE WARREN: Six weeks was
7 phenomenally fast. I think most of them were in the
8 vicinity of four to five months, and it's a--it's--part
9 it's the function of the way that the Board of
10 Standards and Appeals is conducting its business at
11 the time. There are--different chairs have different
12 procedures for how they move cases along, and you
13 can't always predict how long it's going to take.

14 COUNCIL MEMBER GARODNICK: So, it's six
15 weeks to four to five months to get the action BSO--
16 BSA?

17 ROXANNE WARREN: Correct, and during that
18 time we would not be able to work.

19 COUNCIL MEMBER GARODNICK: You wouldn't
20 be able to work and then it would require--then they
21 would if they granted it to you give you six months
22 to complete the foundation?

23 ROXANNE WARREN: Correct.

24

25

2 COUNCIL MEMBER GARODNICK: And you—as you
3 sit here today believe that this foundation will be
4 complete when?

5 ROXANNE WARREN: Sometime in mid-
6 September.

7 COUNCIL MEMBER GARODNICK: And if you—if
8 you don't get this relief from the Council and you
9 have to go to the BSA with your six weeks to four to
10 five month delay, what will that—what would that mean
11 for the projects?

12 ROXANNE WARREN: Well, of course the—the
13 contracts crack—the contractors get demobilized. So
14 they leave the site and some of them may take on
15 other jobs during the time depending on the length
16 the delay, and then when you get ready to remobilize
17 it may take some time. So, the six months to finish
18 of five finish with BSA could turn into a much longer
19 period of time to remobilize the job and get back to
20 construction. In the meantime, my client has made
21 commitments contractually to both an operator for the
22 hotel and to its lender to complete the job within a
23 certain time period, and it may be unable to either
24 meet those time tables or to negotiate extensions of

2 time. This could ultimately affect the viability of
3 the project.

4 COUNCIL MEMBER GARODNICK: And the last
5 question. The standard for BSA granting you that six
6 months under 11-331 what is it?

7 ROXANNE WARREN: It requires the showing
8 that you have complete plans and permits, that you
9 have completed excavation and that you've made
10 substantial progress in the construction of the
11 foundation, and I can tell you that on the basis of
12 our survey of cases decided by the Board of Standards
13 and Appeals what I've described to you will be more
14 than sufficient to meet that test.

15 COUNCIL MEMBER GARODNICK: Thank you.

16 CHAIRPERSON RICHARDS: Thank you, Council
17 Member Garodnick. Alright, and we'll go into our-
18 our. You weren't testifying? I just want to make
19 sure, Mr. Joseph? You okay? You're testifying now.
20 Okay. Okay, so thank you.

21 ROXANNE WARREN: That--this is my client.
22 He is here in case there were questions.

23 CHAIRPERSON RICHARDS: Oh, okay.
24 Alrighty, well, keep-keep working with Council Member
25 Garodnick. Thank you. Alrighty. We'll go to the

2 last panel. Going on seven hours now. George
3 Haikalis--Haikalis Did I get it? Haikalis. Did I
4 get that right, George? [background comments,
5 Lawrence Sisalone--Sicular (sp?) Alright, it's your
6 handwriting. It's not me. [background comments,
7 Alrighty, you got handwriting like me. James Collins
8 and Edward Walters, and is there anyone else that's
9 testifying today? Alrighty. [background comments,
10 pause] Alright, you may begin. [pause]

11 LARRY SICULAR: Is it on now? Yes. My
12 name is Larry Sicular. I'm here as a member of the
13 City Club. Professionally I'm a real estate appraiser
14 and a real restate broker. I'm here to question some
15 of the--this project is very far along. Nevertheless,
16 I would like to question some of the assumptions. At
17 the risk of being a little repetitive the entire plan
18 assumes the need for new large office plate
19 buildings. Yet, we've seen no studies that establish
20 this need at least no study that has been shared with
21 the public. New large plate office towers are
22 already being built at the World Trade Center site on
23 Vanderbilt Avenue, and in the Hudson Yards.
24 Development of the Hudson Yards has not been as rapid
25 as was--as was anticipated, and the City continues to

2 provide huge subsidies including, but not limited to
3 the \$96 million that was reported this week by the
4 New York Independent Budget Office. I urge City
5 Council Members to consider that the full absorption—
6 the full absorption of the towers in the Hudson
7 Yards, and full commitment to those sites perhaps
8 should proceed developing competing towers in Midtown
9 East especially since the city continues to subsidize
10 the Hudson Yards. Midtown East is already so over-
11 crowded the incentive to redevelop is not—any
12 incentives to redevelop is not to encourage the
13 rehabilitation of existing buildings but instead to
14 allow substantial additional density. The permitted
15 floor to area ratio will roughly double in some
16 locations from current maximum of 15 times the lot
17 size to as high as 27. Existing light and air
18 regulations will be severely compromised as has been
19 outlined by others. If these new buildings are
20 permitted, they, too, will be eventually outdated.
21 Does this mean that the only available incentive to
22 revitalizing the Midtown Office District in 40 to 50
23 years is again to add 50 or 100% to floor area of the
24 new buildings that we're permitting now. In other
25 words, are we getting on a track of continually over

2 centuries increasing the height of Midtown with no
3 limit because the only way we can find to incentivize
4 redevelopment is to allow additional height. I think
5 this is something that you might want to consider.
6 This proposal presumes that increased density will
7 necess--necessitate improvements to midtown Subway
8 stations, but that additional trains going through
9 those stations will not be needed. [bell] This is a
10 surprising finding giving more--the constant crowding
11 and delays in the transit system. Do we really
12 believe that these new buildings will not contribute
13 to overcrowding of the subway cars themselves? And
14 that is all I have to say. Thank you.

15 CHAIRPERSON RICHARDS: Thank you. You
16 may begin, sir.

17 JAMES COLLINS: [off mic] Chairman
18 Richards--

19 CHAIRPERSON RICHARDS: Hey, hit your mic,
20 fellow, hit your mic.

21 JAMES COLLINS: [off mic] Oh, the mic is
22 not on.

23 CHAIRPERSON RICHARDS: There you go. Is
24 it on? Is it red? Alrighty, there you go.

2 JAMES COLLINS: Council Member Garodnick
3 and a few survivors of the seven marathon-seven-hour
4 marathon hearing. My name is James Collins. I'm one
5 of the people referenced in the sign above your-your
6 head there, Mr. Chairman. Incentive zoning or
7 trading zoning variances in exchange for public
8 amenities was once aptly described as sanctioned
9 [laughter] bribery abiding a private sector that can
10 buy its way out of legal restrictions. The transit
11 improvements envisioned by the proposed zoning text
12 amendment for Greater East Midtown are an excellent
13 example. First, they bear no obvious relationship to
14 the up-zoned lots they would permit. Unlike transit
15 improvement let's say Zeckendorf Towers of City Corps
16 Center, they are not adjacent to or even near the up-
17 zoned buildings they would allow. Second, they are
18 literally one-shot payments. While zoning incentives
19 for above-ground accoutrements like plazas or atriums
20 require developers to pay for the maintenance, repair
21 and replacement of the-over their lifetime, transit
22 improvements once paid, carry no additional costs.
23 If transit improvements are required to accommodate
24 more commuters in East Midtown because developers
25 built bigger buildings, then the developer who

2 benefits from the large building, not taxpayers and
3 straphangers should bear the costs of maintaining the
4 related transit improvements throughout the lifetime
5 of the up-zoned property. But if there is no
6 demonstrable nexus between the up-zoned property and
7 the related transit improvement, then such
8 improvements should not be considered as zoning
9 incentives for East Midtown zoning. Instead the DCP
10 should simply abandon the charade and acknowledge the
11 city—New York City Zoning Regulation is a cash and
12 carry affair with zoning variances up for grabs to
13 the highest bidder. The cost of the proposed East
14 Midtown Transit Improvements can and should be born
15 by the developers for the lifetime of the up-zoned
16 property. They should be collected under threat of a
17 lien or by a certificate of occupancy that is
18 contingent upon the proposed payment of the cost of
19 maintenance, repair and replacement of the related
20 transit improvement. Thank you, Mr. Chairman.

21 CHAIRPERSON RICHARDS: Thank you, Mr.
22 Collins.

23 GEORGE HAIKALIS: Good evening. I mean
24 good afternoon. My—my name is George Haikalis, and
25 I'm the President of the Institute for Rational Urban

1 Mobility. IRUM is a New York City based non-profit
2 concerned with reducing motor vehicular congestion
3 and improving the livability of dense urban places.
4 IRUM urges the City Council to delay approval of East
5 Midtown re-zoning until the Department of City
6 Planning a comprehensive street use plan for the
7 Manhattan Central Business District, and a
8 comprehensive regional rail plan focusing on Midtown
9 Manhattan. This request was made during the Planning
10 Commission's environmental scoping for East Midtown--
11 a copy on the back side of that--but was ignored. The
12 City Council must act responsibly and demand that
13 Planning precede rezoning. Adding more than 6
14 million square feet of new office space in the heart
15 of the nation's most congested business district
16 without any significant improvement to its impassable
17 sidewalks and its already overcrowded transit system
18 is a recipe for a catastrophe--catastrophic failure. The
19 City Council should demand that the Planning
20 Department first develop comprehensive plans for the
21 enhancement and expansion of its transportation
22 facilities and services before this rezoning is
23 proposed. IRUM has long proposed a river to river
24 light rail boulevard on 42nd Street to improve cross-

2 town surface transit, and greatly increase pedestrian
3 space particularly in East Midtown. This could serve
4 as a model for an extensive grid of auto-free light
5 rail streets in the core of Manhattan. IRUM
6 continues to urge transit agencies to advance plans
7 to remaking the three commuter rail lines that serve
8 the Manhattan Business District into a coordinated
9 regional rail system with frequent service,
10 integrated fares and through running first at Penn
11 Station and then continuing to Grand Central. This
12 would ease access for west of Hudson commuters
13 through East Midtown diverting from crowd-crowded
14 subways. With through running in the connection
15 there would be no need to expand Penn Station to the
16 south with its disruptive demolition and of dozens of
17 buildings that house thousands of workers. Thank
18 you.

19 CHAIRPERSON RICHARDS: Thank you. You
20 may begin, Sir.

21 EDWARD WALTERS: Hello. My name is
22 Edward Walters.

23 CHAIRPERSON RICHARDS: Hit your mic.

24 EDWARD WALTERS: Oh, it is on?
25

2 CHAIRPERSON RICHARDS: Not literally, but
3 it's--it--press the button.

4 EDWARD WALTERS: [off mic] Hello, my name
5 is--

6 GEORGE HAIKALIS: Yeah, just speak more
7 into the mic.

8 CHAIRPERSON RICHARDS: That will be--and
9 it will be read.

10 EDWARD WALTERS: [off mic] Hello, my name
11 is--Edward Waters [on mic]

12 CHAIRPERSON RICHARDS: Now.

13 EDWARD WALTERS: [on mic] can you hear
14 me?

15 CHAIRPERSON RICHARDS: There now, I hear
16 you.

17 EDWARD WALTERS: Thank you. Hi, I am
18 also with IRUM. I--I'll keep it very short since
19 we've been here a long time. I just want to say as I
20 ride in from Queens and usually a very crowded train.
21 Usually I'm standing in number 7.

22 CHAIRPERSON RICHARDS: I share your pain.

23 EDWARD WALTERS: [laughs] And, on thing I
24 noticed, the--the iconic skyline of Manhattan is being
25 blotted out by tall very indistinctive buildings, and

2 it seems we need a better vision of New York that
3 makes it easier to get around, and keeps our-keeps
4 our beautiful skyline. And if we are going to build
5 new buildings, they should be-fit-fit into a design
6 and not-not be ostentatious, and there for-to benefit
7 as a tax savings for-- So, that's all I have to say.
8 Thanks for your time. I appreciate it.

9 CHAIRPERSON RICHARDS: Thank you so much
10 and thank you all for coming out and testifying. I
11 want to thank Council Member Garodnick and all of the
12 Council Members who came into the hearing today. I
13 want to thank the Administration and also everyone-
14 especially the public for their patience. Just want
15 to reiterate that we at the Council are very serious
16 about taking everybody's concerns into consideration
17 and working towards shaping this plan to be the best
18 plan possible for East Midtown, and you have great
19 leadership in Council Member Garodnick who is a
20 fierce fighter for his community and districts. I
21 know it sounds like a commercial [laughter] but-but
22 it is true. He's really been a-a great leader in the
23 Council, and I have no doubts that this plan will be
24 the best plan for East Midtown as we progress through
25 negotiations. We'll go to Council Member Garodnick

2 if he has any closing statements, and I want to thank
3 everyone for coming out today. Right before I do
4 that, let me just close out the hearing. Are there
5 any more members of the public who wish to testify?
6 Alright, seeing none, I will not close the public
7 hearing on Land Use Items No. 691 and 692 and go to
8 Council Member Garodnick for a closing remark.

9 COUNCIL MEMBER GARODNICK: Thank you. In
10 the interest of time I just want to say thank you to
11 you and also to the people who came to testify today.
12 Obviously, we are—we're not--we're not quite there on
13 this plan, but that's why we have the time allocated
14 to us to sort it out, and I look forward to doing
15 that. So, thank you, Mr. Chairman.

16 CHAIRPERSON RICHARDS: Thank you and I
17 want to thank the Land Use Staff Raju Mann, Dylan
18 Casey, Julie Lubin, Amy Levitan, and everyone who
19 made today's hearing successful. Thank you. We are
20 now finished. [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 July 20, 2017